



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

August 15, 2012

The Honorable Jon Tester
United States Senate
Washington, DC 20510

Dear Senator Tester:

Administrator Mills has asked me to respond to your recent inquiry regarding streamlining the U.S. Small Business Administration (SBA) Small Business Innovation Research (SBIR) and Small Technology Transfer Programs (STTR) awards process to minimize the lag between Phase I and Phase II awards. You specifically mentioned the time required to notify applicants that they have received a Phase II award as an issue.

As you know, SBA recently published the amended SBIR and STTR Policy Directives (Federal Register Vol. 77, Issue 151, August 6, 2012) implementing the changes required by the reauthorization legislation. Streamlining the application and award process to make the Programs more entrepreneur-friendly was a high priority of ours during the drafting of the Policy Directive amendments. We directed the agencies to utilize the funds available under the new administrative funding pilot to reduce the time required from application submission to notification of award. Also, we have established new reporting requirements to track their progress on this issue.

The Policy Directives implement a large number of changes to the Programs. Many address the need to improve the efficiency of the award process. Although the Directives are effective now, we anticipate that we will need to refine them in the near future and have asked for public comments on the changes. We would be very interested in your review of these changes and any suggestions you have to improve the Programs.

In your letter, you also noted the possible detrimental effect the Fast Track process may have on awardees that did not apply under that Program. We have not analyzed this potential negative impact of the Fast Track options. Your bringing this to our attention is appreciated. We will review the issue.

We appreciate your continued support of the SBA and the SBIR and STTR Programs. If you and your staff have any questions, please contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700.

Sincerely,

Sean J. Greene
Associate Administrator
for Investment and Innovation