

108TH CONGRESS  
2D SESSION

# **S. 2384**

To amend the Small Business Act to permit business concerns that are owned by venture capital operating companies or pension plans to participate in the Small Business Innovation Research Program.

---

IN THE SENATE OF THE UNITED STATES

MAY 5, 2004

Mr. BOND (for himself, Ms. SNOWE, and Mr. KENNEDY) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

---

## **A BILL**

To amend the Small Business Act to permit business concerns that are owned by venture capital operating companies or pension plans to participate in the Small Business Innovation Research Program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SBIR AWARDS TO BUSINESS CONCERNS OWNED**  
2 **BY VENTURE CAPITAL OPERATING COMPA-**  
3 **NIES OR EMPLOYEE BENEFIT OR PENSION**  
4 **PLANS.**

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

8       “(4) ELIGIBILITY.—A business concern shall  
9       not be prevented from participating in the Small  
10      Business Innovation Research Program solely be-  
11      cause such business concern is owned in part by—

12           “(A) a venture capital operating company  
13           that is managed and controlled by 1 or more  
14           United States citizens or permanent resident  
15           aliens; or

16           “(B) an employee benefit or pension  
17           plan.”.

18 (b) RULEMAKING AUTHORITY.—Not later than 180  
19 days after the date of enactment of this Act, the Adminis-  
20 trator of the Small Business Administration shall issue  
21 regulations to—

22           (1) carry out the amendment made by sub-  
23           section (a);

24           (2) ensure that a Small Business Innovation  
25           Research award is not given to a business concern  
26           that is majority owned by—

4 (B) a venture capital operating company or  
5 an employee benefit or pension plan that is the  
6 alter ego, instrumentality, or identity of another  
7 business concern that is ineligible to participate  
8 in the Small Business Innovation Research Pro-  
9 gram.

○