



May 12, 2016

Chairman David Vitter  
Committee on Small Business &  
Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

Ranking Member Jeanne Shaheen  
Committee on Small Business &  
Entrepreneurship  
United States Senate  
428A Russell Senate Office Building  
Washington, D.C. 20510

Dear Chairman Vitter and Ranking Member Shaheen:

The National Small Business Association (NSBA) is pleased to support the *Rapid Innovation Fund Enhancement Act of 2016 (S. 2792)*, legislation that will improve the Rapid Innovation Fund (RIF) and ensure that small businesses have the opportunity to compete for those funds. NSBA commends Senate Committee on Small Business and Entrepreneurship Ranking Member Jeanne Shaheen for introducing S. 2792 and Chairman David Vitter for cosponsoring it. This legislation has the potential to make a significant difference for many innovative small businesses.

NSBA is the nation's first small-business advocacy organization, with more than 65,000 small-business members in every state and every industry across the country. Many of its members are innovative companies working with the government to provide valuable and mission critical products and support.

The RIF program is a streamlined acquisition process whereby companies can directly satisfy operational or national security needs with products that can be completed within 24 months of the award. The simple application process ensures that virtually any small business with a product potentially meeting government needs can apply. Innovative small businesses can receive up to \$3 million in funding through RIF to commercialize products. This late-stage funding is absolutely essential for small businesses to bridge the gap from a prototype to a commercially viable product.

S. 2792 recognizes the success of this program in bringing forward new and innovative technologies and dedicates one percent of eligible funds for use by the program. Provision in the legislation will also encourage the award of funds to companies who are involved in the Small Business Innovative Research (SBIR) or the Small Business Technology Transfer (STTR) programs. These provisions when combined will help take companies who have completed Phase II in the SBIR or STTR programs on towards final commercialization. Many companies are never able to span this gap in funding and their innovative potential is never fully realized.

However, with the changes ushered in by S. 2792, more of these innovations will be brought to market.

Increasing the amount of federal research and development invested in U.S. small businesses is an important access to capital goal. Many small businesses ultimately cannot access capital in order to commercialize products in which both they and the federal government have already invested heavily. NSBA is pleased to support this legislation as it begins to address this problem and will allow small businesses around the country to further innovate, grow and expand.

Thank you for introducing S. 2972 and I look forward to working with you towards passage of this important legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken". The signature is stylized with a large, sweeping "M" and a long horizontal line extending to the right.

Todd McCracken  
President & CEO