

OPENING STATEMENT
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House Committee on Science, Space, and Technology
Subcommittee on Research and Technology
“SBIR/STTR Reauthorization: A Review of Technology Transfer”
June 16, 2016

Good morning, I would like to thank the Chair for holding today’s hearing to examine the Small Business Innovation Research Program and the Small Business Technology Transfer Programs and related technology transfer issues. I would also like to thank the Chairman of the full committee for ensuring that Science Committee Members have the opportunity to weigh in on reauthorization of these important programs.

The United States has long been a nation that nurtures innovation. The number of small businesses has grown by 49% since 1982, and today’s 28 million small businesses make up 54% of all U.S. sales. The invigorating startup culture we have seen for the last decade and a half has contributed to this growth and has given us extraordinary economic and social benefits. The first SBIR program was at the National Science Foundation and was started in the mid-1970s to support small high tech firms’ ability to compete for federal R&D grants. This program grew to a government-wide program in 1982. Today the program receives approximately \$2.2 billion from funds set-aside from the federal research and development budget.

The SBIR and STTR Programs are funded from a set-aside from agencies’ extramural R&D budgets. They are the only R&D programs that are funded in this manner. While stability and continuity in the programs are important goals, the SBIR and STTR programs are just one tool in a much larger R&D toolbox that agencies draw from to meet their missions.

The SBIR and STTR programs were last authorized from fiscal years 2012 through 2017. During that time, the programs grew by 30%. In addition, the 2011 reauthorization introduced many new requirements and flexibilities for the agencies. Before we reauthorize the programs, it is the responsibility of this Committee to review how the new policies introduced in the last reauthorization have been implemented, how well the programs are achieving their goals and how they might continue to improve, and how the programs fit into the larger federal research and development enterprise. Our job on the Science Committee is to help ensure the health and sustainability of this entire enterprise.

One particular issue I hope our witnesses can address is women and minority participation. According to the National Academies, agencies are doing well in all of the main goals of the SBIR and STTR Programs except for participation in innovation by economically and socially disadvantaged groups. I have spent my entire political career working on increasing female and minority participation in STEM. I’m sad to say that we are not doing much better today than when I started. SBIR cannot solve disparities created earlier in the pipeline. However, we know that women and minorities receive less encouragement and support to become entrepreneurs. I’d like to hear from the witnesses today how agencies can help address this disparity through the SBIR and STTR Programs.

I thank the witnesses for being here today and look forward to their comments and recommendations for future legislation.

Thank you Madam Chairwoman. I yield back the balance of my time.