



U.S. Department of Defense
Office of Small Business Programs

Summary of 2011 SBIR/STTR Reauthorization Act

Section 5101 – Extension of Termination Dates

- SBIR/STTR Programs are extended until 30 September 2017.

Section 5102 – SBIR and STTR Allocation Increase

- SBIR allocation increases 0.1% annually beginning in FY12 through FY16. In FY17 it increases by 0.2% (currently no increases scheduled after FY17).
- STTR allocation increases 0.05% every two years beginning in FY12 through FY16.

Section 5103 – SBIR and STTR Award Levels

- SBIR/STTR Phase I awards increased to \$150,000, and Phase II awards increased to \$1,000,000.
- SBA will adjust levels annually for inflation.
- Awards may not exceed established award level by more than 50%, unless a waiver is obtained.

Section 5104 – Agency and Program Flexibility

- A firm may receive a Phase II award from an agency that is not the one that awarded their Phase I award.
- A firm may receive a Phase II award under a program that is not the one that they received their Phase I award under.

Section 5105 – Elimination of Phase II Invitations

- Invitation, pre-screening and pre-selection processes are no longer permitted for Phase II proposal submission.

Section 5106 – Pilot to Allow Phase Flexibility

- Authorized to establish a Pilot Program that will allow for a Phase II award to be made without regard to whether or not the firm received a Phase I award.

Section 5107 – Participation by VC Firms

- Firms majority-owned by venture capital operating companies, hedge funds and private equity are now included in the SBIR program.

Section 5108 – Special Acquisition Preference

- Federal agencies and prime contractors shall issue Phase III awards to the greatest extent practicable.

Section 5109 – Collaborating with Federal Labs

- No waiver is required for partnership with Federal Labs and Centers.

Section 5110 – Notice Requirement

- Federal agencies must notify SBA of all court cases related to the SBIR/STTR Programs.

Section 5111 – Additional SBIR/STTR Awards

- Firms are eligible to receive one additional Phase II award for continued work.

Section 5121 – Technical Assistance for Awardees

- The amount allocated for Technical Assistance for awardees is increased to \$5,000.
- Phase II and STTR awards now included (Also \$5,000).

Section 5122 – CRP at DoD

- The Commercialization Pilot Program is no longer a pilot, and is called the Commercialization Readiness Program.
- Program is extended to STTR.

Section 5123 – CRP at Other Agencies

- Establishes commercialization programs at other Federal Agencies

Section 5124 – Interagency Policy Committee

- The Director of the Office of Science and Technology Policy will establish an Interagency SBIR/STTR Policy Committee.

Section 5125 – Definition of Phase III

- Phase III is work that derives from, extends or completes efforts made under prior SBIR/STTR funding agreements.

Section 5126 – Shortened Award Decision Period

- Selections must be made within 90 days of the solicitation close.

Section 5127 – Phase 0 Proof of Concept

- NIH may use \$5 million of the funds to establish a Proof of Concept Partnership pilot program.

Section 5131 – Streamlining Annual Evaluation

- There are additional annual reporting requirements.
- Data will be shared electronically between the Federal Agencies.

Section 5132 – SBIR Data Collection from Agencies

- There are additional data requirements.



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Section 5133 – STTR Data Collection from Agencies

- There are additional data requirements.

Section 5134 – Public Database

- SBA will maintain a public SBIR/STTR database.

Section 5135 – Government Database

- SBA will maintain a Government-only SBIR/STTR database.

Section 5136 – Accuracy in Funding Base Calculations

- GAO will complete an annual fiscal and management audit.

Section 5137 – Evaluation by National Academy

- The National Academy of Sciences (NAS) will evaluate the SBIR/STTR Programs.
- The NAS will evaluate the number of positions created by each SBIR award.

Section 5138 – Technology Insertion Reporting

- Phase III award data must be included in the annual report to Congress.

Section 5139 – Intellectual Property Protections

- The Comptroller General must conduct a study of Intellectual Property Protections in the SBIR program.

Section 5140 – Consent to Release Information

- Firms must give consent before their information is released to Economic Development Organizations.

Section 5141 – Pilot for Administrative Funding

- Federal agencies are allowed to use up to 3% of SBIR funds for administrative, oversight, and contract processing costs for three years from the date of enactment.

Section 5142 – GAO Study of VC

- Comptroller General shall conduct a study of the impact of requirements relating to VC operating company, hedge fund, and private equity firm involvement in the SBIR/STTR programs.

Section 5143 – Reducing Fraud, Waste and Abuse

- SBA must include measures in the SBIR Policy Directive to prevent fraud, waste and abuse in the SBIR/STTR programs.

Section 5144 – Simplified Paperwork Requirements

- SBA shall issue guidelines to ensure that each Federal agency simplifies and standardizes the paperwork requirements of small businesses.

Section 5151 – SBIR/STTR Policy Directive

- SBA shall update and publish the SBIR/STTR Policy Directives no later than 180 days after enactment of the Reauthorization.

Section 5161 – Report on SBIR/STTR Program Goals

- Federal agencies will develop and report metrics that evaluate the effectiveness and benefit of the SBIR/STTR programs to the people of the United States.

Section 5162 – Competitive Selection Procedures

- All awards must be made pursuant to competitive and merit-based selection procedures.

Section 5163 – Loan Restrictions

- SBA will provide a report to Congress analyzing loan restrictions in the SBIR/STTR programs.

Section 5164 – Limitations on Pilot Programs

- There is a three year limit on all existing and new pilot programs within the SBIR/STTR programs.

Section 5165 – Commercialization Success

- Federal agencies must establish a system to measure a firm's success rate of moving from Phase I to Phase II and from Phase II to Phase III.
- Agencies must establish a minimum threshold for these rates.
- If a firm does not meet these minimum thresholds, they will be suspended from the program for one year.

Section 5166 – Publication of Certain Information

- The SBA shall maintain a public website that publishes solicitation information.

Section 5167 – Report on Manufacturing Activities

- The Manufacturing report is now included in the Annual Report to Congress.

Section 5168 – Stimulate Competitive Research

- Each Federal agency and the Experimental Program to Stimulate Competitive Research shall coordinate the initiatives of each program.