

4.0 GPA is one of the many Houston small business success stories.

Founded by Henry Keculah, Jr. in 2016, 4.0 GPA's mission is to provide all students, regardless of their socioeconomic background, with the opportunity to attend an institution of higher education.

Henry, Jr. was one of five 2018 Upstart Award Finalist.

Upstart awards recognize African-American entrepreneurs who run successful companies and also give back to their communities.

H.R. 116 is common sense legislation that supports small business like 4.0 GPA, and even the Chamber of Commerce has written in support of it.

I ask my colleagues to join me in supporting H.R. 116.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 116.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Ms. VELÁZQUEZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

STIMULATING INNOVATION THROUGH PROCUREMENT ACT OF 2019

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 246) to amend the Small Business Act to require senior procurement executives, procurement center representatives, and the Office of Small and Disadvantaged Business Utilization to assist small business concerns participating in the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 246

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stimulating Innovation through Procurement Act of 2019".

SEC. 2. DEFINITION OF SENIOR PROCUREMENT EXECUTIVE.

Section 9(e) of the Small Business Act (15 U.S.C. 638(e)) is amended—

(1) in paragraph (12)(B), by striking "and" at the end;

(2) in paragraph (13)(B), by striking the period at the end and inserting ";; and"; and

(3) by adding at the end the following new paragraph:

"(13) the term 'senior procurement executive' means an official designated under section 1702(c) of title 41, United States Code, as the senior procurement executive of a Federal agency participating in a SBIR or STTR program.".

SEC. 3. INCLUSION OF SENIOR PROCUREMENT EXECUTIVES IN SBIR AND STTR.

(a) IN GENERAL.—Section 9(b) of the Small Business Act (15 U.S.C. 638(b)) is amended—

(1) in paragraph (8), by striking "and" at the end;

(2) in paragraph (9), by striking the period at the end and inserting ";; and"; and

(3) by adding at the end the following new paragraph:

"(10) to coordinate, where appropriate, with the senior procurement executive of the relevant Federal agency to assist small business concerns participating in a SBIR or STTR program with commercializing research developed under such a program before such small business concern is awarded a contract from such Federal agency.".

(b) TECHNICAL AMENDMENT.—Section 9(b)(3) of the Small Business Act (15 U.S.C. 638(b)(3)) is amended by striking "and" at the end.

SEC. 4. MODIFICATIONS RELATING TO PROCUREMENT CENTER REPRESENTATIVES AND OTHER ACQUISITION PERSONNEL.

(a) SBIR AMENDMENT.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following new paragraph:

"(4) MODIFICATIONS RELATING TO PROCUREMENT CENTER REPRESENTATIVES.—Upon the enactment of this paragraph, the Administrator shall modify the policy directives issued pursuant to this subsection to require procurement center representatives (as described in section 15(l)) to assist small business concerns participating in the SBIR program with researching solicitations for the award of a Federal contract (particularly with the Federal agency that has a funding agreement with the concern) and to provide technical assistance to such concerns to submit a bid for an award of a Federal contract. The procurement center representatives shall coordinate with the appropriate senior procurement executive and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the agency letting the contract.".

(b) STTR AMENDMENT.—Section 9(p)(2) of the Small Business Act (15 U.S.C. 638(p)(2)) is amended—

(1) in subparagraph (E)(ii), by striking "and" at the end;

(2) in subparagraph (F), by striking the period at the end and inserting ";; and"; and

(3) by adding at the end the following new subparagraph:

"(G) procedures to ensure that procurement center representatives (as described in section 15(l))—

"(i) assist small business concerns participating in the STTR program with researching applicable solicitations for the award of a Federal contract (particularly with the Federal agency that has a funding agreement with the concern);

"(ii) provide technical assistance to such concerns to submit a bid for an award of a Federal contract; and

"(iii) coordinate with the appropriate senior procurement executive and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for the Federal agency letting the contract in providing the assistance described in clause (i).".

SEC. 5. AMENDMENT TO DUTIES OF PROCUREMENT CENTER REPRESENTATIVES.

Section 15(l)(2) of the Small Business Act (15 U.S.C. 644(l)(2)) is amended—

(1) in subparagraph (I), by striking "and" at the end;

(2) by redesignating subparagraph (J) as subparagraph (L); and

(3) by inserting after subparagraph (I) the following new subparagraphs:

"(J) assist small business concerns participating in a SBIR or STTR program under section 9 with researching applicable solicitations for the award of a Federal contract to market the research developed by such concern under such SBIR or STTR program;

"(K) provide technical assistance to small business concerns participating in a SBIR or STTR program under section 9 to submit a bid for an award of a Federal contract, including coordination with the appropriate senior procurement executive and the appropriate Director of the Office of Small and Disadvantaged Business Utilization established pursuant to subsection (k) for the agency letting the contract; and".

SEC. 6. AMENDMENT TO THE DUTIES OF THE DIRECTOR OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION FOR FEDERAL AGENCIES.

Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended—

(1) in paragraph (19), by striking "and" at the end;

(2) in paragraph (20), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(21) shall assist small business concerns participating in a SBIR or STTR program under section 9 with researching applicable solicitations for the award of a Federal contract (particularly with the Federal agency that has a funding agreement, as defined under section 9, with the concern) to market the research developed by such concern under such SBIR or STTR program; and

"(22) shall provide technical assistance to small business concerns participating in a SBIR or STTR program under section 9 to submit a bid for an award of a Federal contract, including coordination with procurement center representatives and the appropriate senior procurement executive for the agency letting the contract.".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Ohio (Mr. CHABOT) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the measure under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. VELAZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 246, the Stimulating Innovation Through Procurement Act of 2019.

For more than 30 years, the Small Business Innovation Research and Small Business Technology Transfer programs, or SBIR and STTR programs as we call them, have provided a critical source of funding to small businesses that engage in research and development.

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The result is higher rates of business formation and job creation, something we can all be proud of.

For the U.S. economy, the SBIR and STTR programs are important to employment in scientific and technical fields. Initially, companies must hire individuals to carry out the research

and development. If research is commercialized, however, sustainable jobs can be created as products are moved to market.

This ingenuity is what makes America a global economic powerhouse. Since its establishment, these programs have helped launch tens of thousands of successful research projects in a wide variety of industries. Yet, small, high-growth firms often face a disconnect when attempting to transfer their SBIR technologies to precision programs.

Today's measure, H.R. 246, bridges this gap and aids small business concerns in commercializing their technology when obtaining government contracts. Statutorily amending the role of acquisition personnel to assist companies in the SBIR and STTR programs levels the playing field for innovative businesses competing in the Federal marketplace.

Closing this gap doesn't just help our government secure the best technologies and ideas; it grows our local communities where many small SBIR- and STTR-funded firms operate.

I applaud the bipartisanship of Ms. FINKENAUER, a freshman Member of Congress, and Mr. CURTIS in their efforts to increase participation of small, innovative companies within the Federal marketplace by guaranteeing them the same assistance other small firms receive from contracting officers.

Mr. Speaker, I urge Members to support this legislation, and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 246, the Stimulating Innovation through Procurement Act of 2019.

I would like to thank the gentleman from Utah (Mr. CURTIS) and the gentlewoman from Iowa (Ms. FINKENAUER) for their efforts on this important legislation.

This bill continues the committee's longstanding emphasis on the commercialization of technologies developed in the Small Business Innovation Research, or SBIR program.

The bill does this by incorporating acquisition personnel into the SBIR and the Small Business Technology Transfer, STTR, programs where appropriate. Under the bill, procurement center representatives, or PCRs, would be required to coordinate and collaborate with Federal agency small business advocates and are responsible for providing small businesses with technical assistance as they navigate the bidding process. Doing so would give small firms a better understanding of the government contracting process and increases their chances of success.

The SBIR and STTR programs are often the first place innovative, small firms look in order to contract with the Federal Government. Unfortunately, it is often difficult for a firm, particularly a new firm, to understand the ins and outs of working with the Federal Government. It can be quite complex.

Providing a new avenue for counseling by utilizing the national network of PCRs will help pioneering, small firms better prepare their proposals for the SBIR and STTR programs.

Mr. Speaker, I urge support for the bill, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 3 minutes to the gentlewoman from Iowa (Ms. FINKENAUER), the author of this legislation.

Ms. FINKENAUER. Mr. Speaker, I rise in support of my bill, H.R. 246, the Stimulating Innovation through Procurement Act of 2019.

My bill helps small businesses compete for government contracts and research grants and gives them the opportunity to grow and innovate.

I grew up in a small town in northeast Iowa, and I am proud to represent communities like mine in Congress. The Iowans I know want to be able to stay and build a life in the communities that raised them. I am proud to introduce legislation that will give the next generation of Iowans opportunities to innovate in our State.

Too often, small businesses, especially rural ones, get locked out of the competition for government contracts and grants. This bill ensures that agency procurement officers will be more directly involved in this process, helping small businesses pursue research that lets them compete for these opportunities.

H.R. 246 requires procurement center representatives and other contracting officials to assist small businesses in the Small Business Innovation Research and Small Business Technology Transfer programs. Making this a statutory mandate levels the playing field for our small businesses, ensuring they won't be at a disadvantage during the bidding process.

It means that when a small business owner in Marion or Manly, Iowa has a great idea that will create jobs in our communities, our government is actually making it easier, not harder, for them to grow and innovate. When Congress supports small businesses, it strengthens communities like mine in northeast Iowa.

I thank my colleague and cosponsor, Congressman CURTIS, and I thank Chairwoman VELÁZQUEZ for her support and leadership of innovative small businesses.

Mr. Speaker, I urge Members to support this legislation.

Mr. CHABOT. Mr. Speaker, I yield 3 minutes to the gentleman from Utah (Mr. CURTIS), who is our chief sponsor of this legislation.

Mr. CURTIS. Mr. Speaker, I thank Ranking Member CHABOT. I rise in support of H.R. 246, the Stimulating Innovation through Procurement Act of 2019. I am pleased to lead as an original coauthor and thank Ms. FINKENAUER for her collaboration and effort on this important legislation.

Much of the country's success can be attributed to pioneering individuals

and small companies, folks who have discovered a problem and developed an efficient, cost-effective solution. Innovation, research, and advancement in technology are our major drivers in today's postmodern world, and it is critical that we continue promoting the development of new and advanced technologies.

I am proud that in my home State of Utah we foster a thriving tech hub and innovation marketplace where the tech industry grew last year faster than any other State in the Nation. But there is still more work to be done in Utah and across the country.

This bill reinforces my commitment to small business success by stimulating technology innovation through the Small Business Innovation Research, or SBIR program.

Through adding critical acquisition personnel into SBIR and Small Business Technology Transfer programs, this legislation will ensure these small businesses have a voice in the procurement process and can compete on a level playing field and have a chance at success. It adds zero cost to the taxpayer.

This bill is a commonsense, forward-leaning bill that protects Federal investment into innovation and technology research by small businesses and helps these innovators succeed.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. CHABOT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to thank the gentleman from Utah again for his leadership on this, and thank the gentlewoman from Iowa as well, and, as always, thank the chairwoman, the gentlewoman from New York (Ms. VELÁZQUEZ).

This straightforward legislation directs PCRs and senior procurement executives in agencies to assist small businesses in the SBIR and STTR programs.

Such assistance could be in the form of researching applicable solicitations, providing technical assistance when bidding for contracts, or coordinating with appropriate agency procurement officials.

The House passed identical legislation unanimously as part of a larger package last Congress, and we recommend passage of this bill again this year.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation, and I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to thank the gentlewoman from Iowa (Ms. FINKENAUER) and the gentleman from Utah (Mr. CURTIS) for introducing today's bill to spur increased contracting activity in the SBIR and STTR programs.

The SBIR program has helped thousands of small, innovative firms with good ideas to compete for Federal research and development awards. Their

success has a proven record in a diverse range of fields, including: defense, health, energy, and technology.

H.R. 246, the Stimulating Innovation through Procurement Act of 2019, enables more SBIR and STTR businesses to reach their potential. It directs procurement center representatives and senior procurement executives in agencies to assist small business concerns in the SBIR and STTR programs, and coordinates with appropriate agency procurement officials.

This bill will open the Federal marketplace to more small, high-growth companies through increased technical assistance and advocacy, ensuring our country remains a leader in innovation.

Mr. Speaker, I urge Members to support this bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 246.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ENCOURAGING SMALL BUSINESS INNOVATION ACT

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 206) to amend the small business laws to create certain requirements with respect to the SBIR and STTR program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Encouraging Small Business Innovation Act”.

SEC. 2. INCLUSION OF TESTING AND EVALUATION IN THE DEFINITION OF RESEARCH AND DEVELOPMENT.

Section 9(e)(5) of the Small Business Act (15 U.S.C. 638(e)(5)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively (and conforming the margins accordingly);

(2) by striking “means any activity which is” and inserting the following: “means—

“(A) any activity which is—”; and

(3) in clause (iii), as so redesignated, by adding “and” after the semicolon at the end; and

(4) by adding at the end the following new subparagraph:

“(B) any testing or evaluation in connection with such an activity.”.

SEC. 3. INCLUSION OF SMALL BUSINESS INVESTMENT COMPANIES IN SBIR AND STTR.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended—

(1) by striking “or private equity firm investment” each place such term appears and inserting “private equity firm, or SBIC investment”;

(2) by striking “or private equity firms” and inserting “private equity firms, or SBICs”;

(3) in subsection (e)—
(A) in paragraph (12)(B), by striking “and” at the end;
(B) in paragraph (13)(B), by striking the period at the end and inserting “; and”; and
(C) by adding at the end the following new paragraph:

“(14) the term ‘SBIC’ means a small business investment company as defined in section 103 of the Small Business Investment Act of 1958.”;

SEC. 4. CALCULATION OF LEVERAGE OF SMALL BUSINESS INVESTMENT COMPANIES THAT INVEST IN SBIR OR STTR PARTICIPANTS.

Section 303(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)) is amended by adding at the end the following new subparagraph:

“(E) INVESTMENTS IN SBIR AND STTR PARTICIPANTS.—

“(i) IN GENERAL.—Subject to clause (ii), in calculating the outstanding leverage of a company for purposes of subparagraph (A), the Administrator shall exclude the amount of any investment made in a SBIR or STTR participant, if such investment is made in the first fiscal year after the date of enactment of this subparagraph or any fiscal year thereafter by a company licensed during the applicable fiscal year.

“(ii) LIMITATIONS.—

“(I) AMOUNT OF EXCLUSION.—The amount excluded under clause (i) for a company shall not exceed 33 percent of the private capital of that company.

“(II) MAXIMUM INVESTMENT.—A company shall not make an investment in any one SBIR or STTR participant in an amount equal to more than 20 percent of the private capital of that company.

“(III) OTHER TERMS.—The exclusion of amounts under clause (i) shall be subject to such terms as the Administrator may impose to ensure that there is no cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) with respect to purchasing or guaranteeing any debt-burden involved.

“(iii) DEFINITIONS.—In this subparagraph, the term ‘SBIR or STTR participant’ means a small business concern that receives contracts or grants pursuant to section 9 of the Small Business Act.”.

SEC. 5. ENCOURAGING PARTICIPATION IN THE MENTOR-PROTEGE PROGRAM.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

“(tt) ENCOURAGING PARTICIPATION IN THE MENTOR-PROTEGE PROGRAM.—The Administrator shall provide an increase to the past performance rating of any small business concern that has participated in the SBIR or STTR program that serves as a mentor under section 45 to a small business concern that seeks to participate in the SBIR or STTR program.”.

SEC. 6. ANNUAL MEETING FOR FEDERAL AGENCIES WITH A SBIR OR STTR PROGRAM.

(a) IN GENERAL.—Section 9 of the Small Business Act (15 U.S.C. 638), as amended by section 3, is further amended by adding at the end the following new subsection:

“(uu) ANNUAL MEETING.—

“(1) IN GENERAL.—The head of each Federal agency required to have a program under this section (or a designee) and the Administrator (or a designee) shall meet annually to discuss methods—

“(A) to improve the collection of data under this section;

“(B) to improve the reporting of data to the Administrator under this section;

“(C) to make the application processes for programs under this section more efficient; and

“(D) to increase participation in the programs under this section.

“(2) REPORTING.—Not later than 60 days after the date on which an annual meeting required under paragraph (1) is held, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate, and the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives, a report on the findings of such meeting and recommendations on how to implement changes to programs under this section.”.

(b) FUNDING FOR ANNUAL MEETING.—Section 9(mm)(1) of the Small Business Act (15 U.S.C. 638(mm)(1)) is amended—

(1) in subparagraph (I), by striking the “and” at the end;

(2) in subparagraph (J), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following new subparagraph:

“(K) the annual meeting required under subsection (uu).”.

SEC. 7. INCREASING PARTICIPATION OF UNDER-SERVED POPULATIONS IN THE SBIR AND STTR PROGRAMS.

(a) IN GENERAL.—Section 9(mm)(2) of the Small Business Act (15 U.S.C. 638(mm)(2)) is amended to read as follows:

“(2) OUTREACH AND TECHNICAL ASSISTANCE.—A Federal agency participating in the program under this subsection shall use a portion of the funds authorized for uses under paragraph (1) to carry out the policy directive required under subsection (j)(2)(F) and to increase the participation of States with respect to which a low level of SBIR awards have historically been awarded.”.

(b) CONFORMING AMENDMENT.—Section 9(mm)(6) of the Small Business Act (15 U.S.C. 638(mm)(6)) is amended by striking “paragraph (2)(A) and any use of the waiver authority under paragraph (2)(B)” and inserting “paragraph (2)”.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Ohio (Mr. CHABOT) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the measure under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 206, the Encouraging Small Business Innovation Act of 2019. For almost 40 years, our Nation has experienced increased innovation and job creation through the Small Business Innovation Research program and the Small Business Technology Transfer program.

As a direct result of these programs, breakthroughs have been made in a wide range of sectors, from agriculture,