

U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON

SCIENCE, SPACE, & TECHNOLOGY

Opening Statement

Chairwoman Eddie Bernice Johnson (D-TX)

Subcommittee on Research and Technology Hearing: SBIR Turns 40: Evaluating Support for Small Business Innovation

April 6, 2022

I want to thank Chairwoman Stevens and Ranking Member Feenstra for holding this hearing on the SBIR and STTR programs. I would also like to welcome our witnesses to today's hearing and thank them for sharing their expertise with us on these important programs.

Even as the United States faces increasing global competition in science and technology, we remain the envy of the world for our culture of discovery and innovation. That culture begins with our nation's talent, including the entrepreneurs who move scientific advances along the challenging path from lab to market. But as brilliant as they may be, these entrepreneurs cannot achieve their goals without financial and other kinds of support.

Private sector investors are risk averse. They want to see clear proof-of-concept and market viability before they invest. That is where the Federal government, and specifically the SBIR program, comes in. Just a modest amount of early stage support for new ideas can propel them forward and open the door to significant private sector investment and commercial success.

The SBIR program authorization expires at the end of this fiscal year, after having been extended 5 years without a comprehensive review of policy. The America COMPETES Act has a provision to extend the program again for 5 years, without any policy changes. It is my intention to keep that provision on the table for conference as a backstop. However, it is Congress's responsibility to take up a full reauthorization with due consideration given to all potential program improvements, and I am hopeful we can do that this year, in collaboration with our colleagues on the Small Business Committees.

To that end, a few years ago, the Science, Space, and Technology Committee developed bipartisan legislation to reauthorize the SBIR program. I want to thank Rep. Baird and Rep. Stevens for reintroducing that legislation this Congress as H.R.4033, the "Small Business Innovation Research and Small Business Technology Transfer Improvements Act of 2021." H.R. 4033 reflects long-standing priorities of this committee, including flexibility for the agencies to

meet their respective missions, efforts to diversify the applicants and awardees, and support for various pilot programs that were developed over time and have proven their value.

Specifically, H.R. 4033 would support making the 3 percent administrative fee a permanent feature of the program, and it would also extend Phase 0 and Direct to Phase II authority to all relevant program agencies. In general, we support the agencies continuing to experiment with evidence-based approaches to improve the outcomes of the program and want to ensure the authorizing statute gives them such flexibility. Through hearings such as this and other forms of oversight, we can track how agencies are doing and to what extent their efforts are strengthening the program.

I look forward to an informative hearing, and I appreciate the witnesses being with us to share their insights and legislative recommendations.

Thank you, and I yield the balance of my time.