those files on to Iraq, the United Nations, and the Arab League;

Whereas numerous testimonials exist from family members who witnessed the arrest and forcible removal of their relatives by Iraqi armed forces during the occupation;

Whereas eyewitness reports from released prisoners of war indicate that many of those who are still missing were seen and contacted in Iraqi prisons;

Whereas official Iraqi documents left behind in Kuwait chronicle in detail the arrest, imprisonment, and transfer of significant numbers of Kuwaitis, including those who are still missing;

Whereas in 1991, the United Nations Security Council overwhelmingly passed Security Council Resolutions 686 and 687 that were part of the broad cease-fire agreement accepted by the Iraqi regime;

Whereas United Nations Security Council Resolution 686 calls upon Iraq to arrange for immediate access to and release of all prisoners of war under the auspices of the ICRC and to return the remains of the deceased personnel of the forces of Kuwait and the Member States cooperating with Kuwait;

Whereas United Nations Security Resolution 687 calls upon Iraq to cooperate with the ICRC in the repatriation of all Kuwaiti and third-country nationals, to provide the ICRC with access to the prisoners wherever they are located or detained, and to facilitate the ICRC search for those unaccounted for;

Whereas the Government of Kuwait, in accordance with United Nations Security Council Resolution 686, immediately released all Iraqi prisoners of war as required by the terms of the Geneva Convention;

Whereas immediately following the cease-fire in March 1991, Iraq repatriated 5,722 Kuwaiti prisoners of war under the aegis of the ICRC and freed 500 Kuwaitis held by rebels in southern Iraq;

Whereas Iraq has hindered and blocked efforts of the Tripartite Commission, the eight-country commission chaired by the ICRC and responsible for locating and securing the release of the remaining prisoners of war;

Whereas Iraq has denied the ICRC access to Iraqi prisons in violation of Article 126 of the Third Geneva Convention, to which Iraq is a signatory; and

Whereas Iraq—under the direction and control of Saddam Hussein—has failed to locate and secure the return of all prisoners of war being held in Iraq, including prisoners from Kuwait and nine other nations: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) the Congress—

(A) demands that the Government of Iraq immediately provide the fullest possible accounting for United States Navy Commander Michael Scott Speicher in compliance with United Nations Security Council Resolution 686 and other applicable international law;

(B) acknowledges that there remain 605 prisoners of war unaccounted for in Iraq, although Kuwait was liberated from Iraq's brutal invasion and occupation on February 26, 1991;

(C) condemns and denounces the Iraqi Government's refusal to comply with international human rights instruments to which it is a party;

(D) urges Iraq immediately to disclose the names and whereabouts of those who are still alive among the Kuwaiti prisoners of war and other nations to bring relief to their families; and

(E) insists that Iraq immediately allow humanitarian organizations such as the International Committee of the Red Cross to visit the living prisoners and to recover the remains of those who have died while in captivity; and

(2) it is the sense of the Congress that the United States Government should—

(A) actively seek the fullest possible accounting for United States Navy Commander Michael Scott Speicher;

(B) actively and urgently work with the international community and the Government of Kuwait, in accordance with United Nations Security Council Resolutions 686 and 687, to secure the release of Kuwaiti prisoners of war and other prisoners of war who are still missing nine years after the end of the Gulf War; and

(C) exert pressure, as a permanent member of the United Nations Security Council, on Iraq to bring this issue to a close, to release all remaining prisoners of the Iraqi occupation of Kuwait, and to rejoin the community of nations with a humane gesture of good will and decency.

Passed the Senate July 19, 2000.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM REAUTHORIZATION ACT OF 2000

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 541, H.R. 2392.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2392) to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, and for other purposes, which had been reported from the Committee on Small Business, with an amendment, as follows:

(Strike out all after the enacting clause and insert the part printed in italic.)

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Innovation Research Program Reauthorization Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Extension of SBIR program.
Sec. 4. Third phase assistance.
Sec. 5. Rights to data.
Sec. 6. Report on programs for annual performance plan.
Sec. 7. Collection, reporting, and maintenance of information.
Sec. 8. Federal agency expenditures for the SBIR program.
Sec. 9. Federal and State technology partnership program.
Sec. 10. Mentoring Networks.

SEC. 2. FINDINGS.

Congress finds that—

(1) the small business innovation research program established under the Small Business Innovation Development Act of 1982, and reauthorized by the Small Business Research and Development Enhancement Act of 1992 (referred to in this section as ''SBIR'' or the ''SBIR program''), is highly successful in involving small business concerns in federally funded research and development;

(2) the SBIR program made the cost-effective and unique research and development capabilities possessed by the small business concerns of this Nation available to Federal departments and agencies;

(3) the innovative goods and services developed by small business concerns that participated in the SBIR program have produced innovations of critical importance in a wide variety of high-technology fields, including biology, medicine, education, electronics, information technology, materials, and defense;

(4) the SBIR program is a catalyst in the promotion of research and development, the commercialization of innovative technology, the development of new products and services, the attraction of private investment, and the continued excellence of the high-technology industries of this Nation; and

(5) the continuation of the SBIR program will—

(A) provide expanded opportunities for one of the vital resources of the Nation, its small business concerns;

(B) foster invention, research, and technology;

(C) create jobs; and

(D) increase economic growth and the competitiveness of this Nation in international markets.

SEC. 3. EXTENSION OF SBIR PROGRAM.

Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended to read as follows:

''(m) TERMINATION.—The authorization to carry out the Small Business Innovation Research Program established under this section shall terminate on September 30, 2010.''.

SEC. 4. THIRD PHASE ASSISTANCE.

Section 9(e)(4)(C)(i) of the Small Business Act (15 U.S.C. 638(e)(4)(C)(i)) is amended by striking ''; and'' and inserting ''; or''.

SEC. 5. RIGHTS TO DATA.

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

''(3) ADDITIONAL MODIFICATIONS.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall modify the policy directives issued under this subsection to clarify that the rights provided for under paragraph (2)(A) apply to all Federal funding awards, including—

''(A) the first phase (as described in subsection (e)(4)(A));

''(B) the second phase (as described in subsection (e)(4)(B)); and

''(C) the third phase (as described in subsection (e)(4)(C)).''.

SEC. 6. REPORT ON PROGRAMS FOR ANNUAL PERFORMANCE PLAN.

Section 9(o)(8) of the Small Business Act (15 U.S.C. 638(o)(8)) is amended—

(1) by striking ''its STTR program'' and inserting ''the SBIR and STTR programs of the agency''; and

(2) by inserting before the semicolon '', and to the Administrator''.

SEC. 7. COLLECTION, REPORTING, AND MAINTENANCE OF INFORMATION.

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

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(9) collect, and maintain in a common format, such information from awardees as is necessary to assess the SBIR program, including information necessary to maintain the database described in subsection (k).''.

(b) REPORT TO CONGRESS.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended by inserting before the period at the end the following: '', including the information collected under subsections (g)(9) and (o)(9) and a description of the extent to which Federal agencies are providing in a timely manner information needed to maintain the database described in subsection (k)''.

(c) PUBLIC DATABASE.—Section 9(k) of the Small Business Act (15 U.S.C. 638(k)) is amended to read as follows:

''(k) PUBLIC DATABASE.—Not later than 180 days after the date of enactment of the Small

Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall develop, maintain, and make available to the public a searchable, up-to-date, electronic database that includes—

''(1) the name, size, location, and an identifying number assigned by the Administrator, of each small business concern that has received a first phase or second phase SBIR award from a Federal agency;

''(2) a description of each first phase or second phase SBIR award received by that small business concern, including—

''(A) an abstract of the project funded by the award;

''(B) the Federal agency making the award; and

''(C) the date and amount of the award;

''(3) an identification of any business concern or subsidiary established for the commercial application of a product or service for which an SBIR award is made; and

''(4) information regarding mentors and Mentoring Networks, as required by section 35(e).''.

SEC. 8. FEDERAL AGENCY EXPENDITURES FOR THE SBIR PROGRAM.

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

(1) by striking ''(i) Each Federal'' and inserting the following:

''(i) ANNUAL REPORTING.—

''(1) IN GENERAL.—Each Federal''; and

(2) by adding at the end the following:

''(2) CALCULATION OF EXTRAMURAL BUDGET.—

''(A) METHODOLOGY.—Not later than 4 months after the date of enactment of each appropriations Act for a Federal agency required by this section to have an SBIR program, the comptroller of that Federal agency shall submit to the Administrator a report, which shall include a description of the methodology used for calculating the amount of the extramural budget of that Federal agency (as defined in subsection (e)(1)).

''(B) ADMINISTRATOR'S ANALYSIS.—The Administrator shall include an analysis of the methodology received from each Federal agency referred to in subparagraph (A) in the report required by subsection (b)(7).''.

SEC. 9. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) programs to foster economic development among small high-technology firms vary widely among the States;

(2) States that do not aggressively support the development of small high-technology firms, including participation by small business concerns in the Small Business Innovation Research Program (referred to in this section as ''SBIR'' or the ''SBIR program''), are at a competitive disadvantage in establishing a business climate that is conducive to technology development; and

(3) building stronger national, State, and local support for science and technology research in these disadvantaged States will expand economic opportunities in the United States, create jobs, and increase the competitiveness of the United States in the world market.

(b) FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 34 as section 36; and

(2) by inserting after section 33 the following:

''SEC. 34. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

''(a) DEFINITIONS.—In this section—

''(1) the term 'applicant' means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this section;

''(2) the terms 'business advice and counseling', 'mentor', and 'Mentoring Network' have the same meanings as in section 35(b);

''(3) the term 'recipient' means a person that receives an award or becomes party to a cooperative agreement under this section;

''(4) the term 'SBIR program' has the same meaning as in section 9(e)(4);

''(5) the term 'State' means any of the 50 States of the United States, the District of Columbia, and Puerto Rico; and

''(6) the term 'STTR program' has the same meaning as in section 9(e)(6).

''(b) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to be known as the Federal and State Technology Partnership Program (referred to in this section as 'FAST'), the purpose of which shall be to strengthen the technological competitiveness of small business concerns in the States.

''(c) GRANTS AND COOPERATIVE AGREEMENTS.—

''(1) JOINT REVIEW.—In carrying out the FAST program under this section, the Administrator and the SBIR program managers at the National Science Foundation and the Department of Defense shall jointly review proposals submitted by applicants and may make awards or enter into cooperative agreements under this section based on the factors for consideration set forth in paragraph (2), in order to enhance or develop in a State—

''(A) technology research and development by small business concerns;

''(B) technology transfer from university research to technology-based small business concerns;

''(C) technology deployment and diffusion benefiting small business concerns;

''(D) the technological capabilities of small business concerns through the establishment or operation of consortia comprised of entities, organizations, or individuals, including—

''(i) State and local development agencies and entities;

''(ii) representatives of technology-based small business concerns;

''(iii) industries and emerging companies;

''(iv) universities; and

''(v) small business development centers; and

''(E) outreach, financial support, and technical assistance to technology-based small business concerns interested in participating in the SBIR program, including initiatives—

''(i) to make grants or loans to companies to pay a portion or all of the cost of developing SBIR proposals;

''(ii) to establish or operate a Mentoring Network within the FAST program to provide business advice and counseling that will assist small business concerns that have been identified by FAST program participants, program managers of participating SBIR agencies, the Administration, or other entities that are knowledgeable about the SBIR and STTR programs as good candidates for the SBIR and STTR programs, and that would benefit from mentoring, in accordance with section 35;

''(iii) to create or participate in a training program for individuals providing SBIR outreach and assistance at the State and local levels; and

''(iv) to encourage the commercialization of technology developed through SBIR program funding.

''(2) SELECTION CONSIDERATIONS.—In making awards or entering into cooperative agreements under this section, the Administrator and the SBIR program managers referred to in paragraph (1)—

''(A) may only consider proposals by applicants that intend to use a portion of the Federal assistance provided under this section to provide outreach, financial support, or technical assistance to technology-based small business concerns participating in or interested in participating in the SBIR program; and

''(B) shall consider, at a minimum—

''(i) whether—

''(I) the applicant has demonstrated that the assistance to be provided would address unmet needs of small business concerns in the community; and

''(II) it is important to use Federal funding for the proposed activities;

''(ii) whether the applicant has demonstrated that a need exists to increase the number and success of small high-technology businesses in the State, as measured by the number of first phase and second phase SBIR awards that have historically been received by small business concerns in the State;

''(iii) whether the projected costs of the proposed activities are reasonable;

''(iv) whether the proposal integrates and coordinates the proposed activities with other State and local programs assisting small high-technology firms in the State; and

''(v) the manner in which the applicant will measure the results of the activities to be conducted.

''(3) PROPOSAL LIMIT.—Not more than 1 proposal may be submitted for inclusion in the FAST program under this section to provide services in any one State in any fiscal year.

''(4) PROCESS.—Proposals and applications for assistance under this section shall be in such form and subject to such procedures as the Administrator shall establish.

''(d) COOPERATION AND COORDINATION.—In carrying out the FAST program under this section, the Administrator shall cooperate and coordinate with—

''(1) Federal agencies required by section 9 to have an SBIR program; and

''(2) entities, organizations, and individuals actively engaged in enhancing or developing the technological capabilities of small business concerns, including—

''(A) State and local development agencies and entities;

''(B) State committees established under the Experimental Program to Stimulate Competitive Research of the National Science Foundation (as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g)), to the extent that such committees exist in the States;

''(C) State science and technology councils, to the extent that such councils exist in the States; and

''(D) representatives of technology-based small business concerns.

''(e) ADMINISTRATIVE REQUIREMENTS.—

''(1) COMPETITIVE BASIS.—Awards and cooperative agreements under this section shall be made or entered into, as applicable, on a competitive basis.

''(2) MATCHING REQUIREMENTS.—

''(A) IN GENERAL.—The non-Federal share of the cost of an activity (other than a planning activity) carried out using an award or under a cooperative agreement under this section shall be—

''(i) 50 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 18 States receiving the fewest SBIR first phase awards (as described in section 9(e)(4)(A));

''(ii) 1 dollar for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 16 States receiving the greatest number of such SBIR first phase awards; and

''(iii) 75 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in a State that is not described in clause (i) or (ii) that is receiving such SBIR first phase awards.

''(B) TYPES OF FUNDING.—The non-Federal share of the cost of an activity carried out by a recipient shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

''(C) RANKINGS.—For purposes of subparagraph (A), the Administrator shall reevaluate the ranking of a State once every 2 fiscal years, beginning with fiscal year 2001, based on the most recent statistics compiled by the Administrator.

''(3) DURATION.—Awards may be made or cooperative agreements entered into under this section for multiple years, not to exceed 3 years in total.

''(f) REPORTS.—

''(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall prepare and submit to the Committees on Small Business of the Senate and the House of Representatives a report, which shall include, with respect to the FAST program, including Mentoring Networks (as defined in section 35)—

''(A) a description of the structure and procedures of the program;

''(B) a management plan for the program; and

''(C) a description of the merit-based review process to be used in the program.

''(2) ANNUAL REPORTS.—The Administrator shall submit an annual report to the Committees on Small Business of the Senate and the House of Representatives regarding—

''(A) the number and amount of awards provided and cooperative agreements entered into under the FAST program during the preceding year;

''(B) a list of recipients under this section, including their location and the activities being performed with the awards made or under the cooperative agreements entered into; and

''(C) the Mentoring Networks and the mentoring data base, as provided for under section 35, including—

''(i) the status of the inclusion of mentoring information in the database required by section 9(k); and

''(ii) the status of the implementation and description of the usage of the Mentoring Networks (as defined in section 35).

''(g) REVIEWS BY INSPECTOR GENERAL.—

''(1) IN GENERAL.—The Office of the Inspector General of the Administration shall conduct a review of—

''(A) the extent to which recipients under the FAST program are measuring the performance of the activities being conducted and the results of such measurements; and

''(B) the overall management and effectiveness of the FAST program.

''(2) REPORT.—During the first quarter of fiscal year 2004, the Office of the Inspector General of the Administration shall submit a report to the Committees on Small Business of the Senate and the House of Representatives on the review conducted under paragraph (1).

''(h) PROGRAM LEVELS.—

''(1) IN GENERAL.—Subject to an appropriations Act, there is authorized to be appropriated to carry out the FAST program, including Mentoring Networks, under this section and section 35, $10,000,000 for each of fiscal years 2001 through 2005.

''(2) MENTORING DATABASE.—Of the total amount made available under paragraph (1) for fiscal years 2001 through 2005, a reasonable amount, not to exceed a total of $500,000, may be used by the Administration to carry out section 35(e).

''(i) TERMINATION.—The authorization to carry out the FAST program under this section shall terminate on September 30, 2005.''.

(d) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

''(u) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—

''(1) DEFINITION OF TECHNOLOGY DEVELOPMENT PROGRAM.—In this subsection, the term 'technology development program' means—

''(A) the Experimental Program to Stimulate Competitive Research of the National Science Foundation, as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g);

''(B) the Defense Experimental Program to Stimulate Competitive Research of the Department of Defense;

''(C) the Experimental Program to Stimulate Competitive Technology of the Department of Commerce;

''(D) the Experimental Program to Stimulate Competitive Research of the Department of Energy;

''(E) the Experimental Program to Stimulate Competitive Research of the Environmental Protection Agency;

''(F) the Experimental Program to Stimulate Competitive Research of the National Air and Space Administration;

''(G) the Institutional Development Award Program of the National Institutes of Health; and

''(H) the National Research Initiative Competitive Grants Program of the Department of Agriculture.

''(2) COORDINATION REQUIREMENTS.—Each Federal agency that is subject to subsection (f) and that has established a technology development program shall, in each fiscal year—

''(A) review for funding under that technology development program—

''(i) any proposal from an entity, organization, or individual located in a State that is eligible to participate in that program to provide outreach and assistance to 1 or more small business concerns interested in participating in the SBIR program, including any proposal to make a grant or loan to a company to pay a portion or all of the cost of developing an SBIR proposal; or

''(ii) any proposal for the first phase of the SBIR program from a small business concern located in a State that is eligible to participate in a technology development program if the proposal, though meritorious, is not funded through the SBIR program for that fiscal year due to funding restraints; and

''(B) consider proposals described in subparagraph (A) to be eligible for funding, as described in subparagraph (A), if the applicant is located in a State that is an eligible State.

''(3) DEFINITION OF 'ELIGIBLE STATE'.—In this subsection, the term 'eligible State' means a State in which the total value of contracts awarded to small business concerns under the SBIR program is less than the total value of contracts awarded to small business concerns in a majority of other States, as determined by the Administrator in biennial fiscal years, beginning with fiscal year 2000, based on the most recent statistics compiled by the Administrator.''.

SEC. 10. MENTORING NETWORKS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting before section 36, as redesignated by this Act, the following:

''SEC. 35. MENTORING NETWORKS.

''(a) FINDINGS.—Congress finds that—

''(1) the SBIR and STTR programs create jobs, increase capacity for technological innovation, and boost international competitiveness;

''(2) increasing the quantity of applications from all States to the SBIR and STTR programs would enhance competition for such awards and the quality of the completed projects; and

''(3) mentoring is a natural complement to the FAST program of reaching out to new companies regarding the SBIR and STTR programs as an effective and low-cost way to improve the likelihood that such companies will succeed in such programs in developing and commercializing their research.

''(b) DEFINITIONS.—In this section—

''(1) the term 'business advice and counseling' means providing advice and assistance on matters described in subsection (d)(2)(B) to small business concerns to guide them through the SBIR and STTR program processes, from application to award and successful completion of each phase of the program;

''(2) the term 'mentor' means an individual described in subsection (d)(2); and

''(3) the term 'Mentoring Network' means an association, organization, coalition, or other entity (including an individual) that meets the requirements of subsection (d).

''(c) AUTHORIZATION FOR MENTORING NETWORKS.—The recipient of an award or participant in a cooperative agreement under section 34 may use a reasonable amount of such assistance for the establishment of a Mentoring Network under this section.

''(d) CRITERIA FOR MENTORING NETWORKS.—A Mentoring Network established using assistance under section 34 shall—

''(1) provide business advice and counseling to high technology small business concerns located in the State or region served by the network and identified under section 34(c)(1)(E)(ii) as potential candidates for the SBIR or STTR programs;

''(2) identify volunteer mentors who—

''(A) are persons associated with a small business concern that has successfully completed one or more SBIR or STTR funding agreements; and

''(B) have agreed to guide small business concerns through all stages of the SBIR or STTR program process, including providing assistance relating to—

''(i) proposal writing;

''(ii) marketing;

''(iii) Government accounting;

''(iv) Government audits;

''(v) project facilities and equipment;

''(vi) human resources;

''(vii) phase III partners;

''(viii) commercialization;

''(ix) venture capital networking; and

''(x) other matters relevant to the SBIR and STTR programs;

''(3) have experience working with small business concerns participating in the SBIR and STTR programs;

''(4) contribute information to the national database referred to in subsection (e); and

''(5) agree to reimburse volunteer mentors for out-of-pocket expenses related to service as a mentor under this section.

''(e) MENTORING DATABASE.—The Administrator shall—

''(1) include in the database required by section 9(k), in cooperation with the SBIR, STTR, and FAST programs, information on Mentoring Networks and mentors participating under this section, including a description of their areas of expertise;

''(2) work cooperatively with Mentoring Networks to maintain and update the database;

''(3) take such action as may be necessary to aggressively promote Mentoring Networks under this section; and

''(4) fulfill the requirements of this subsection either directly or by contract.''.

There being no objection, the Senate proceeded to consider the bill.

Mr. BOND. Mr. President, the Small Business Innovation Research Program Reauthorization Act of 2000 (H.R. 2392) was introduced on June 30, 1999, and referred to the House Committees on Small Business and Science. Both Committees held hearings and the House Committee on Small Business reported H.R. 2392 on September 23, 1999 (H. Rept. 106–329). In the interest of moving the bill to the floor of the House of Representatives promptly, the Committee on Science agreed not to exercise its right to report the legislation, provided that the House Committee on Small Business agreed to add the selected portions of the Science Committee version of the legislation, as Sections 8 through 11 of the House floor text of H.R. 2392. H.R. 2392 passed the House without further amendment on September 27. The Science Committee provisions were explained in floor statements by Congressmen SENSENBRENNER, MORELLA, and MARK UDALL.

On March 21, 2000, the Senate Committee marked up H.R. 2392 and on May 10, 2000, reported the bill (S. Rept. 106–289). The Senate Committee struck several of the sections originating from the House Committee on Science and added sections not in the House-passed legislation, including a requirement that Federal agencies with Small Business Innovation Research (SBIR) programs report their methodology for calculating their SBIR budgets to the Small Business Administration (SBA) and a program to assist states in the development of small high-technology businesses. Negotiations then began among the leadership of the Senate and House Committees on Small Business and the House Committee on Science (hereinafter referred to as the three committees). The resultant compromise text contains all major House and Senate provisions, some of which have been amended to reflect a compromise position. A section-by-section explanation of the revised text follows. For purposes of this statement, the bill passed by the House of Representatives is referred to as the ''House version'' and the bill reported by the Senate Committee on Small Business is referred to as the ''Senate version.''

Section 1. Short Title; Table of Contents. The compromise text uses the Senate short title: ''Small Business Innovation Research Program Reauthorization Act of 2000.'' The table of contents lists the sections in the compromise text.

Section 2. Findings. The House and Senate versions of the findings are very similar. The compromise text uses the House version of the findings.

Section 3. Extension of the SBIR Program. The House version extends the SBIR program for seven years through September 30, 2007. The Senate version extends the program for ten years through September 30, 2010. The compromise text extends the program for eight years through September 30, 2008.

Section 4. Annual Report. The House version provides for the annual report on the SBIR program prepared by the SBA to be sent to the Committee on Science, as well as to the House and Senate Committees on Small Business that currently receive it. The Senate version did not include this section. The compromise text adopts the House language.

Section 5. Third Phase Activities. The compromise text of this technical amendment is identical to both the House and Senate versions.

Section 6. Policy Directive Modifications. The House version includes policy directive modifications in Section 9 and the requirement of a second phase commercial plan in Section 10. The Senate version includes policy directive modifications in Section 6. The Senate version and now the compromise text require the Administrator to make modifications to SBA's policy directives 120 days after the date of enactment rather than the 30 days contained in the House version. The compromise text drops the House policy directive dealing with awards exceeding statutory dollar amounts and time limits because this flexibility is already being provided administratively. Addressed below is a description of the policy directive modifications contained in the compromise text that were not included in both the Senate version and the House version.

Section 10 of the House version requires the SBA to modify its policy directives to require that small businesses provide a commercial plan with each application for a second-phase award. The Senate version does not contain a similar provision. The compromise text requires the SBA to modify its policy directives to require that a small businesses provide a ''succinct commercialization plan for each second phase award moving towards commercialization.'' The three committees acknowledge that commercialization is a current element of the SBIR program. The statutory definition of SBIR, which is not amended by H.R. 2392, includes ''a second phase, to further develop proposals which meet particular program needs, in which awards shall be made based on the scientific and technical merit and feasibility of the proposals, as evidenced by the first phase, considering among other things the proposal's commercial potential'', and lists evidence of commercial potential as the small business's commercialization record, private sector funding commitments, SBIR Phase III commitments, and the presence of other indicators of the commercial potential. The three committees do not intend that the addition of a commercialization plan either increase or decrease the emphasis an agency places on the commercialization when reviewing second-phase proposals. Rather, the commercialization plan will give SBIR agencies a means of determining the seriousness with which individual applicants approach commercialization.

The commercialization plan, while concise, should show that the business has thought through both the steps it must take to prepare for the fruits of the SBIR award to enter the commercial marketplace or government procurement and the steps to build business expertise as needed during the SBIR second phase time period. The three committees intend that agencies take into consideration the stage of development of the product or process in deciding whether an appropriate commercialization plan has been submitted. In those instances when at the time of the SBIR Phase II proposal, the grantee cannot identify either a product or process with the potential eventually to enter either the commercial or the government marketplace, no commercialization plan is required.

The compromise text also adds new provisions that were not contained in either the Senate version or the House version. Current law (Section 9(j)(3)(C) of the Small Business Act) requires that the Administrator put in place procedures to ensure, to the extent practicable, that an agency which intends to pursue research, development or production of a technology developed by a small business concern under an SBIR program enter into follow-on, non-SBIR funding agreements with the small business concern for such research, development, or production. The three committees are concerned that agencies sometimes provide these follow-on activities to large companies who are in incumbent positions or through contract bundling without written justification or without the statutorily required documentation of the impracticability of using the small business for the work. So that the SBA and the Congress can track the extent of this problem, the compromise text requires agencies to record and report each such occurrence and to describe in writing why it is impractical to provide the research project to the original SBIR company. Additionally, the compromise text directs the SBA to develop policy directives to implement the new subsection (v), Simplified Reporting Requirements. This subsection requires that the directives regarding collection of data be designed to minimize the burden on small businesses; to permit the updating the database by electronic means; and to use standardized procedures for the collection and reporting of data.

Section 103(a)(2) of P.L. 102–564, which reauthorized the SBIR program in 1992, added language to the description of a third phase award which made it clear that the third phase is intended to be a logical conclusion of research projects selected through competitive procedures in phases one and two. The Report of the House Committee on Small Business (H. Rept. 102–554, Pt. I) provides that the purpose of that clarification was to indicate the Committee's intent that an agency which wishes to fund an SBIR project in phase three (with non-SBIR monies) or enter into a follow-on procurement contract with an SBIR company, need not conduct another competition in order to satisfy the Federal Competition in Contracting Act (CICA). Rather, by phase three the project has survived two competitions and thus has already satisfied the requirements of CICA, set forth in section 2302(2)(E) of that Act, as they apply to the SBIR program. As there has been confusion among SBIR agencies regarding the intent of this change, the three committees reemphasize the intent initially set forth in H. Rept. 102–554, Pt. 1, including the clarification that follow-on phase three procurement contracts with an SBIR company may include procurement of products, services, research, or any combination intended for use by the Federal government.

Section 7. Report on Programs for Annual Performance Plan. This section requires each agency that participates in the SBIR program to submit to Congress a performance plan consistent with the Government Performance and Results Act. The House and Senate versions have the same intent. The compromise text uses the House version.

Section 8. Output and Outcome Data. Both the House and Senate versions contain sections enabling the collection and maintenance of information from awardees as is necessary to assess the SBIR program. Both the Senate and House versions require the SBA to maintain a public database at SBA containing information on awardees from all SBIR agencies. The Senate version adds paragraphs to the public database section dealing with database identification of businesses or subsidiaries established for the commercial application of SBIR products or services and the inclusion of information regarding mentors and mentoring networks. The House version further requires the SBA to establish and maintain a government database, which is exempt from the Freedom of Information Act and is to be used solely for program evaluation. Outside individuals must sign a non-disclosure agreement before gaining access to the database. The compromise text contains each of these provisions, with certain modifications and clarifications, which are addressed below.

With respect to the public database, the compromise text makes clear that proprietary information, so identified by a small business concern, will not be included in the public database. With respect to the government database, the compromise text clarifies that the inclusion of information in the government database is not to be considered publication for purposes of patent law. The compromise text further permits the SBA to include in the government database any information received in connection with an SBIR award the SBA Administrator, in conjunction with the SBIR agency program managers, consider to be relevant and appropriate or that the Federal agency considers to be useful to SBIR program evaluation.

With respect to small business reporting for the government database, the compromise text directs that when a small business applies for a second phase award it is required to update information in the government database. If an applicant for a second phase award receives the award, it shall update information in the database concerning the award at the termination of the award period and will be requested to voluntarily update the information annually for an additional period of five years. This reporting procedure is similar to current Department of defense requirements for the reporting of such information. When sales or additional investment information is related to more than one second phase award is involved, the compromise text permits a small business to apportion the information among the awards in any way it chooses, provided the apportionment is noted on all awards so apportioned.

The three committees understand that receiving complete commercialization data on the SBIR program is difficult, regardless of any reasonable time frame that could be established for the reporting of such data. Commercialization may occur many years following the receipt of a research grant and research from an award, while not directly resulting in a marketable product, may set the groundwork for additional research that leads to such a product. Nevertheless, the three committees believe that the government database will provide useful information for program evaluation.

Section 9. National Research Council Reports. The House version requires the four largest SBIR program agencies to enter into an agreement with the National Research Council (NRC) to conduct a comprehensive study of how the SBIR program has stimulated technological innovation and used small businesses to meet Federal research and development needs and to make recommendations on potential improvements to the program. The Senate version contains no similar provision. The study was designed to answer questions remaining from the House Committees' reviews of these programs and to make sure that a current evaluation of the program is available when the program next comes up for reauthorization.

The compromise text makes several changes to the House text. The compromise text adds the National Science Foundation to the agencies entering the agreement with the NRC and requires the agencies to consult with the SBA in entering such agreement. It also expands on the House version, which requires a review of the quality of SBIR research, to require a comparison of the value of projects conducted under SBIR with those funded by other Federal research and development expenditures. The compromise text further broadens the House versions' review of the economic rate of return of the SBIR program to require an evaluation of the economic benefits of the SBIR program, including economic rate of return, and a comparison of the economic benefits of the SBIR program with that of other Federal research and development expenditures. The compromise text allows the NRC to choose an appropriate time-frame for such analysis that results in a fair comparison.

The three committees believe that a comprehensive report on the SBIR program and its relation to other Federal research expenditures will be useful in program oversight and will provide Congress with an understanding of the effects of extramural Federal research and development funding provided to large and small businesses and universities. The three committees understand, however, that measuring the direct benefits to the nation's economy from the SBIR program and other Federal research expenditures may be difficult to calculate and may not provide a complete portrayal of the benefits achieved by the SBIR program. Accordingly, the legislation requires the NRC also to review the non-economic benefits of the SBIR program, which may include, among other matters, the increase in scientific knowledge that has resulted from the program. The paragraph in the compromise text calling for recommendations remains the same as the House version, except that the bill now asks the NRC to make recommendations, should there be any.

While the study is to be carried out within National Research Council study guidelines and procedures, the compromise text requires the NRC to take the steps necessary to ensure that individuals from the small business community with expertise in the SBIR program are well represented in the panel established for performing the study and among the peer reviewers of the study. The NRC is to consult with the consider the views of the SBA's Office of Technology and the SBA's Office of Advocacy and to conduct the study in an open manner that makes sure that the views and experiences of small business involved in the program are carefully considered in the design and execution of the study. Extension of the SBIR program for eight years rather than the five being contemplated when the House study provision was initially written has necessitated some adjustments in the study. The report is now required three years rather than four years after the date of enactment of the Act and the NRC is to update the report within six years of enactment. The update is intended to bring current, any information from the study relevant to the reauthorization of the SBIR program. It is not intended to be a second full-fledged study. In addition, semiannual progress reports by NRC to the three committees are required.

Section 10. Federal Agency Expenditures for the SBIR Program. The Senate version requires each Federal agency with an SBIR program to provide the SBA with report describing its methodology for calculating its extramural budget for purposes of SBIR program set-aside and requires the Administrator of the SBA to include an analysis of the methodology from each agency in its annual report to the Congress. The House version has no similar provision. The compromise text follows the Senate text except that it specifies that each agency, rather than the agency's comptroller, shall submit the agency's report to the Administrator. The three committees intend that each agency's methodology include an itemization of each research program that is excluded from the calculation of its extramural budget for SBIR purposes as well as a brief explanation of why the agency feels each excluded program meets a particular exemption.

Section 11. Federal and State Technology Partnership Program. This section establishes the FAST program from the Senate version, which is a competitive matching grant program to encourage states to assist in the development of high-technology businesses. The House version does not contain a similar provision. The most significant changes from the Senate version in the compromise text are an extension of the maximum duration of awards from three years to five and the lowering of the matching requirement for funds assisting businesses in low income areas to 50 cents per federal dollar, as advocated by Ranking Member Velazquez of the House Small Business Committee. The compromise text combines the definitions found in the Senate version of this section and the mentoring networks section.

Section 12. Mentoring Networks. The Senate version sets forth criteria for mentoring networks that organizations are encouraged to establish with matching funds from the FAST program and creates a database of small businesses willing to act as mentors. The compromise text, except for relocating the program definitions to Section 11, is the same as the Senate text. The House version did not contain a similar provision.

Section 13. Simplified Reporting Requirements. This section is not in either the House or the Senate versions. It requires the SBA Administrator to work with SBIR program agencies on standardizing SBIR reporting requirements with the ultimate goal of making the SBA's SBIR database more user friendly. This provision requires the SBA to consider the needs of each agency when establishing and maintaining the database. Additionally, it requires the SBA to take measures to reduce the administrative burden on SBIR program participants whenever possible including, for example, permitting updating by electronic means.

Section 14. Rural Outreach Program Extension. This provision, which was not in either the House or the Senate versions, extends the life and authorization for appropriations for the Rural Outreach Program of the Small Business Administration for four additional years through fiscal year 2005. It is the intent of the three committees that this program be evaluated on the same schedule and in the same manner as the FAST program. Among other things, the evaluation should examine the extent to which the programs complement or duplicate each other. The evaluation should also include recommendations for improvements to the program, if any.

Mr. KERRY. Mr. President, today I ask my colleagues to join me in voting for H.R. 2392, the Small Business Innovation Research Program Reauthorization Act of 2000. The Small Business Innovation Research (SBIR) program is a great example of how government and business can work together to advance the cause of science, the diverse missions of the government, and a healthy economy. The results have been dramatic for small, high-technology companies participating in the program. Since 1983 when the program was started, some 16,000 small, high-technology firms have received more than 46,000 SBIR research awards through 1997, totaling $7.5 billion.

Technological advancement is a key element of economic growth. According to a Congressional Research Service Report, Small, High Tech Companies and Their Role in the Economy: Issues in the Reauthorization of the Small Business Innovation (SBIR) Program, ''technical progress is responsible for up to one-half the growth of the U.S. economy and is one of the principal driving forces for increases in our standard of living.''

Mr. President, this bill, and the accompanying managers' amendment, are the products of months and months of work between Democrats and Republicans, House and Senate, SBIR companies and SBIR advocates, the ten Federal agencies that participate in the SBIR program, and the Small Business Administration's Office of Technology and the Office of Advocacy.

I want to thank Senator BOND and Senator LEVIN, and the members of the House Committees on Small Business

and Science, and their staffs, for their hard work on this bill. Many of us had very different concerns regarding reauthorization of the SBIR program, and I greatly appreciate everyone's willingness to find common ground where possible and compromise.

We wrestled with tough questions. How long to reauthorize the program? I wanted to make it permanent; it has a long and successful track record. In fact, in 1998, the Senate Committee on Small Business voted to do just that, but that legislation never passed the House. This year the Committee agreed to reauthorize the program for ten years, giving the agencies and innovative small businesses a good measure of security to plan SBIR projects for the longer term. However, the House Science Committee felt strongly that it should only be reauthorized for seven years. In the end, as reflected in this bill, we compromised on eight, reauthorizing the bill through September 30, 2008.

How to improve the quality and collection of data without overburdening small businesses? GAO reports have found that the SBIR program works well, but that the records are sometimes incomplete, making it harder to evaluate the program and track awards. I fully support the goal of collecting the best information possible to evaluate the program, but I don't want small businesses owners to spend more time filling out paper work than absolutely necessary for that purpose. They are capable of developing cutting-edge research and meeting national R&D needs and should spend the majority of their efforts on that. As Ranking Member of the Small Business Committee and a Senator from the state whose small, hi-tech companies win the second largest amount of SBIR awards, I heard many, many complaints and concerns about the possibility of excessive and burdensome reporting requirements. I also heard complaints that the same level of reporting is not required of universities and big business that get Federal R&D dollars. There were real fears that Congress would require SBIR award winners to continue reporting to the SBA on SBIR research for years after a contract ended and that tracking commercialization out of context would be used against the program and against individual SBIR firms. Just knowing the ratio of awards to commercialization is not an indicator of success. By its very nature, R&D has a low probability of getting a product to market in relation to the investment in research. It is the ratio of commercialization in the SBIR program compared to that of big business, universities and the private sector that may be one indicator of the program's value to the government and to the nation. For example, one study shows that small businesses have 24 times as many innovations per R&D dollar as large businesses. In the end, we agreed to collect basic, but useful, information about sales and additional investment on Phase II awards. According to the Department of Defense that currently requires similar information, it generally takes less than 15 minutes to provide the information, and companies are only required to give the information during the life of the contract.

Probably the biggest question we dealt with was how to increase the participation in the SBIR program in states, and areas of states, that receive few or no awards. Though the number of awards given to a state has been proportionate to the number of proposals submitted, according to a GAO study, one-third of the states receive 85 percent of all SBIR awards. And the states that submit the most proposals generally have the right mix of small high-tech companies, an active venture capital community, and universities that understand the benefits of technology transfer, attract academic research funds and graduate a highly qualified workforce. While Massachusetts does extremely well in this program, for years I have recognized that the SBIR awards have been concentrated in less than half the states. The problem has been how to create a solution that helps small businesses in states that don't have the necessary infrastructure without changing the program's reliance on competition. Merit is the only way to maintain the integrity of the research because the highly competitive nature of SBIR awards (only one in seven or eight Phase I proposals is awarded) is one of the main reasons the program has been so popular and successful.

This bill takes two innovative approaches to increasing nationwide participation in the program. First, it establishes a peer volunteer mentoring network, which Senator LEVIN and I originally introduced as S. 1435 in 1999. Modeled after SBA's successful Service Corps of Retired Executives or SCORE program, this mentoring program would reimburse experienced SBIR companies that volunteer to assist one or more newcomers to the program. They can help in a variety of ways, whether it's writing proposals, understanding the Federal procurement process or a particular agency, tapping into venture capital, or commercializing their technologies. The bill also directs the SBA to create a database with the names and profiles of successful SBIR companies interested in mentoring struggling or prospective SBIR companies. This will be used by the states to link companies to mentors based on their needs.

Second, it creates the Federal and State Technology Partnership (FAST) program. This program is a competitive matching-grant program to encourage and help states cultivate high-tech small businesses and a build a support infrastructure in the state. I feel strongly, as does Senator LEVIN, and am very pleased, that all states, even the ones that currently win the most SBIR awards, are eligible to compete for a FAST matching grant so that they can help develop small, hi-tech companies in areas of their states that don't have SBIR activity. For example, in Massachusetts, most of our awards are in the Boston area. But with these grants, working with one of the economic development arms of our local government, we could coordinate and foster SBIR activity in the Western part of the state close to Amherst and Northampton. Those companies could create high-quality, high-wage jobs where the cost structure for companies is less expensive but where we have numerous universities and highly-skilled workers.

Given the strength of these initiatives, I do have some concerns about mentoring getting lost in the states' FAST initiatives. For the record, I ask that the SBA, the program managers of participating SBIR agencies, and FAST entities promote this cost-effective tool. Take advantage of the substantial pool of good-will and willingness to share experiences of those who have been successful in the SBIR program. Let SBIR companies know that they will be reimbursed for relevant out-of-pocket expenses if they choose to become a volunteer mentor. It gives them another stake in this program, and will strengthen the program on many levels. And, SBA and SBIR agencies should let prospective or struggling SBIR companies know that veteran SBIR companies are out there willing to help them understand the world of SBIR and federal procurement.

Mr. President, these research and development awards not only provide dollars to small hi-tech companies that create quality jobs, but they also help agencies meet their R&D needs. As one example, an Army SBIR award played a role in the development of the B–2 Bomber. Specifically, the research led to the development of a ''pilot alert'' system which warns the pilot if the plane is about to produce a trail of condensation that could be detected by enemy radar. Sales to date, to both the Air Force and commercial customers, exceed $27 million. And what about NASA? As the world watched the space shuttle Discovery in 1998, the feature elements of two of the shuttle's payloads were developed with SBIR funds.

In Woburn, Massachusetts, NZ-Applied Technologies used its SBIR award to help develop photonic components for optical telecommunications applications. The company is so successful that Corning recently bought it for $150 million. Further, the company was named as one of the top 50 fastest growing companies in New England and top 500 fastest growing companies in the country.

I want to thank my colleagues for their support of the SBIR program over the years. As always, I am pleased that we can work in a bipartisan fashion.

Mr. LEVIN. Mr. President, I am pleased to be an original cosponsor of the Small Business Innovation Research program (SBIR) reauthorization

bill (H.R. 2392) that will reauthorize the SBIR program for eight more years. An eight year reauthorization will allow participating agencies to continue to do long term planning for their research and development (R&D) needs. I'm especially pleased that this legislation includes my bill to establish a volunteer mentoring program.

The SBIR program, originally established in 1982 and reauthorized and expanded in 1992, expires this year. This highly competitive program has a well-deserved reputation for success and has enjoyed bipartisan support over the years. It improves upon what is already a successful program that gives small high technology companies access to federal research and development dollars and the federal government access to some of the world's best innovation. I am pleased the full Senate is considering this legislation today and I hope House consideration will swiftly follow so that contracting agencies can be assured funding will be available in this contract cycle.

I am a long time supporter of the SBIR program. The SBIR program creates jobs, increases our capacity for technological innovation and boosts our international competitiveness. According to a recent GAO study, about 50 percent of all SBIR research is commercialized or receives additional research funding. That's a pretty good success rate. It's also a great example of federal agencies working together with small businesses to develop technologies to solve specific problems and fill government procurement needs in a cost effective way.

The SBIR program is a highly successful program and we can make it even more successful by establishing an outreach and volunteer mentoring program to bring more high technology small businesses into the program and help them successfully compete for awards. Many states believe they can do better regarding the number of SBIR awards their small businesses win. Since the SBIR program is a highly competitive and merit-based program, I believe the best way to increase participation is through outreach and mentoring. The SBIR reauthorization bill before the Senate today creates programs to do both.

The Federal and States Technology Partnership Program (FAST) included in this bill establishes an outreach program through a technology economic development program that aims to build more support for science and technology research in states.

A natural complement to reaching out to new companies to tell them about the SBIR program is the establishment of a ''mentoring network'' to increase their odds for success in that program. Many SBIR company officials have benefitted from this R&D program, are committed to its success and have told me they want to give something back by way of mentoring small companies new to the SBIR program. Many attribute their SBIR contracts with federal agencies as the main reason they have been able to successfully commercialize their research, make a ''real'' product, and expand employment in their companies. Through my proposal, mentoring networks will be established to match volunteer mentors with new applicant high technology small businesses to help increase their chances for success in the SBIR program, and, ultimately, the commercialization of their research. A small business's failure to obtain a phase I or phase II SBIR award may have nothing to do with the capability of its technology but rather is often a result of a lack of understanding the government procurement process and procedures. Mentoring will address this concern by matching the new company with one that already knows the ropes of the SBIR program and federal procurement process.

This is a cost effective program. Modeled after the successful SCORE program, the mentoring networks' volunteer mentors would be reimbursed only for their out-of-pocket expenses. Their time, energy and know-how would be donated free-of-charge. Specifically, the bill provides for the establishment of mentoring networks that are eligible for matching grants within the FAST program in each state. The mentoring network (an association, organization, coalition or other entity) will provide business advice and counseling and assist small business concerns that have been identified as good candidates for the SBIR program. Volunteer mentors are people associated with small businesses that have successfully competed one or more SBIR funding agreement and have agreed to guide small business concerns through all stages of the SBIR program process.

The mentoring networks program also establishes an important publicly accessible national database housed at SBA to compile information on mentoring networks and volunteer mentors. This database will provide an important tool to increase small business' access to mentors. I urge SBA to devote its full attention to getting it up and running upon enactment of this legislation.

H.R. 2392 also expands the collection, reporting and maintenance of information for an SBA database regarding SBIR awards. It fixes a problem identified by GAO by requiring a uniform definition of ''extramural R&D budget,'' the formula used by each participating agency to determine the level of funds dedicated to the SBIR program. It establishes a five year competitive matching grant pilot program administered by the SBA for an organization or consortia to perform outreach and technology economic development within states, including establishing or operating a mentoring network to provide advice and counseling to SBIR applicants.

I urge my colleagues to support the reauthorization of this important high technology small business procurement program and the improvements to it that H.R. 2392 provides.

AMENDMENT NO. 3944

Mr. BURNS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mr. BOND, for himself, and Mr. KERRY, proposes an amendment numbered 3944.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. BOND. Mr. President, the bill before us reauthorizes and improves upon one of the most successful small business programs we have in the Federal government—the Small Business Innovation Research (SBIR) program. The Small Business Committee has spent close to nine months deliberating and negotiating this important bill. My colleagues on the Committee, and in particular, Senators KERRY, BURNS, LEVIN, SNOWE and ENZI, have all been very cooperative and provided valuable assistance in preparing this important piece of legislation. The product that has resulted from the Committee's consideration is a bi-partisan bill that should provide small businesses with confidence in the Congress' strong support for this program.

Mr. President, this Managers' Amendment is the result of negotiations conducted among my Committee and the Small Business and Science Committees of the House of Representatives. The SBIR reauthorization bill that originally passed the House contained certain provisions that were not included in the bill reported by the Senate Committee on Small Business. These provisions had been interpreted by many in the small business community to place requirements on small businesses receiving Federal research and development funds that are not placed on other businesses or on universities that are also recipients of such dollars. My Committee negotiated with the representatives of the House Science Committee, which drafted these provisions, to come up with language that would provide information to Congress that is necessary for its oversight of this program, while ensuring that small businesses are not subject to government mandates that would affect their ability to perform high-quality research and development for the Federal government. The House Science Committee has been very cooperative to ensure that their provisions did not cause these unintended consequences.

This bill, with the Managers' amendment will ensure that this program, which has been proven successful over a long period of time, can continue to be so. Seventeen years ago, President Reagan signed into law the Small Business Innovation Development Act, which required Federal agencies with extramural research and development

budgets of $100 million or more to set aside not less than 2/10th of one percent of that amount for the first SBIR program. In 1992, the program was reauthorized and Congress dictated that the program grow to 2.5 percent of the extramural research and development budgets. Thousands of small firms have received research grants under the programs since 1982, and more than $1 billion was awarded to small businesses in Fiscal Year 1998 alone.

The original drafters of the SBIR program acknowledged that small businesses are the primary source of our nation's innovations. Accordingly, the SBIR program was created to stimulate technological development by leveraging the capabilities of these small firms. The goals of the program are threefold. First, the program assists the government with its research and development needs. Second, the program provides a catalyst to groundbreaking research and development. Third, the program strengthens our economy by promoting the commercialization of technologies developed through Federal research. The commercialization of these technologies by small firms increases the competitiveness of our country in the world economy and expands employment opportunities.

A good example of the benefits that the SBIR program provides to small businesses is the experience of Cutting Edge Optronics, a 49 employee firm in St. Charles, Missouri. Cutting Edge Optronics has received several phase one and phase two SBIR awards with NASA and the Air Force to develop high-output lasers with both military and commercial applications.

The SBIR program has made the difference between Cutting Edge Optronics growing its business and merely staying in business. The SBIR program has allowed Cutting Edge to engage in state-of-the-art research in a very competitive climate, which it otherwise would not have been able to do. Moreover, if the Air Force research develops successfully, Cutting Edge Optronics expects that the commercial applications of the technology will spur astronomical growth of the company.

Mr. President, small businesses are the greatest job creators in our economy. During the last seven years of economic growth, small businesses have accounted for the vast majority of all the net new jobs created. It is only rational that the Federal government distribute its research funds in a way that will contribute to this job growth by creating incentives to the private sector to market the technologies developed. As the example of Cutting Edge Optronics demonstrates, the SBIR program does just that.

There is abundant evidence that the SBIR program has been a success both in assisting the government with its research and development needs and in turning that research into new products and services. Numerous studies have been conducted over the last several years that bear this out. A 1989 General Accounting Office (GAO) study reported that scientists and engineers at Federal agencies indicated that the overall quality of the research performed under SBIR awards equaled, and in some cases, exceeded the quality of other agency research they monitored. As the program has grown in recent years, it does not appear this conclusion has changed. A 1995 GAO study concluded that the quality of SBIR research proposals has kept pace with the program's expansion.

Morever, the small businesses that have received SBIR awards, have had significant success in commercializing technology. This is especially important considering that these firms are engaging in cutting-edge research that will not always have a commercial application. A 1997 internal Department of Defense study found that the average phase-two SBIR award of $400,000 generated $760,000 in sales and attracted approximately $600,000 in additional non-SBIR funding. Additionally, the GAO has reported that the commercialization rate on SBIR projects is close to 40 percent. There is no question that this program's record of success easily justifies a long reauthorization.

While there is general agreement that the SBIR program is successful, there have also been some concerns that this legislation is intended to resolve. First, the GAO released a report in June 1998, indicating that different agencies are using different interpretations of the term ''extramural budget.'' The use of different interpretations may lead to inaccurate calculations of the amount of funds that should be allocated to each agency's SBIR program. To remedy this situation, the bill requires each SBIR program agency to provide the Small Business Administration (SBA) and Congress with a description of its methodology for calculating the amount of the extramural budget for that agency. It is our hope that by closely analyzing how the agencies are calculating their extramural budgets, we can be assured that each agency will adopt a uniform definition of extramural budget that is consistent with the statutory language and Congress' intent.

Second, the Committee on Small Business, which I chair, has received from the GAO disturbing information regarding the SBA's collection and maintenance of data on the SBIR program. Specifically, my Committee learned that the GAO, in preparing its two most recent reports on the SBIR program, spent substantial resources correcting and updating information in the SBA's SBIR database. When the Federal government is providing funds to third parties, whether in the private sector or to a state or local government entity, the most basic rule of program oversight is to monitor who has received those funds and what they have done with the funds. Accordingly, this legislation establishes a statutory duty on the SBIR program agencies to provide the SBA with data on each SBIR award winner in a timely manner. Moreover, it requires the SBA to maintain a comprehensive and public database of the small firms that receive SBIR awards and the activities supported by SBIR funds.

Finally, the GAO recently issued a report raising questions about the geographic concentration of SBIR awards. From fiscal year 1993 through 1996, companies in one-third of the states received 85 percent of the SBIR awards. Companies on the east and west coast received a vast majority of these awards, while companies in the South, Midwest and Rocky Mountain states generally received very few awards. For example, the GAO reported that in fiscal year 1997, companies in Massachusetts and California received 202 and 326 phase-two awards, respectively, out of approximately 1,400 awards nationally. Thus, they received almost 38 percent of the awards.

Mr. President, if the SBIR program is going to continue to be successful, it is incumbent on us to do more to reach out and provide opportunities to firms in the South, the Midwest and the Rocky Mountain states that can provide high-quality research and development and provide them with the information and assistance they need so that they may seize the opportunity to participate in the SBIR program. The SBIR program was never intended to serve a limited group of small businesses, and we must do all we can to increase the participation of as many small businesses as possible.

Therefore, this legislation establishes a comprehensive program to assist states in the development of high-technology businesses that could participate in the SBIR program. Specifically, the bill creates a matching-grant program for organizations at the state or local level attempting to enhance or develop technology research and development by small business concerns. This legislation acknowledges that states that do not aggressively support the development of high-technology firms are at a competitive disadvantage in establishing a business climate conducive to technology development. More importantly, however, building stronger support for high-technology firms will expand economic opportunities for our country generally and will increase our competitiveness in the world market.

The Small Business Innovation Research Program Reauthorization Act of 2000 is a necessary step to ensure that the Federal Government continues to utilize the vast capabilities of high-technology small businesses to meet its research and development goals. Moreover, it ensures that these research funds are leveraged to strengthen our Nation's economy and its position as the lead innovator in the world.

The bill in front of us, with the Managers' amendment, is a reasonable

compromise that will provide an effective structure for this program for the next eight years. Given the hard work that has gone into this compromise legislation, I trust that the House will act quickly on this bill, so that small businesses involved in the SBIR program will have confidence that the program will continue without interruption.

A bi-partisan statement has been drafted by the Senate Committee on Small Business and the Committees on Science and Small Business of the House of Representatives to explain provisions in the Managers' amendment that are not addressed in either the Senate or House Committee reports on H.R. 2392. I ask unanimous consent that, immediately following my remarks, this Explanatory Statement of H.R. 2392 be included in the RECORD.

Thank you Mr. President and I ask for immediate consideration of the bill and its approval.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment, as amended, be agreed to, the bill be considered read the third time and passed, as amended, and the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3944) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (H.R. 2392), as amended, was read the third time and passed.

TIMBISHA SHOSHONE HOMELAND ACT

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 661, S. 2102.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2102) to provide to the Timbisha Shoshone Tribe a permanent land base within its aboriginal homeland, and for other purposes, which had been reported from the Committee on Indian Affairs, with an amendment to strike out all after the enacting clause and insert the part printed in italic:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Timbisha Shoshone Homeland Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Since time immemorial, the Timbisha Shoshone Tribe has lived in portions of California and Nevada. The Tribe's ancestral homeland includes the area that now comprises Death Valley National Park and other areas of California and Nevada now administered by the Bureau of Land Management.

(2) Since 1936, the Tribe has lived and governed the affairs of the Tribe on approximately 40 acres of land near Furnace Creek in the Park.

(3) The Tribe achieved Federal recognition in 1983 but does not have a land base within the Tribe's ancestral homeland.

(4) Since the Tribe commenced use and occupancy of the Furnace Creek area, the Tribe's membership has grown. Tribal members have a desire and need for housing, government and administrative facilities, cultural facilities, and sustainable economic development to provide decent, safe, and healthy conditions for themselves and their families.

(5) The interests of both the Tribe and the National Park Service would be enhanced by recognizing their coexistence on the same land and by establishing partnerships for compatible land uses and for the interpretation of the Tribe's history and culture for visitors to the Park.

(6) The interests of both the Tribe and the United States would be enhanced by the establishment of a land base for the Tribe and by further delineation of the rights and obligations of each with respect to the Furnace Creek area and to the Park as a whole.

SEC. 3. PURPOSES.

Consistent with the recommendations of the report required by section 705(b) of the California Desert Protection Act of 1994 (Public Law 103–433; 108 Stat. 4498), the purposes of this Act are—

(1) to provide in trust to the Tribe land on which the Tribe can live permanently and govern the Tribe's affairs in a modern community within the ancestral homeland of the Tribe outside and within the Park;

(2) to formally recognize the contributions by the Tribe to the history, culture, and ecology of the Park and surrounding area;

(3) to ensure that the resources within the Park are protected and enhanced by—

(A) cooperative activities within the Tribe's ancestral homeland; and

(B) partnerships between the Tribe and the National Park Service and partnerships involving the Bureau of Land Management;

(4) to ensure that such activities are not in derogation of the purposes and values for which the Park was established;

(5) to provide opportunities for a richer visitor experience at the Park through direct interactions between visitors and the Tribe including guided tours, interpretation, and the establishment of a tribal museum and cultural center;

(6) to provide appropriate opportunities for economically viable and ecologically sustainable visitor-related development, by the Tribe within the Park, that is not in derogation of the purposes and values for which the Park was established; and

(7) to provide trust lands for the Tribe in 4 separate parcels of land that is now managed by the Bureau of Land Management and authorize the purchase of 2 parcels now held in private ownership to be taken into trust for the Tribe.

SEC. 4. DEFINITIONS.

In this Act:

(1) PARK.—The term ''Park'' means Death Valley National Park, including any additions to that Park.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior or the designee of the Secretary.

(3) TRIBAL.—The term ''tribal'' means of or pertaining to the Tribe.

(4) TRIBE.—The term ''Tribe'' means the Timbisha Shoshone Tribe, a tribe of American Indians recognized by the United States pursuant to part 83 of title 25, Code of Federal Regulations (or any corresponding similar regulation or ruling).

(5) TRUST LANDS.—The term ''trust lands'' means those lands taken into trust pursuant to this Act.

SEC. 5. TRIBAL RIGHTS AND AUTHORITY ON THE TIMBISHA SHOSHONE HOMELAND.

(a) IN GENERAL.—Subject to valid existing rights (existing on the date of enactment of this Act), all right, title, and interest of the United States in and to the lands, including improvements and appurtenances, described in subsection (b) are declared to be held in trust by the United States for the benefit of the Tribe. All maps referred to in subsection (b) shall be on file and available for public inspection in the appropriate offices of the National Park Service and the Bureau of Land Management.

(b) PARK LANDS AND BUREAU OF LAND MANAGEMENT LANDS DESCRIBED.—

(1) IN GENERAL.—The following lands and water shall be held in trust for the Tribe pursuant to subsection (a):

(A) Furnace Creek, Death Valley National Park, California, an area of 313.99 acres for community development, residential development, historic restoration, and visitor-related economic development, depicted as Tract 37 on the map of Township 27 North, Range 1 East, of the San Bernardino Meridian, California, numbered Map #1 and dated December 2, 1999, together with 92 acre feet per annum of surface and ground water for the purposes associated with the transfer of such lands. This area shall include a 25-acre, nondevelopment zone at the north end of the area and an Adobe Restoration zone containing several historic adobe homes, which shall be managed by the Tribe as a tribal historic district.

(B) Death Valley Junction, California, an area of approximately 1,000 acres, as generally depicted on the map entitled ''Death Valley Junction, California'', numbered Map #2 and dated April 12, 2000, together with 15.1 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(C) Centennial, California, an area of approximately 640 acres, as generally depicted on the map entitled ''Centennial, California'', numbered Map #3 and dated April 12, 2000, together with an amount of ground water not to exceed 10 acre feet per annum for the purposes associated with the transfer of such lands.

(D) Scotty's Junction, Nevada, an area of approximately 2,800 acres, as generally depicted on the map entitled ''Scotty's Junction, Nevada'', numbered Map #4 and dated April 12, 2000, together with 375.5 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(E) Lida, Nevada, Community Parcel, an area of approximately 3,000 acres, as generally depicted on the map entitled ''Lida, Nevada, Community Parcel'', numbered Map #5 and dated April 12, 2000, together with 14.7 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(2) WATER RIGHTS.—The priority date of the Federal water rights described in subparagraphs (A) through (E) of paragraph (1) shall be the date of enactment of this Act, and such Federal water rights shall be junior to Federal and State water rights existing on such date of enactment. Such Federal water rights shall not be subject to relinquishment, forfeiture or abandonment.

(3) LIMITATIONS ON FURNACE CREEK AREA DEVELOPMENT.—

(A) DEVELOPMENT.—Recognizing the mutual interests and responsibilities of the Tribe and the National Park Service in and for the conservation and protection of the resources in the area described in paragraph (1), development in the area shall be limited to—

(i) for purposes of community and residential development—

(I) a maximum of 50 single-family residences; and

(II) a tribal community center with space for tribal offices, recreation facilities, a multipurpose room and kitchen, and senior and youth facilities;

(ii) for purposes of economic development—

(I) a small-to-moderate desert inn; and

(II) a tribal museum and cultural center with a gift shop; and

(iii) the infrastructure necessary to support the level of development described in clauses (i) and (ii).

(B) EXCEPTION.—Notwithstanding the provisions of subparagraph (A)(ii), the National Park