



U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON
SCIENCE, SPACE, & TECHNOLOGY

Opening Statement

Chairwoman Eddie Bernice Johnson (D-TX)

Research and Technology Subcommittee Hearing:
America's Seed Fund: A Review of SBIR and STTR

Wednesday, February 5, 2020

Good afternoon and thank you to the Chair and Ranking Member for holding this hearing and for introducing a good, bipartisan bill making improvements to 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.

The SBIR program is known as "America's Seed Fund." A strength of the Federal scientific enterprise is its ability to harness research and ideas from a wide range of innovators including small businesses. Just a modest amount of early stage support for these ideas can propel them forward and open the door to significant private sector investment and commercial success.

To build on these successes for the future, it is important to periodically evaluate the SBIR program and ensure policies are in place to help the agencies meet the goals of the program.

There is no one size fits all assessment of SBIR because each agency implements a unique program. And Congress has recognized the need to provide agencies the flexibility to do so. Each agency has its own mission and research needs. However, the overarching goals are constant across the agencies, and Congress requires the National Academies of Science, Engineering, and Medicine to review these programs every four years with those goals in mind. The Academies has recently initiated a new round of reviews so we don't have new recommendations yet. However, in their last round in 2015-2016 they found that overall, agencies were doing a good job in meeting the statutory goals, except when it came to achieving increased women and minority participation in SBIR and STTR.

Whether this is a pipeline issue or an accessibility issue, the status quo is not good enough. Congress authorized agencies to use 3 percent of their SBIR funds for administrative activities, program evaluation, and outreach. I am interested in any feedback the witnesses might offer on the use of these funds for increasing the participation of underrepresented groups in the program. I am also eager to learn more from NSF about the promise of the Innovation Corps and other pre-SBIR activities in engaging more women and minorities in entrepreneurship. We should continue to experiment with these and other potential solutions to addressing the lack of diversity in the SBIR program and our innovation pipeline.

Finally, this Committee has long advocated for early-stage funding. It takes business acumen, a solid technology foundation, and adequate resources to get an idea into the market. NIH recently reported a number of successes funded through a Congressionally mandated pilot program to fund activities to improve the commercialization potential of pre-competitive technologies. Considering these successes, I would like to see other agencies carry out a similar 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.