



AMENDMENT NO.

Calendar No.

Purpose: To address research and development efforts for purposes of small business research.

**IN THE SENATE OF THE UNITED STATES—109th Cong., 1st Sess.**

**S. 1042**

To authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

Referred to the Committee on \_\_\_\_\_ and  
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by *Ms. Snowe*

Viz:

1 On page 218, strike line 1 and all that follows  
2 through page 220, line 5, and insert the following:

3 **SEC. 814. RESEARCH AND DEVELOPMENT EFFORTS FOR**  
4 **PURPOSES OF SMALL BUSINESS RESEARCH.**

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

8 “(x) RESEARCH AND DEVELOPMENT FOCUS.—

1           “(1) REVISION AND UPDATE OF CRITERIA AND  
2 PROCEDURES OF IDENTIFICATION.—In carrying out  
3 subsection (g), the Secretary of Defense shall, not  
4 less often than once every 4 years, revise and update  
5 the criteria and procedures utilized to identify areas  
6 of the research and development efforts of the De-  
7 partment of Defense which are suitable for the pro-  
8 vision of funds under the Small Business Innovation  
9 Research Program and the Small Business Tech-  
10 nology Transfer Program.

11           “(2) UTILIZATION OF PLANS.—The criteria and  
12 procedures described in paragraph (1) shall be devel-  
13 oped through the use of the most current versions  
14 of the following plans:

15           “(A) The joint warfighting science and  
16 technology plan required under section 270 of  
17 the National Defense Authorization Act for Fis-  
18 cal Year 1997 (10 U.S.C. 2501 note).

19           “(B) The Defense Technology Area Plan  
20 of the Department of Defense.

21           “(C) The Basic Research Plan of the De-  
22 partment of Defense.

23           “(3) INPUT IN IDENTIFICATION OF AREAS OF  
24 EFFORT.—The criteria and procedures described in  
25 paragraph (1) shall include input in the identifica-

1       tion of areas of research and development efforts de-  
2       scribed in that paragraph from Department of De-  
3       fense program managers (PMs) and program execu-  
4       tive officers (PEOs).

5       “(y) COMMERCIALIZATION PILOT PROGRAM.—

6             “(1) IN GENERAL.—The Secretary of Defense  
7       and the Secretary of each military department is au-  
8       thorized to create and administer a ‘Commercializa-  
9       tion Pilot Program’ to accelerate the transition of  
10      technologies, products, and services developed under  
11      the Small Business Innovation Research Program to  
12      Phase III, including the acquisition process.

13            “(2) IDENTIFICATION OF RESEARCH PROGRAMS  
14      FOR ACCELERATED TRANSITION TO ACQUISITION  
15      PROCESS.—In carrying out the Commercialization  
16      Pilot Program, the Secretary of Defense and the  
17      Secretary of each military department shall identify  
18      research programs of the Small Business Innovation  
19      Research Program that have the potential for rapid  
20      transitioning to Phase III and into the acquisition  
21      process.

22            “(3) LIMITATION.—No research program may  
23      be identified under paragraph (2), unless the Sec-  
24      retary of the military department concerned certifies  
25      in writing that the successful transition of the pro-

1       gram to Phase III and into the acquisition process  
2       is expected to meet high priority military require-  
3       ments of such military department.

4           “(4) FUNDING.—For payment of expenses in-  
5       curred to administer the Commercialization Pilot  
6       Program under this subsection, the Secretary of De-  
7       fense and each Secretary of a military department is  
8       authorized to use not more than an amount equal to  
9       1 percent of the funds available to the Department  
10      of Defense or the military department pursuant to  
11      the Small Business Innovation Research Program.  
12      Such funds—

13           “(A) shall not be subject to the limitations  
14           on the use of funds in subsection (f)(2); and

15           “(B) shall not be used to make Phase III  
16           awards.

17           “(5) EVALUATIVE REPORT.—At the end of each  
18      fiscal year, the Secretary of Defense and each Sec-  
19      retary of a military department shall submit to the  
20      Committee on Armed Services and the Committee on  
21      Small Business and Entrepreneurship of the Senate  
22      and the Committee on Armed Services and the Com-  
23      mittee on Small Business of the House of Rep-  
24      resentatives an evaluative report regarding activities

1 under the Commercialization Pilot Program. The re-  
2 port shall include—

3 “(A) an accounting of the funds used in  
4 the Commercialization Pilot Program;

5 “(B) a detailed description of the Commer-  
6 cialization Pilot Program, including incentives  
7 and activities undertaken by acquisition pro-  
8 gram managers, program executive officers, and  
9 by prime contractors; and

10 “(C) a detailed compilation of results  
11 achieved by the Commercialization Pilot Pro-  
12 gram, including the number of small business  
13 concerns assisted and a number of inventions  
14 commercialized.

15 “(6) ~~TERMINATION~~ <sup>Sunset</sup>—The pilot program under  
16 this subsection shall terminate at the end of fiscal  
17 year 2009.”.

18 (b) IMPLEMENTATION OF EXECUTIVE ORDER  
19 13329.—Section 9 of the Small Business Act (15 U.S.C.  
20 638) is amended—

21 (1) in subsection (b)—

22 (A) in paragraph (6), by striking “and” at  
23 the end;

24 (B) in paragraph (7), by striking the pe-  
25 riod at the end and inserting “; and”; and

1 (C) by adding at the end the following:

2 “(8) to provide for and fully implement the te-  
3 nents of Executive Order 13329 (Encouraging Inno-  
4 vation in Manufacturing).”;

5 (2) in subsection (g)—

6 (A) in paragraph (9), by striking “and” at  
7 the end;

8 (B) in paragraph (10), by striking the pe-  
9 riod at the end and inserting “; and”; and

10 (C) by adding at the end the following:

11 “(11) provide for and fully implement the te-  
12 nents of Executive Order 13329 (Encouraging Inno-  
13 vation in Manufacturing).”; and

14 (3) in subsection (o)—

15 (A) in paragraph (14), by striking “and”  
16 at the end;

17 (B) in paragraph (15), by striking the pe-  
18 riod at the end and inserting “; and”; and

19 (C) by adding at the end the following:

20 “(16) provide for and fully implement the te-  
21 nents of Executive Order 13329 (Encouraging Inno-  
22 vation in Manufacturing).”.

23 (c) TESTING AND EVALUATION AUTHORITY.—Sec-  
24 tion 9(e) of the Small Business Act (15 U.S.C. 638(e))  
25 is amended—

1           (1) in paragraph (7), by striking “and” at the  
2           end;

3           (2) in paragraph (8), by striking the period at  
4           the end and inserting “; and”; and

5           (3) by adding at the end the following:

6           “(9) the term ‘commercial applications’ shall  
7           not be construed to exclude testing and evaluation of  
8           products, services, or technologies for use in tech-  
9           nical or weapons systems, and further, awards for  
10          testing and evaluation of products, services, or tech-  
11          nologies for use in technical or weapons systems may  
12          be made in either the second or the third phase of  
13          the Small Business Innovation Research Program  
14          and of the Small Business Technology Transfer Pro-  
15          gram, as defined in this subsection.”.