



# **REAUTHORIZE SBIR/STTR NOW**

## ***Congress Needs to Extend SBIR/STTR ASAP***

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In less than 40 days, the SBIR/STTR programs will expire. This would be a crushing blow to American innovation and undermine small business job creation during our nation's economic recovery. In its 40 year history, SBIR has generated some of the most innovative technologies in America, and generated a massive economic return on the taxpayer investment. These include economic returns in excess of **\$22 for every dollar invested**,<sup>1</sup> in addition to improved military strength and capability, significant cost-savings, further economic impacts from new industries with new products and services, new life saving medical techniques and products, and a **50-60% rate of commercialization**.

Furthermore, a recent National Cancer Institute study into the economic impacts of the SBIR/STTR program showed that there is a **\$3.72 return in tax receipts for every \$1 dollar invested into the SBIR/STTR program**.<sup>2</sup> SBIR not only creates good paying American jobs and keeps the US innovation ahead of China, Europe, and the rest of the world technologically; it acts like a printing press to generate new revenue.<sup>3</sup>

Additionally, nearly 50% of Phase I awards go to companies brand new to SBIR, bringing in approximately **2,000 small businesses a year** into the government R&D ecosystem. SBIR/STTR is virtually the only onramp for small business into Federal government R&D, high-tech small businesses receive very little of the >96% of Federal extramural R&D spend outside SBIR/STTR. Without SBIR/STTR, high-tech small business would have to seek private VC funding, which is heavily concentrated in a handful of states, or potentially driven to foreign investments from countries like China.

### ***SBTC's main points:***

- **Pass an SBIR/STTR extension as soon as possible**
- SBIR is an essential part of America's innovative economy, and vital to maintaining our technological edge
- SBIR is set to expire on September 30, less than 40 days from now
- If SBIR is not extended soon, Federal Agencies will start winding down the program and allocating funds elsewhere, Several agencies have already cancelled or suspended their SBIR solicitation
- Even a short-term disruption of the program could have dire consequences for high-tech small businesses, and American small business industrial base.

<sup>1</sup> Techlink, 2018: "National Economic Impacts from the Air Force and Navy SBIR/STTR Programs, 2000-2013"

<sup>2</sup> National Cancer Institute, National Economic Impacts from the National Cancer Institute SBIR/STTR Program, 1998-2018

<sup>3</sup> US Department of the Navy: "SBIR/STTR By the Numbers", 2018