

enrolled bill was signed by Speaker pro tempore RASKIN on Tuesday, September 27, 2022:

S. 2293, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide certain employment rights to reservists of the Federal Emergency Management Agency, and for other purposes.

#### CONCERNS ABOUT OUR STRATEGIC PETROLEUM RESERVE

(Mr. LAMALFA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMALFA. Mr. Speaker, as Hurricane Ian barrels toward the Florida coast, residents are boarding up their homes, packing up their families, and rushing to evacuate.

Across the State, FEMA is unloading barrels of fuel from our Strategic Petroleum Reserve on evacuation routes to help those leaving to fuel up. That is the correct intent of our Strategic Petroleum Reserves, to help people in the event of a severe weather event or other disaster.

But there is reason to be concerned now that the SPR, as it is known, is now at its lowest point since 1984 because of President Biden's policy. For nearly 2 years he has been halting leases for domestic oil and gas production, paused pipeline development, and launched a regulatory assault on U.S. energy development and financing, all while releasing our strategic reserves in order to combat rising prices—thinking that amount is really going to do so. They have been shipped overseas in some cases.

This is unconscionable. We are in the middle of a hurricane season. What will we do when our reserves are eventually depleted and people are actually stranded?

In my district in northern California we don't have hurricanes, but we are too familiar with natural disasters. Each summer residents are forced to flee due to catastrophic wildfires, and this winter they were even trapped in their homes without electricity due to snowstorms.

We need plentiful electricity: natural gas and oil. It is a matter of life and death for many, and SPRs need to be used properly.

#### BIOSCIENCE INDUSTRY IN UTAH

(Mr. OWENS asked and was given permission to address the House for 1 minute.)

Mr. OWENS. Mr. Speaker, on December 2, 1982, the medical team from the University of Utah successfully implanted the first permanent artificial heart in the world.

Forty years later, Utah remains a trailblazer in healthcare innovation. Over the past 2 years, I had the pleasure of visiting many Utah businesses at the forefront of the healthcare industry. Ortho Development Corporation,

Xenter, Canyon Labs, and Ultradent are among the leading biotech firms that call Utah home.

BioHive, a collaboration of 1,100 companies representing Utah's life science and healthcare innovative ecosystem is the driving force behind the Beehive State's success.

Additionally, the bioscience industry in Utah supports 130,000 local jobs, accounts for 8 percent of GDP, and produces hundreds of patents for lifesaving medical devices.

Behind these extraordinary accomplishments are the pioneering spirit, grit, and kindness of Utahns. I am proud to represent my State and know that we will continue to lead the Nation.

#### WJAG'S 100TH ANNIVERSARY

(Mr. FLOOD asked and was given permission to address the House for 1 minute.)

Mr. FLOOD. Mr. Speaker, I rise today to honor one of America's first radio stations, WJAG-AM, licensed to Norfolk, Nebraska. It is celebrating 100 years this year.

In 1922, radio pioneer Gene Huse established WJAG as one of the first radio stations west of the Mississippi River.

The station became and remains an important part of everyday life for Nebraskans. Gene Huse realized that most people did not own a radio, so he printed instructions in his local newspaper on how to build one. Many more went to the movie theater or the fire station to hear play-by-play of the World Series, dance to music, and receive agricultural news.

Today, his grandson, Bill Huse, continues the tradition of service. WJAG has been owned by the same family since its start in 1922. The station is an American original.

On behalf of the First District of Nebraska, I congratulate WJAG on 100 years of service and wish those at the station another 100 years of success.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 8446.

Ms. McCOLLUM. Mr. Speaker, I ask unanimous consent to remove the gentleman from Texas (Mr. PFLUGER) as cosponsor of H.R. 8446.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which the yeas and nays are ordered.

The House will resume proceedings on postponed questions at a later time.

#### SBIR AND STTR EXTENSION ACT OF 2022

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4900) to reauthorize the SBIR and STTR programs and pilot programs, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 4900

*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 "SBIR and STTR Extension Act of 2022".

#### SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATION; ADMINISTRATOR.—The terms "Administration" and "Administrator" mean the Small Business Administration and the Administrator thereof, respectively.

(2) FEDERAL AGENCY; PHASE I; PHASE II; PHASE III; SBIR; STTR.—The terms "Federal agency", "Phase I", "Phase II", "Phase III", "SBIR", and "STTR" have the meanings given those terms, respectively, in section 9(e) of the Small Business Act (15 U.S.C. 638(e)).

#### SEC. 3. REAUTHORIZATION OF SBIR AND STTR PROGRAMS AND PILOT PROGRAMS.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by striking "2022" each place that term appears and inserting "2025".

#### SEC. 4. FOREIGN RISK MANAGEMENT.

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

(1) in paragraph (13)(B), by striking "and" at the end;

(2) in paragraph (14), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(15) the term 'covered individual' means an individual who—

"(A) contributes in a substantive, meaningful way to the scientific development or execution of a research and development project proposed to be carried out with a research and development award from a Federal research agency; and

"(B) is designated as a covered individual by the Federal research agency concerned;

"(16) the term 'foreign affiliation' means a funded or unfunded academic, professional, or institutional appointment or position with a foreign government or government-owned entity, whether full-time, part-time, or voluntary (including adjunct, visiting, or honorary);

"(17) the term 'foreign country of concern' means the People's Republic of China, the Democratic People's Republic of Korea, the Russian Federation, the Islamic Republic of Iran, or any other country determined to be a country of concern by the Secretary of State;

"(18) the term 'malign foreign talent recruitment program' has the meaning given such term in section 10638 of the Research and Development, Competition, and Innovation Act (division B of Public Law 117-167); and

"(19) the term 'federally funded award' means a Phase I, Phase II (including a Phase II award under subsection (cc)), or Phase III SBIR or STTR award made using a funding agreement."

(b) DUE DILIGENCE PROGRAM TO ASSESS SECURITY RISKS.—

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

"(vv) DUE DILIGENCE PROGRAM TO ASSESS SECURITY RISKS.—

“(1) ESTABLISHMENT.—The head of each Federal agency required to establish an SBIR or STTR program, in coordination with the Administrator, shall establish and implement a due diligence program to assess security risks presented by small business concerns seeking a federally funded award.

“(2) RISKS.—Each program established under paragraph (1) shall—

“(A) assess, using a risk-based approach as appropriate, the cybersecurity practices, patent analysis, employee analysis, and foreign ownership of a small business concern seeking an award, including the financial ties and obligations (which shall include surety, equity, and debt obligations) of the small business concern and employees of the small business concern to a foreign country, foreign person, or foreign entity; and

“(B) assess awards and proposals or applications, as applicable, using a risk-based approach as appropriate, including through the use of open-source analysis and analytical tools, for the nondisclosures of information required under (g)(13).

“(3) ADMINISTRATIVE COSTS.—

“(A) IN GENERAL.—In addition to the amount allocated under subsection (mm)(1), each Federal agency required to establish an SBIR program may allocate not more than 2 percent of the funds allocated to the SBIR program of the Federal agency for the cost of establishing the due diligence program required under this subsection.

“(B) REPORTING.—

“(i) IN GENERAL.—Not later than December 31 of the year in which this subparagraph is enacted, and not later than December 31 of each year thereafter, the head of a Federal agency that exercises the authority under subparagraph (A) shall submit to the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives, the Committee on Small Business and Entrepreneurship of the Senate, and the Administrator, for the covered year—

“(I) the total funds allowed to be allocated for the cost of establishing the due diligence program required under this subsection;

“(II) the total amount of funds obligated or expended under subparagraph (A); and

“(III) the due diligence activities carried out or to be carried out using amounts allocated under subparagraph (A).

“(ii) ANNUAL REPORT INCLUSION.—The Administrator shall include the information submitted by head of a Federal agency under clause (i) in the next annual report submitted under subsection (b)(7) after the Administrator receives such information.

“(iii) COVERED YEAR.—In this subparagraph, the term ‘covered year’ means, with respect to the information required under clause (i), the year covered by the annual report submitted under subsection (b)(7) in which the Administrator is required to include such information by clause (ii).

“(C) TERMINATION DATE.—This paragraph shall terminate on September 30, 2025.”

(2) IMPLEMENTATION.—

(A) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the head of a Federal agency required to establish an SBIR or STTR program shall implement a due diligence program under subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1), at the Federal agency that, to the extent practicable, incorporates the applicable best practices disseminated under paragraph (3).

(B) PAPERWORK REDUCTION ACT.—Chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”), shall not apply to the implementation of a due diligence program under subsection (vv)

of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1).

(C) BRIEFING.—Not later than 30 days after the date of enactment of this Act, and on a recurring basis until implementation is complete, each Federal agency required to establish a due diligence program under subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1), shall brief 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 on the implementation of the due diligence program.

(3) BEST PRACTICES.—Not later than 180 days after the date of enactment of this Act, the Administrator shall—

(A) in coordination with the Director of the Office of Science and Technology Policy and in consultation with the Committee on Foreign Investment in the United States, disseminate among Federal agencies required to establish an SBIR or STTR program best practices of those Federal agencies for due diligence programs required under subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1); and

(B) in consultation with the Committee on Foreign Investment in the United States, provide to Federal agencies described in subparagraph (A) guidance on the business relationships required to be disclosed under paragraph (13)(G) of subsection (g) and paragraph (17)(G) of subsection (o) of section 9 of the Small Business Act (15 U.S.C. 638), as added by this Act.

(4) GAO STUDY.—Not later than 1 year after the date of enactment of this Act, and annually thereafter for 3 years, the Comptroller General of the United States shall conduct a study and submit to the Committee on Small Business and Entrepreneurship and the Committee on Armed Services of the Senate and the Committee on Small Business, the Committee on Armed Services, and the Committee on Science, Space, and Technology of the House of Representatives a report on the implementation and best practices of due diligence programs established under subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1), across Federal agencies required to establish an SBIR or STTR program.

(5) RULE OF CONSTRUCTION.—Nothing in subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1), shall be construed to—

(A) apply to any Federal agency with a due diligence program that applies to the SBIR or STTR programs required under subsection (vv) of section 9 of the Small Business Act (15 U.S.C. 638), as added by paragraph (1), in existence as of the date of enactment of this Act; or

(B) restrict any Federal agency from taking due diligence measures in addition to those required under such subsection (vv) at the Federal agency.

(c) DISCLOSURES REGARDING TIES TO PEOPLE’S REPUBLIC OF CHINA AND OTHER FOREIGN COUNTRIES.—

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

(A) in paragraph (11), by striking “and” at the end;

(B) in paragraph (12), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(13) require each small business concern submitting a proposal or application for a federally funded award to disclose in the proposal or application—

“(A) the identity of all owners and covered individuals of the small business concern

who are a party to any foreign talent recruitment program of any foreign country of concern, including the People’s Republic of China;

“(B) the existence of any joint venture or subsidiary of the small business concern that is based in, funded by, or has a foreign affiliation with any foreign country of concern, including the People’s Republic of China;

“(C) any current or pending contractual or financial obligation or other agreement specific to a business arrangement, or joint venture-like arrangement with an enterprise owned by a foreign state or any foreign entity;

“(D) whether the small business concern is wholly owned in the People’s Republic of China or another foreign country of concern;

“(E) the percentage, if any, of venture capital or institutional investment by an entity that has a general partner or individual holding a leadership role in such entity who has a foreign affiliation with any foreign country of concern, including the People’s Republic of China;

“(F) any technology licensing or intellectual property sales to a foreign country of concern, including the People’s Republic of China, during the 5-year period preceding submission of the proposal; and

“(G) any foreign business entity, offshore entity, or entity outside the United States related to the small business concern;

“(14) after reviewing the disclosures of a small business concern under paragraph (13), and if determined appropriate by the head of such Federal agency, request such small business concern to provide true copies of any contractual or financial obligation or other agreement specific to a business arrangement, or joint-venture like arrangement with an enterprise owned by a foreign state or any foreign entity in effect during the 5-year period preceding submission of the proposal with respect to which such small business concern made such disclosures.”

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

(A) in paragraph (15), by striking “and” at the end;

(B) in paragraph (16), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(17) require each small business concern submitting a proposal or application for a federally funded award to disclose in the proposal or application—

“(A) the identity of all owners and covered individuals of the small business concern who are a party to any foreign talent recruitment program of any foreign country of concern, including the People’s Republic of China;

“(B) the existence of any joint venture or subsidiary of the small business concern that is based in, funded by, or has a foreign affiliation with any foreign country of concern, including the People’s Republic of China;

“(C) any current or pending contractual or financial obligation or other agreement specific to a business arrangement, or joint venture-like arrangement with an enterprise owned by a foreign state or any foreign entity;

“(D) whether the small business concern is wholly owned in the People’s Republic of China or another foreign country;

“(E) the percentage, if any, of venture capital or institutional investment by an entity that has a general partner or individual holding a leadership role in such entity who has a foreign affiliation with any foreign country of concern, including the People’s Republic of China;

“(F) any technology licensing or intellectual property sales to a foreign country of concern, including the People’s Republic of

China, during the 5-year period preceding submission of the proposal; and

“(G) any foreign business entity, offshore entity, or entity outside the United States related to the small business concern;

“(18) after reviewing the disclosures of a small business concern under paragraph (17), and if determined appropriate by the head of such Federal agency, request such small business concern to provide true copies of any contractual or financial obligation or other agreement specific to a business arrangement, or joint-venture like arrangement with an enterprise owned by a foreign state or any foreign entity in effect during the 5-year period preceding submission of the proposal with respect to which such small business concern made such disclosures;”.

(d) DENIAL OF AWARDS.—

(1) SBIR.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)), as amended by subsection (c)(1), is further amended by adding at the end the following:

“(15) not make an award under the SBIR program of the Federal agency to a small business concern if the head of the Federal agency determines that—

“(A) the small business concern submitting the proposal or application—

“(i) has an owner or covered individual that is party to a malign foreign talent recruitment program;

“(ii) has a business entity, parent company, or subsidiary located in the People’s Republic of China or another foreign country of concern; or

“(iii) has an owner or covered individual that has a foreign affiliation with a research institution located in the People’s Republic of China or another foreign country of concern; and

“(B) the relationships and commitments described in clauses (i) through (iii) of subparagraph (A)—

“(i) interfere with the capacity for activities supported by the Federal agency to be carried out;

“(ii) create duplication with activities supported by the Federal agency;

“(iii) present concerns about conflicts of interest;

“(iv) were not appropriately disclosed to the Federal agency;

“(v) violate Federal law or terms and conditions of the Federal agency; or

“(vi) pose a risk to national security;”.

(2) STTR.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)), as amended by subsection (c)(2), is further amended by adding at the end the following:

“(19) not make an award under the STTR program of the Federal agency to a small business concern if the head of the Federal agency determines that—

“(A) the small business concern submitting the proposal or application—

“(i) has an owner or covered individual that is party to a malign foreign talent recruitment program;

“(ii) has a business entity, parent company, or subsidiary located in the People’s Republic of China or another foreign country of concern; or

“(iii) has an owner or covered individual that has a foreign affiliation with a research institution located in the People’s Republic of China or another foreign country of concern; and

“(B) the relationships and commitments described in clauses (i) through (iii) of subparagraph (A)—

“(i) interfere with the capacity for activities supported by the Federal agency to be carried out;

“(ii) create duplication with activities supported by the Federal agency;

“(iii) present concerns about conflicts of interest;

“(iv) were not appropriately disclosed to the Federal agency;

“(v) violate Federal law or terms and conditions of the Federal agency; or

“(vi) pose a risk to national security;”.

**SEC. 5. AGENCY RECOVERY AUTHORITY AND ONGOING REPORTING.**

(a) SBIR.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)), as amended by section 4(d)(1), is further amended by adding at the end the following:

“(16) require a small business concern receiving an award under its SBIR program to repay all amounts received from the Federal agency under the award if—

“(A) the small business concern makes a material misstatement that the Federal agency determines poses a risk to national security; or

“(B) there is a change in ownership, change to entity structure, or other substantial change in circumstances of the small business concern that the Federal agency determines poses a risk to national security; and

“(17) require a small business concern receiving an award under its SBIR program to regularly report to the Federal agency and the Administration throughout the duration of the award on—

“(A) any change to a disclosure required under subparagraphs (A) through (G) of paragraph (13);

“(B) any material misstatement made under paragraph (16)(A); and

“(C) any change described in paragraph (16)(B).”.

(b) STTR.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)), as amended by section 4(d)(1), is further amended by adding at the end the following:

“(20) require a small business concern receiving an award under its STTR program to repay all amounts received from the Federal agency under the award if—

“(A) the small business concern makes a material misstatement that the Federal agency determines poses a risk to national security; or

“(B) there is a change in ownership, change to entity structure, or other substantial change in circumstances of the small business concern that the Federal agency determines poses a risk to national security; and

“(21) require a small business concern receiving an award under its STTR program to regularly report to the Federal agency and the Administration throughout the duration of the award on—

“(A) any change to a disclosure required under subparagraphs (A) through (G) of paragraph (17);

“(B) any material misstatement made under paragraph (20)(A); and

“(C) any change described in paragraph (20)(B).”.

(c) PAPERWORK REDUCTION ACT.—Chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”), shall not apply to the implementation of paragraphs (16) and (17) of subsection (g) or paragraphs (20) and (21) of subsection (o) of section 9 of the Small Business Act (15 U.S.C. 638), as added by subsections (a) and (b).

**SEC. 6. REPORT ON ADVERSARIAL MILITARY AND FOREIGN INFLUENCE IN THE SBIR AND STTR PROGRAMS.**

(a) COVERED AGENCY DEFINED.—In this section, the term “covered agency” means—

(1) the Department of Defense;

(2) the Department of Energy;

(3) the Department of Health and Human Services; or

(4) the National Science Foundation.

(b) REQUIREMENT.—

(1) IN GENERAL.—Except as provided in paragraph (2), not later than 180 days after the date of enactment of this Act, the head of each covered agency shall submit a report

assessing the adversarial military and foreign influences in the SBIR and STTR programs at the covered agency to—

(A) the Committee on Armed Services, the Committee on Small Business and Entrepreneurship, and the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Armed Services, the Committee on Small Business, and the Committee on Science, Space, and Technology of the House of Representatives.

(2) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—The Secretary of Health and Human Services shall submit 2 reports under paragraph (1)—

(A) 1 assessing the adversarial military and foreign influences in the SBIR and STTR programs of the National Institutes of Health; and

(B) 1 assessing the adversarial military and foreign influences in the SBIR and STTR programs of the Department of Health and Human Services other than those of the National Institutes of Health.

(c) CONTENTS.—Each report submitted by a covered agency under subsection (b) shall include an analysis of—

(1) the national security and research and integrity risks of the SBIR and STTR programs of the covered agency; and

(2) the capability of such covered agency to identify and mitigate such risks.

(d) FORM.—Each report submitted under subsection (b) shall be in unclassified form, but may include a classified annex.

(e) INDEPENDENT ENTITY CONTRACTING.—The head of each covered agency, in coordination with the heads of other Federal agencies, as appropriate, may enter into a contract with an independent entity to prepare a report required under subsection (b).

**SEC. 7. PROGRAM ON INNOVATION OPEN TOPICS.**

(a) IN GENERAL.—Section 9 of the Small Business Act (15 U.S.C. 638), as amended by this Act, is further amended—

(1) in subsection (b)(7)—

(A) in subparagraph (G), by striking “and” at the end; and

(B) by adding at the end the following:

“(I) the number of applications submitted to each Federal agency participating in the SBIR or STTR program in innovation open topics as compared to conventional topics, and how many small business concerns receive funding from open topics compared to conventional topics;

“(J) the total number and dollar amount, and average size, of awards made by each Federal agency participating in the SBIR or STTR program, by phase, from—

“(i) open topics; and

“(ii) conventional topics;”;

(2) by adding at the end the following:

“(ww) PROGRAM ON INNOVATION OPEN TOPICS.—

“(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this subsection, the Secretary of Defense shall establish innovation open topic activities using the SBIR and STTR programs of the Department of Defense in order to—

“(A) increase the transition of commercial technology to the Department of Defense;

“(B) expand the small business nontraditional industrial base;

“(C) increase commercialization derived from investments of the Department of Defense; and

“(D) expand the ability for qualifying small business concerns to propose technology solutions to meet the needs of the Department of Defense.

“(2) FREQUENCY.—The Secretary of Defense shall conduct not less than 1 open topic announcement at each component of the Department of Defense per fiscal year.

“(3) BRIEFING.—Not later than 180 days after the date of enactment of this subsection, the Secretary of Defense shall provide a briefing on the establishment of the program required under paragraph (1) to—

“(A) the Committee on Armed Services and the Committee on Small Business and Entrepreneurship of the Senate; and

“(B) the Committee on Small Business, the Committee on Armed Services, and the Committee on Science, Space, and Technology of the House of Representatives.”.

(b) GAO REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter for 3 years, the Comptroller General of the United States shall submit to Congress and issue a publicly available report comparing open topics and conventional topics under the SBIR and STTR programs that includes, to the extent practicable—

(1) an assessment of the percentage of small business concerns that progress from Phase I to Phase II awards, then to Phase III awards;

(2) the number of awards under the SBIR and STTR programs made to first-time applicants and first-time awardees;

(3) the number of awards under the SBIR and STTR programs made to non-traditional small business concerns, including those owned by women, minorities, and veterans;

(4) a description of outreach and assistance efforts by the Department of Defense to encourage and prepare new and diverse small business concerns to participate in the program established under subsection (ww) of section 9 of the Small Business Act (15 U.S.C. 638), as added by subsection (a);

(5) the length of time to review and disburse awards under such subsection (ww), evaluated in a manner enabling normalized comparisons of such times taken by each Federal agency that is required to establish an SBIR or STTR program and offers open topics;

(6) the ratio, and an assessment, of the amount of funding allocated towards open topics as compared to conventional topics at each Federal agency that is required to establish an SBIR or STTR program and offers open topics; and

(7) a comparison of the types of technology and end users funded under open topics compared to the types of technology and end users funded under conventional topics.

#### **SEC. 8. INCREASED MINIMUM PERFORMANCE STANDARDS FOR EXPERIENCED FIRMS.**

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by this Act, is further amended—

(1) in subsection (b)(7), by adding at the end the following:

“(K) the minimum performance standards established under subsection (qq), including any applicable modifications under paragraph (3) of such subsection, and the number of small business concerns that did not meet those minimum performance standards, provided that the Administrator does not publish any personally identifiable information, the identity of each such small business concern, or any otherwise sensitive information; and

“(L) the aggregate number and dollar amount of SBIR and STTR awards made pursuant to waivers under subsection (qq)(3)(E), provided that the Administrator does not publish any personally identifiable information, the identity of each such small business concern, or any otherwise sensitive information;”;

(2) in subsection (qq)—

(A) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(B) by inserting after paragraph (2) the following:

“(3) INCREASED MINIMUM PERFORMANCE STANDARDS FOR EXPERIENCED FIRMS.—

“(A) PROGRESS TO PHASE II SUCCESS.—

“(i) IN GENERAL.—With respect to a small business concern that received or receives more than 50 Phase I awards during a covered period, each minimum performance standard established under paragraph (1)(A)(ii) shall be doubled for such covered period.

“(ii) CONSEQUENCE OF FAILURE TO MEET STANDARD.—If the head of a Federal agency determines that a small business concern that received a Phase I award from the Federal agency is not meeting an applicable increased minimum performance standard modified under clause (i), the small business concern may not receive more than 20 total Phase I awards and Phase II awards under subsection (cc) from each Federal agency during the 1-year period beginning on the date on which such determination is made.

“(iii) COVERED PERIOD DEFINED.—In this subparagraph, the term ‘covered period’ means a consecutive period of 5 fiscal years preceding the most recent fiscal year.

“(B) PROGRESS TO PHASE III SUCCESS.—

“(i) IN GENERAL.—Each minimum performance standard established under paragraph (2)(A)(ii) shall—

“(I) with respect to a small business concern that received or receives more than 50 Phase II awards during a covered period, require an average of \$250,000 of aggregate sales and investments per Phase II award received during such covered period; and

“(II) with respect to a small business concern that received or receives more than 100 Phase II awards during a covered period, require an average of \$450,000 of aggregate sales and investments per Phase II award received during such covered period.

“(ii) CONSEQUENCE OF FAILURE TO MEET STANDARD.—If the head of a Federal agency determines that a small business concern that received a Phase I award from the agency is not meeting an applicable increased minimum performance standard modified under clause (i), the small business concern may not receive more than 20 total Phase I awards and Phase II awards under subsection (cc) from each agency during the 1-year period beginning on the date on which such determination is made.

“(iii) DOCUMENTATION.—

“(I) IN GENERAL.—A small business concern that is subject to an increased minimum performance standard described in clause (i) shall submit to the Administrator supporting documentation evidencing that all covered sales of the small business concern were properly used to meet the increased minimum performance standard.

“(II) COVERED SALE DEFINED.—In this clause, the term ‘covered sale’ means a sale by a small business concern—

“(aa) that the small business concern claims to be attributable to an SBIR or STTR award;

“(bb) for which no amount of the payment was or is made using Federal funds;

“(cc) which the small business concern uses to meet an applicable increased minimum performance standard under clause (i); and

“(dd) that was or is received during the 5 fiscal years immediately preceding the fiscal year in which the small business concern uses the sale to meet the increased minimum performance standard.

“(iv) COVERED PERIOD DEFINED.—In this subparagraph, the term ‘covered period’ means a consecutive period of 10 fiscal years preceding the most recent 2 fiscal years.

“(C) PATENTS FOR INCREASED MINIMUM PERFORMANCE STANDARDS.—A small business concern with respect to which an increased minimum performance standard under sub-

paragraph (B) applies may not meet the increased minimum performance standard by obtaining patents.

“(D) EFFECTIVE DATE.—Subparagraphs (A) through (C) shall take effect on April 1, 2023.

“(E) WAIVER.—

“(i) IN GENERAL.—The Administrator may, upon the request of a senior official of a Federal agency, grant a waiver with respect to a topic for the SBIR or STTR program of the Federal agency if—

“(I) the topic is critical to the mission of the Federal agency or relates to national security; and

“(II) the official submits to the Administrator a request for the waiver in accordance with clause (iii).

“(ii) WAIVER EFFECTS.—If the Administration grants a waiver with respect to a topic for the SBIR or STTR program of a Federal agency, subparagraphs (A)(ii) and (B)(ii) shall not prohibit any covered small business concern from receiving an SBIR or STTR award under such topic.

“(iii) AGENCY REQUEST AND CONGRESSIONAL NOTIFICATION.—Not later than 15 days before the release of a solicitation including a topic for which a senior official of a Federal agency is requesting a waiver under clause (i), the senior official shall submit to the Administrator, the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives, and the Committee on Small Business and Entrepreneurship of the Senate a request for the waiver.

“(iv) ADMINISTRATOR DETERMINATION AND CONGRESSIONAL NOTIFICATION.—Not later than 15 days after receiving a request for a waiver under clause (i), the Administrator shall make a determination with respect to the request and notify the senior official at the Federal agency that made the request, the Committee on Small Business and the Committee on Science, Space, and Technology of the House of Representatives, and the Committee on Small Business and Entrepreneurship of the Senate of the determination.

“(v) DEFINITIONS.—In this subparagraph:

“(I) COVERED SMALL BUSINESS CONCERN.—The term ‘covered small business concern’ means a small business concern that is subject to the consequences under subparagraph (A)(ii) or (B)(ii) pursuant to a determination by the head of a Federal agency that such small business concern did not meet an increased minimum performance standard that was applicable to such small business concern.

“(II) SENIOR OFFICIAL.—The term ‘senior official’ means an individual appointed to a position in a Federal agency that is classified above GS-15 pursuant section 5108 of title 5, United States Code, or any equivalent position, as determined by the Administrator.

“(F) REPORTING.—

“(i) IN GENERAL.—Not later than July 1, 2023, and annually thereafter, the Administrator shall submit to Congress a list of the small business concerns that did not meet—

“(I) an applicable minimum performance standard established under paragraph (1)(A)(ii) or (2)(A)(ii); or

“(II) an applicable increased minimum performance standard.

“(ii) WAIVERS.—Each list submitted under clause (i) shall identify each small business concern that received an SBIR or STTR award pursuant to a waiver granted under subparagraph (E) by the Administrator during the period covered by the list.

“(iii) CONFIDENTIALITY.—Each list submitted under clause (i) shall be confidential and exempt from disclosure under section 552(b)(3) of title 5, United States Code (commonly known as the ‘Freedom of Information Act’).

“(G) IMPLEMENTATION.—Not later than April 1, 2023, the Administration shall implement the increased minimum performance standards under this paragraph.

“(H) RULES OF CONSTRUCTION.—Nothing in this paragraph shall be construed—

“(i) to prohibit a small business concern from participating in a Phase I (or Phase II if under the authority of subsection (cc)) of an SBIR or STTR program under paragraph (1)(B) or (2)(B) solely on the basis of a determination by the head of a Federal agency that the small business concern is not meeting an increased minimum performance standard; or

“(ii) to prevent the head of a Federal agency from implementing more restrictive limitations on the number of federally funded Phase I awards and direct to Phase II awards under subsection (cc) that may be awarded to a small business concern than the limitations described in subparagraphs (A)(ii) and (B)(ii).

“(I) TERMINATION.—This paragraph shall terminate on September 30, 2025.”;

(C) in paragraph (5), as so redesignated, by striking “paragraph (3)(A)” and inserting “paragraph (4)(A)”; and

(D) by adding at the end the following:

“(6) INSPECTOR GENERAL AUDIT.—Not later than 1 year after the date on which the Administrator implements the increased minimum performance standards under paragraph (3), and periodically thereafter, the Inspector General of the Administration shall—

“(A) conduct an audit on whether the small business concerns subject to increased minimum performance standards under paragraph (3)(B) verified—

“(i) the sales by and investments in the small business concerns—

“(I) during the 5 fiscal years immediately preceding the fiscal year in which the small business concern used such sales and investments to meet an applicable increased performance standard; and

“(II) as a direct result of a Phase I award or Phase II award made under subsection (cc) during the covered period (as defined in paragraph (3)(B)(iv)), consistent with the definition of Phase III, as applicable;

“(ii) any third-party revenue the small business concerns list as investments or incomes to meet the increased minimum performance standard—

“(I) is a direct result of a Phase I award or Phase II award made under subsection (cc) during the covered period (as defined in paragraph (3)(B)(iv)); and

“(II) consistent with the requirements of the Administrator as in effect on September 30, 2022, or any successor requirements; and

“(iii) any dollar amounts such small business concerns list as investments or income to meet such increased minimum performance standard the providence of which is unclear and that is not directly attributable to a Phase I award or Phase II award made under subsection (cc) during the covered period (as defined in paragraph (3)(B)(iv)), consistent with the definition of Phase III, as applicable;

“(B) assess the self-certification requirements for the minimum performance standards established under paragraph (2)(A)(ii) and the increased minimum performance standards under paragraph (3)(B); and

“(C) 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 audit conducted under subparagraph (A) and the assessment conducted under subparagraph (B).

“(7) INCREASED MINIMUM PERFORMANCE STANDARD DEFINED.—In this subsection, the

term ‘increased minimum performance standard’ means a minimum performance standard established under paragraph (1)(A)(ii) or (2)(A)(ii) as modified under subparagraph (A) or (B), respectively, of paragraph (3) with respect to a small business concern.”.

#### SEC. 9. PROHIBITION AGAINST WRITING SOLICITATION TOPICS.

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

“(xx) ADDITIONAL PROVISIONS RELATING TO SOLICITATION TOPICS.—

“(1) IN GENERAL.—A Federal agency required to establish an SBIR or STTR program shall implement a multi-level review and approval process within the Federal agency for solicitation topics to ensure adequate competition and that no private individual or entity is shaping the requirements for eligibility for the solicitation topic after the selection of the solicitation topic, except that the Federal agency may amend the requirements to clarify the solicitation topic.

“(2) REFERRAL.—A Federal agency that does not comply with paragraph (1) shall be referred to the Inspector General of the Administration for further investigation.”.

#### SEC. 10. GAO STUDY ON MULTIPLE AWARD WINNERS.

Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report, which shall be made publicly available, on small business concerns that are awarded not less than 50 Phase II awards under the SBIR or STTR programs during the consecutive period of 10 fiscal years preceding the most recent 2 fiscal years, including, to the extent practicable, an analysis of—

(1) the impact of the small business concerns on the SBIR and STTR programs;

(2) the ratio of the number of Phase II awards received by the small business concerns to the total number of Phase II awards;

(3) the ability of the small business concerns to commercialize and meet the tenets of the SBIR and STTR programs;

(4) the impact on new entrants and seeding technology necessary to the Federal agency mission or commercial markets and, with respect to the Department of Defense, whether the types of technology the small business concerns are pursuing are primarily hardware, software, or system components for the warfighter;

(5) an evaluation and study of varying levels of award caps and lifetime program earning caps;

(6) an assessment of the increased minimum performance standards under paragraph (3) of section 9(qq) of the Small Business Act (15 U.S.C. 638(qq)), as added by section 8, on the behavior of those concerns and on the SBIR and STTR programs, and whether to continue such increased minimum performance standards; and

(7) recommendations on whether alternative minimum performance standards under section 9(qq) of the Small Business Act (15 U.S.C. 638(qq)) should be considered, and the extent to which such alternative minimum performance standards preserve the competitive, merit-based foundation of the SBIR and STTR programs.

#### SEC. 11. GAO REPORT ON SUBCONTRACTING IN SBIR AND STTR PROGRAMS.

Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States 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 evaluating, to the extent practicable, the following:

(1) The extent to which SBIR awardees and STTR awardees are in compliance with the Federal Funding Accountability and Transparency Act (31 U.S.C. 6101 note).

(2) The extent to which SBIR awardees and STTR awardees enter into subcontracting agreements with respect to an SBIR or STTR award.

(3) The total number and dollar amount of subcontracts entered into between an SBIR awardee or an STTR awardee and a concern that is not a small business concern (including such concerns that are defense contractors) with respect to an SBIR or STTR award.

(4) A description of the type and purpose of subcontracting agreements described in paragraph (2).

(5) An analysis of whether the use of subcontracts by an SBIR awardee or an STTR awardee is consistent with the purposes of section 9 of the Small Business Act (15 U.S.C. 638).

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. LUETKEMEYER) 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 today in support of S. 4900, the SBIR and STTR Extension Act of 2022.

Let me begin by thanking Ranking Member LUETKEMEYER and my colleagues on the Senate Small Business Committee and the House Committee on Science, Space, and Technology for their work on this legislation.

Mr. Speaker, I especially want to thank Chairwoman EDDIE BERNICE JOHNSON, who is retiring at the end of this Congress. Her knowledge and expertise of the programs were pivotal to these negotiations.

Today’s bill extends the SBIR and STTR programs and six related pilot programs for 3 years. Reauthorizing them is vital to thousands of small businesses and research institutions that partner with 11 agencies to develop solutions to some of our country’s most difficult challenges.

Since their founding 40 years ago, SBIR and STTR have launched some of our Nation’s most innovative enterprises and products that have become household names. Companies like iRobot, Sonicare electric toothbrushes, 23andMe, LASIK eye surgery, and Qualcomm wireless communications all got their start through SBIR/STTR.

More innovative technology is on the way. In fiscal year 2021 alone, Federal agencies leveraged nearly \$4 billion in awards to back 4,000 small businesses and nearly 7,000 projects. Awardees are leading the way in our efforts to fight climate change, modernize manufacturing, and create breakthroughs in lifesaving medical technologies.

S. 4900 gives them the ability to continue their work and lead America's innovation by providing stability to both the small businesses and agencies for the next 3 years.

It builds on efforts to strengthen Federal research security through due diligence reviews to prevent malign foreign countries from stealing technologies developed through SBIR and STTR.

It also establishes higher benchmarks for more experienced firms to commercialize their technologies and includes various studies and more detailed reporting to increase oversight and inform future program changes.

Unfortunately, S. 4900 does not include everything we wanted to accomplish during this reauthorization, but I remain committed to coming together again in the future to have those conversations.

Our monthslong bipartisan and bicameral negotiations will avoid a devastating lapse and protect thousands of jobs. Today, we are here considering a hard-fought compromise to reauthorize the SBIR and STTR programs.

Mr. Speaker, I urge Members to vote "yes," and I reserve the balance of my time.

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

Mr. Speaker, I rise in support in of S. 4900, the SBIR and STTR Extension Act of 2022.

The Small Business Innovation Research and Small Businesses Technology Transfer, or SBIR and STTR programs, are vital to the success of many small entities and have helped create thousands of new jobs by fostering innovation and stimulating the economy through cutting-edge research. SBIR and STTR's mission is to support scientific excellence and technological innovation for small businesses.

For the last 40 years, these programs have helped firms develop new technologies that have directly assisted Federal agencies meet their R&D needs. The American warfighter is no doubt stronger due to these programs.

However, a recent Department of Defense report revealed foreign adversaries have been exploiting the SBIR through shell companies, planted government researchers, and state-sponsored talent programs. The report found that the People's Republic of China has become a large beneficiary of SBIR and STTR. This is unacceptable, and the status quo must not continue, Mr. Speaker.

□ 1415

The programs must have heightened awareness and protections in place to

prevent nefarious abuse. This legislation, crafted over months of negotiations, provides significant reforms to combat malign foreign influence and protect our small businesses from Chinese acquisition of innovation technologies.

Specifically, this bill mandates that agencies establish strong due-diligence safeguards to assess security risks and prevent influence from bad actors. It requires companies to disclose any business ties, investments, and contracts with China, and it gives agencies authority to deny any application if certain relationships are deemed a risk to national security.

In addition to safeguarding small businesses from China, this bill curbs abuse by multiple award winners, or SBIR mills. Mills are firms that consume a disproportionate number of awards but have low commercialization rates. These mills will have to meet enhanced performance standards in order to apply for new awards. These benchmarks will hold mills accountable and ensure that the programs are focusing on commercializing projects and attracting more private capital investments.

Finally, S. 4900 strengthens congressional oversight, increases public transparency, and safeguards taxpayer dollars during a time where government overreach has run rampant, and transparency has been limited.

These reforms are a win for small businesses and will protect U.S. R&D and innovative technologies.

I thank Chairwoman VELÁZQUEZ, Ranking Member LUCAS, Chairwoman EDDIE BERNICE JOHNSON, as well as Senators CARDIN, PAUL, and ERNST for working in a bipartisan manner to ensure these programs are reauthorized before the end of the month.

I encourage all my colleagues to support S. 4900, which unanimously passed the Senate last week.

Mr. Speaker, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 5 minutes to the gentlewoman from Michigan (Ms. STEVENS), the chairwoman of the Science, Space, and Technology Subcommittee on Research and Technology.

Ms. STEVENS. Mr. Speaker, I rise today in support of S. 4900, the SBIR and STTR Extension Act of 2022. This is an exciting and thrilling day, and we couldn't push with more urgency to pass this legislation.

The Small Business Innovation Research Program, the SBIR, is well-known for its tagline of "America's seed fund," as it inspires small businesses across the country to transform their ideas into marketable products and services.

On behalf of Chairwoman JOHNSON, I thank the Chairwoman for the Small Business Committee for bringing us here to this moment and, of course, our colleagues on the other side of the aisle, for joining us in a bipartisan action to improve America's competitiveness.

The National Science Foundation piloted the SBIR program in the 1970s, at the urging of Members who recognized that investments in small business innovation benefits our Nation as a whole and creates jobs. Due to its success, Congress made it a government-wide program. Decades later, SBIR has given back to the taxpayer in immeasurable ways. It has been so successful that the SBIR model has been replicated in 17 countries.

Since coming to Congress myself, I devote Mondays to visiting manufacturers or businesses in my district, in what I call Manufacturing Mondays, which showcases southeastern Michigan's innovation economy and our workforce. I have seen the powerful impact of the SBIR program firsthand in these visits; and previous to coming to Congress, I helped companies and small business innovators apply for these grants.

Last December, I had the privilege of visiting the team at Geofabrica, an Additive Manufacturing Technology Development company in Auburn Hills, Michigan, to hear about their exciting, DOD-funded SBIR work. Their CEO shared something that struck a chord. He said: "Geofabrica would not have undertaken a fraction of its technology development if it were not for the SBIR and STTR programs."

Think about that, my friends. These programs make discovery possible for small businesses; some beginning at the university level, and some that are small businesses in their infancy stage.

Over the past 5 years, the SBIR program has awarded small businesses in Michigan more than \$348 million in funding for R&D. This has led to incredibly exciting discoveries and inventions in Michigan, from the development of a handheld technology that enables farmers to accurately detect nitrates in their own fields to save farmers money, while also protecting our freshwater systems from toxic algal blooms; to the testing of new ligand for PET imaging of the brain during clinical trials for new memory disorder drugs. This is all coming from this program we are going to reauthorize today.

The last comprehensive reauthorization for the SBIR program was 11 years ago. We have opted or just continued to extend the program, like we did in 2016, leaving powerful opportunities to strengthen SBIR out of the conversation. My, how the times have changed.

I began this Congress ready to work on updating SBIR in order to support our entrepreneurs, our job creators, and the place that I am so privileged to call home and represent, Oakland County, Michigan, the home of automation alley.

Congressman and Dr. JIM BAIRD and myself ushered in H.R. 4033, a smart and effective way to make improvements to SBIR. Unfortunately, our bill was not passed by the Senate, and it is not the complete legislation before us today. So even as we provide much-

needed stability to the program with today's vote, we still have work to do.

One of my own priorities is to expand program outreach to enable agencies to reach more first-time entrepreneurs, particularly those who are Black, Hispanic, Indigenous, and female entrepreneurs, people innovating in their home and alongside their family, particularly during these disruptive times of the COVID-19 pandemic. All of these individuals have innovations and businesses that have been long underfunded.

I also hope to see enhanced support for technology commercialization within the program, including through additional technical support to businesses and by providing agencies a wider range of funding tools to meet our unique needs.

Mr. Speaker, I call on my colleagues to join me in passing S. 4900 today for SBIR reauthorization.

Mr. LUETKEMEYER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Oklahoma (Mr. LUCAS), the Republican leader of the Science, Space, and Technology Committee.

Mr. LUCAS. Mr. Speaker, I thank my friend for yielding me this time.

Mr. Speaker, I rise in support of the SBIR and STTR Extension Act. This bill is extremely timely, as the authorizations for these programs expire in just a few days.

I am pleased that the bill we are considering today represents a bipartisan, bicameral agreement that provides both small businesses and agencies clarity by reauthorizing the programs for another 3 years.

The SBIR and STTR programs play an important role in our innovation economy. Through these programs, research agencies provide opportunities to small businesses who are then able to leverage private-sector funding to propel research forward.

The programs incentivize economic growth in two ways: They support entrepreneurship and job creation at small businesses across the country. They also support high-risk research to drive breakthrough technologies that make America more competitive.

These programs are a notable example of how public-private partnerships can provide value and stimulate innovation. Importantly, this reauthorization includes several reforms to the programs that are priorities for Republican Members, including: Protecting our research enterprise, bolstering transparency and oversight, and focusing on successful commercialization.

I am pleased that this reauthorization includes strong due diligence measures that each agency with an SBIR or STTR program must enforce. These safeguards build on the bipartisan research security framework that the Science Committee has championed.

Additionally, an increased focus on transparency and oversight of the programs will bolster public transparency,

safeguard taxpayer dollars, and provide more opportunities to new small business applicants.

I thank my colleagues on the House Small Business Committee for working with me to reach this bipartisan agreement, and, in particular, I thank Ranking Member LUETKEMEYER for his leadership throughout the process.

As always, many thanks to my Chairwoman, EDDIE BERNICE JOHNSON, for her tireless work to ensure that the Science, Space, and Technology Committee remains a bipartisan, productive committee focused on legislating.

The SBIR and STTR programs are vital to our research enterprise, especially as we strive to maintain American leadership and technology. I urge my colleagues to support this legislation.

Ms. VELÁZQUEZ. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HOULAHAN).

Ms. HOULAHAN. Mr. Speaker, I rise today also in support of S. 4900, the SBIR and STTR Extension Act of 2022. This bipartisan legislation is both timely and necessary to ensure that our Nation remains on the forefront of innovation, research, and development of the products and technology of our future.

As an entrepreneur myself by trade, and with experience scaling several businesses in Pennsylvania, I know personally just how important that seed funding can be to a business' success and to the potential to get its products to the shelves.

The Small Business Innovation Research and Technology Transfer Programs, otherwise known as America's seed fund, offer competitive Federal awards to small firms in order to tackle the 21st century problems and needs. Simply put, funds from these programs move innovative technologies from concept to marketplace, or from the lab to our government programs and systems.

Despite the overwhelming success of these programs, there is one major problem that we have in Congress that we all must address, and that is we are standing here today. The SBIR and STTR programs are set to expire in just 2 short days unless we come together and pass this bill and send it to the President's desk.

The consequences of a program lapse would be so devastating on many, many fronts. For instance, the Department of Defense has shared that failure to reauthorize this program will result in approximately 1,200 warfighting needs not being addressed; not to mention that these programs are remarkable taxpayer investments, returning \$22 to the economy for every \$1 spent on projects at the DOD.

I have been proud to work with my colleagues across the Small Business and the Armed Service Committees to lead this effort to extend the authorization of these critical programs. Indeed, in June, I successfully offered a bipartisan amendment to prevent a

harmful program lapse in our annual defense bill. As the defense bill is, unfortunately, still pending in the Senate, I thank Senators CARDIN and ERNST for their sponsorship of this important legislation, which will reauthorize the SBIR and STTR programs for an additional 3 years.

Furthermore, this legislation adds measures aimed at commercializing projects and expanding Federal research security to protect against technology theft.

I thank the leadership for their support. Time is of the essence, and I urge my colleagues to support the bill.

Mr. LUETKEMEYER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Mrs. KIM), a valuable member on the Small Business Committee and a strong advocate for entrepreneurs.

Mrs. KIM of California. Mr. Speaker, I thank Ranking Member LUETKEMEYER for yielding.

Mr. Speaker, I rise in strong support of the SBIR and STTR Extension Act of 2022. This bipartisan legislation reauthorizes the Small Business Innovation Research and Small Business Technology Transfer Programs for 3 years and implements several reforms to strengthen the programs for years to come.

This bill safeguards taxpayer dollars by ensuring that we increase the rate of successful commercialization, prohibits our adversaries from reaping the benefits of our SBIR and STTR investments, and encourages the rapid development of emerging technologies that are vital for our national security.

In addition, this legislation would allow the Department of Defense to adopt the successful open topic solicitation process pioneered by the Air Force. The open topic solicitation will attract new small businesses into the SBIR program, accelerate the development of emerging technologies, broaden program access to young startups, and increase the potential for commercial impact.

The SBIR and STTR programs are important tools for small businesses to research, develop, and commercialize innovative technologies and help create good-paying jobs.

As we all know, the CCP is taking concerted steps to bridge the innovation gap with the United States and knock us down as the world leader in innovation. We must never relent our country's position as the leading innovator and creator of emerging technologies.

I thank Ranking Members LUETKEMEYER and LUCAS and Chairwomen VELÁZQUEZ and JOHNSON for their leadership in bringing a successful, bicameral negotiation to reauthorize SBIR and STTR programs.

I urge my colleagues to support this underlying legislation and continue our country's support for our small businesses and innovation.

□ 1430

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

Mr. LUETKEMEYER. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. FITZGERALD), a very valuable, experienced member of our Committee on Small Business and another strong advocate for the entrepreneurs of our economy.

Mr. FITZGERALD. Mr. Speaker, I thank the ranking member for yielding.

I rise in support of S. 4900, which would reauthorize the Small Business Innovation Research and Small Business Technology Transfer programs.

In addition to extending the SBIR and STTR programs for 3 years, this bill contains several important provisions that safeguard our government and its research from foreign entities and enhance benchmarks for those companies that have received multiple awards.

Since 1992, the SBIR and STTR programs have helped promote public-private partnership and small business innovation by requiring agencies with sizable R&D needs to set aside a portion of their budget for small business participation.

As many of the speakers said before me, the return on investment has been nothing short of impressive. In the Department of Defense alone, between 1995 and 2018, the SBIR and STTR programs resulted in \$28 billion in new product sales to the U.S. military, \$347 billion in total economic output, and the creation of more than 1.5 million jobs.

But with this amount of participation comes the likelihood of malign influence and fraud within the program. This was evidenced by a DOD report that found China was using shell companies in its Thousand Talents Program to profit off federally funded research programs like these two we are talking about here this afternoon.

Having been part of the negotiating process during my time as a conferee for the COMPETES/USICA bill, the issue of combating foreign influence was certainly top of mind.

I am pleased that both sides were able to come to an agreement and understand the importance of safeguarding much of this research.

Not only will this bill require companies that apply for SBIR and STTR awards to disclose any ties to China, but it will also require Federal agencies to bolster their due diligence efforts to ensure our intellectual property is fully protected.

Most importantly, the bill also requires DOD to establish an open topic solicitation, allowing small businesses the opportunity to showcase how their innovations can be beneficial to the actual warfighter. The GAO believes this will be more than efficiently laid out and planned and that new companies can be bolstered with this small business innovation.

Mr. Speaker, I urge my colleagues to vote "yes."

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

Mr. LUETKEMEYER. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. FLOOD), one of our newest Members who has joined our committee and is doing a fantastic job representing small businesses and is another strong advocate for the entrepreneurs of our country.

Mr. FLOOD. Mr. Speaker, I rise to support the SBIR and STTR Extension Act of 2022.

I thank Chair VELÁZQUEZ and Ranking Member LUETKEMEYER for their work in a bipartisan fashion. I also thank Senators ERNST and CARDIN for what they have done for this legislation. I am pleased that this bill has been brought to the floor in an expedited fashion.

The Small Business Innovation Research and Small Business Technology Transfer Extension Act is an important piece of legislation, and the changes this bill brings to these programs are urgently needed.

For those who are not familiar, the Small Business Innovation Research program was created in 1982. The program was intended to spur American innovation and harness ingenuity by increasing small business engagement in federally funded research and development.

More recently, however, the Chinese Government has been manipulating this program. A report from the Department of Defense in April 2021 revealed some of the tactics China has used to this end.

The DOD revealed instances where companies were created, received SBIR grants, and then the founders mysteriously dissolved the company. Upon further investigation, it became clear that these companies were either recruited to China or were formed with the intent of returning to China from the start.

Either way, the result was the same: The American taxpayers funded projects that were stolen by the Chinese Government. This was simply an unacceptable status quo.

This bill fixes those problems. It implements strong safeguards against the influence of China or other foreign actors, and it creates new reporting requirements for these programs that will ensure taxpayer dollars are properly used.

This bill also brings the SBIR back to its original purpose: to spur innovation and unlock the ingenuity of American small businesses.

With these changes to the program, we can make sure the SBIR and STTR are stronger and more accessible for entrepreneurs in Nebraska and across the country.

Mr. Speaker, I urge a "yes" vote.

Mr. LUETKEMEYER. Mr. Speaker, I yield myself the balance of my time for closing.

The SBIR and STTR Extension Act of 2022 will reauthorize the programs for 3 years and address congressional concerns by establishing research secu-

rity measures, increasing transparency and oversight, and focusing on commercialization.

I think, as you have heard the speakers this afternoon, in my mind, we have two big problems that we are solving here. Besides the extension of these programs, which I think are important to the national defense of our country, for one thing, I think it also helps spur entrepreneurial and investment technology that I think is vital to our country, and we stop the use of some of these programs as ATMs for different companies. I think we also put a stop to the Chinese abuse of these programs, as well.

I think those are the two highlights that are really important in these programs. They have done a good job of putting protections in place. I think that we are strengthening these protections, as well as protecting R&D and protecting our taxpayer dollars to make sure they are being spent effectively and efficiently.

Mr. Speaker, I ask my colleagues to support S. 4900, and I yield back the balance of my time.

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

The U.S. has the most dynamic small business ecosystem on the planet, and this 3-year extension ensures that our country remains one of the most innovative in the world.

The SBIR and STTR are essential components of that global competitiveness. They give small businesses a role in developing groundbreaking technologies that make our lives better in a variety of ways.

This program boosts American security, innovation, and entrepreneurship. That is why we must act today to extend them and ensure our country continues to reap these benefits into the future.

Stakeholders, from individual small business owners to research universities to the Department of Defense, have made it clear that even a temporary shutdown would be disastrous.

Throughout these negotiations, we have not always seen eye to eye, but I am thankful we all remain committed to keeping the programs open.

We have come up with a compromise that provides stability for small businesses and the agencies they partner with, reduces the risk that foreign adversaries can steal U.S. technologies developed through SBIR and STTR, and preserves the competitive and merit-based strength of these programs.

Mr. Speaker, this is not the end, and there will be more work to do in the coming years. I pledge to continue to work to improve the programs.

I, again, thank my colleagues involved with reauthorization for all of their work leading up to today, including the members of the Committee on Small Business who participated in many hearings and briefings over the course of the past 2 years.



I also thank the staff on the House Committees on Small Business and Science, Space, and Technology for their dedication and tireless work to get us to this point: Dahlia Sokolov, Rebecca Callahan, Sara Barber, Elizabeth Barczak, Catherine Johnson, Jenn Wickre, Giulia Leganski, Robert Yavor, Delia Barr, Ellen Harrington, and Kevin Wheeler, who have been living and breathing SBIR for most of their time on the Hill, including this year as they worked around the clock, days, nights, and weekends. I sincerely thank each of them.

Mr. Speaker, I ask my colleagues to vote “yes” on the SBIR and STTR Extension Act of 2022 to provide stability and certainty to small firms and agencies alike, 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, S. 4900.

The question was taken.

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

Mr. GOOD of Virginia. 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.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, September 27, 2022.

Hon. NANCY PELOSI,  
Speaker, House of Representatives,  
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on September 27, 2022, at 1:47 p.m.

That the Senate passed S. 4885.

That the Senate agreed to Relative to the Death of the Honorable Robert “Bob” Charlie Krueger, former United States Senator and Representative for the State of Texas S. Res. 796.

That the Senate passed without amendment H.R. 7846.

With best wishes, I am,  
Sincerely,

CHERYL L. JOHNSON,  
Clerk.

#### FEDRAMP AUTHORIZATION ACT

Mrs. CAROLYN B. MALONEY of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8956) to amend chapter 36 of title 44, United States Code, to improve the cybersecurity of the Federal Government, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 8956

*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 “FedRAMP Authorization Act”.

#### SEC. 2. FINDINGS.

Congress finds the following:

(1) Ensuring that the Federal Government can securely leverage cloud computing products and services is key to expediting the modernization of legacy information technology systems, increasing cybersecurity within and across departments and agencies, and supporting the continued leadership of the United States in technology innovation and job creation.

(2) According to independent analysis, as of calendar year 2019, the size of the cloud computing market had tripled since 2004, enabling more than 2,000,000 jobs and adding more than \$200,000,000 to the gross domestic product of the United States.

(3) The Federal Government, across multiple presidential administrations and Congresses, has continued to support the ability of agencies to move to the cloud, including through—

(A) President Barack Obama’s “Cloud First Strategy”;

(B) President Donald Trump’s “Cloud Smart Strategy”;

(C) the prioritization of cloud security in Executive Order 14028 (86 Fed. Reg. 26633; relating to improving the nation’s cybersecurity), which was issued by President Joe Biden; and

(D) more than a decade of appropriations and authorization legislation that provides agencies with relevant authorities and appropriations to modernize on-premises information technology systems and more readily adopt cloud computing products and services.

(4) Since it was created in 2011, the Federal Risk and Authorization Management Program (referred to in this section as “FedRAMP”) at the General Services Administration has made steady and sustained improvements in supporting the secure authorization and reuse of cloud computing products and services within the Federal Government, including by reducing the costs and burdens on both agencies and cloud companies to quickly and securely enter the Federal market.

(5) According to data from the General Services Administration, as of the end of fiscal year 2021, there were 239 cloud providers with FedRAMP authorizations, and those authorizations had been reused more than 2,700 times across various agencies.

(6) Providing a legislative framework for FedRAMP and new authorities to the General Services Administration, the Office of Management and Budget, and Federal agencies will—

(A) improve the speed at which new cloud computing products and services can be securely authorized;

(B) enhance the ability of agencies to effectively evaluate FedRAMP authorized providers for reuse;

(C) reduce the costs and burdens to cloud providers seeking a FedRAMP authorization; and

(D) provide for more robust transparency and dialogue between industry and the Federal Government to drive stronger adoption of secure cloud capabilities, create jobs, and reduce wasteful legacy information technology.

#### SEC. 3. TITLE 44 AMENDMENTS.

(a) AMENDMENT.—Chapter 36 of title 44, United States Code, is amended by adding at the end the following:

#### “§ 3607. Definitions

“(a) IN GENERAL.—Except as provided under subsection (b), the definitions under sections 3502 and 3552 apply to this section through section 3616.

“(b) ADDITIONAL DEFINITIONS.—In this section through section 3616:

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of General Services.

“(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ‘appropriate congressional committees’ means the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Reform of the House of Representatives.

“(3) AUTHORIZATION TO OPERATE; FEDERAL INFORMATION.—The terms ‘authorization to operate’ and ‘Federal information’ have the meaning given those term in Circular A–130 of the Office of Management and Budget entitled ‘Managing Information as a Strategic Resource’, or any successor document.

“(4) CLOUD COMPUTING.—The term ‘cloud computing’ has the meaning given the term in Special Publication 800–145 of the National Institute of Standards and Technology, or any successor document.

“(5) CLOUD SERVICE PROVIDER.—The term ‘cloud service provider’ means an entity offering cloud computing products or services to agencies.

“(6) FEDRAMP.—The term ‘FedRAMP’ means the Federal Risk and Authorization Management Program established under section 3608.

“(7) FEDRAMP AUTHORIZATION.—The term ‘FedRAMP authorization’ means a certification that a cloud computing product or service has—

“(A) completed a FedRAMP authorization process, as determined by the Administrator; or

“(B) received a FedRAMP provisional authorization to operate, as determined by the FedRAMP Board.

“(8) FEDRAMP AUTHORIZATION PACKAGE.—The term ‘FedRAMP authorization package’ means the essential information that can be used by an agency to determine whether to authorize the operation of an information system or the use of a designated set of common controls for all cloud computing products and services authorized by FedRAMP.

“(9) FEDRAMP BOARD.—The term ‘FedRAMP Board’ means the board established under section 3610.

“(10) INDEPENDENT ASSESSMENT SERVICE.—The term ‘independent assessment service’ means a third-party organization accredited by the Administrator to undertake conformity assessments of cloud service providers and the products or services of cloud service providers.

“(11) SECRETARY.—The term ‘Secretary’ means the Secretary of Homeland Security.

#### “§ 3608. Federal Risk and Authorization Management Program

“There is established within the General Services Administration the Federal Risk and Authorization Management Program. The Administrator, subject to section 3614, shall establish a Government-wide program that provides a standardized, reusable approach to security assessment and authorization for cloud computing products and services that process unclassified information used by agencies.

#### “§ 3609. Roles and responsibilities of the General Services Administration

“(a) ROLES AND RESPONSIBILITIES.—The Administrator shall—