



RESEARCH  
AND ENGINEERING

## UNDER SECRETARY OF DEFENSE

3030 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3030

6 SEP 2022

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
COMMANDER, U.S. SPECIAL OPERATIONS COMMAND  
DIRECTOR, DEFENSE ADVANCED RESEARCH PROJECTS  
AGENCY  
DIRECTOR, DEFENSE HEALTH AGENCY  
DIRECTOR, DEFENSE LOGISTICS AGENCY  
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY  
DIRECTOR, MISSILE DEFENSE AGENCY  
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY  
DIRECTOR, SPACE DEVELOPMENT AGENCY  
DIRECTOR, JOINT SCIENCE AND TECHNOLOGY OFFICE FOR  
CHEMICAL AND BIOLOGICAL DEFENSE  
DIRECTOR, DEFENSE MICROELECTRONICS ACTIVITY

SUBJECT: Impact of Expiration of the Small Business Innovation Research and Small Business  
Technology Transfer Program Authority

Statutory authority to conduct the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs expires on September 30, 2022. If the programs are not reauthorized by Congress prior to September 30, 2022, this memorandum provides guidance to the Military Departments and Defense Agencies that participate in the SBIR/STTR programs on actions associated with fiscal year (FY) 2022 SBIR/STTR funding.

Should the authority to conduct the SBIR/STTR programs expire, the Department will no longer have the authority to collect funds from extramural research, development, test, and evaluation appropriations for the SBIR/STTR programs. Any such funds that have been collected and are not already obligated (on contract) at the time the authority expires will remain with the Comptroller or SBIR/STTR program office executing those funds. No immediate action is to be taken with any remaining SBIR/STTR funds until further guidance is provided. One exception to this is the use of the three percent (3%) administrative and one percent (1%) Commercial Readiness Program (CRP) administrative funding. Further details on continued use of those funds are provided below.

Starting on October 1, 2022, if the SBIR/STTR programs are not reauthorized, the Military Departments and Defense Agencies that participate in the SBIR/STTR programs will need to take the following actions:

- No SBIR/STTR funding shall be used for any new awards for SBIR/STTR Phase I or Phase II efforts, options, or increments.

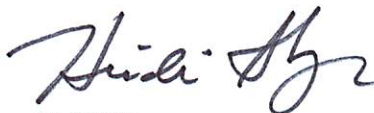
- SBIR/STTR funding may be used for increments and options on contracts awarded by September 30, 2022.
- Any SBIR/STTR funding that has not been obligated on any SBIR/STTR Phase I or Phase II effort at contracts shall be de-committed.
- No SBIR/STTR Phase III direct award “sole source” contracts will be awarded.
- For any SBIR/STTR Phase III effort(s) for which funds have not been obligated, the contracting officer will be immediately notified that the Phase III effort(s) are to be placed on hold until further guidance is provided.
- No further SBIR/STTR solicitations will be issued.
- SBIR/STTR funding for the 3% administrative and 1% CRP administrative funding **may be used** to continue activities currently undertaken using such funds, such as existing Government/contractor support efforts or contracts, outreach efforts, or other efforts approved by the Small Business Administration for use of the 3% and 1% administrative funding. Administrative funds also may be used for expenses necessary to wind down the programs.

Reporting:

- The DoD SBIR/STTR Service and Component Directors and Program Managers shall provide a report to the DoD SBIR STTR Program Manager with the total amount of FY 2022 SBIR/STTR program funding that will be held in abeyance with the Comptroller or the SBIR/STTR program office executing those funds as well as the total amounts of their 3% and 1% CRP administrative funding.
- This data shall be submitted no later than October 31, 2022.

We understand that a lapse in the authority to conduct the SBIR/STTR programs would be devastating to small businesses and the Department, and we are aggressively communicating this to Congress along with the Department’s support for reauthorizing the SBIR/STTR programs.

Please direct any questions regarding this memorandum to Susan Celis, DoD SBIR STTR Program Manager, [susan.r.celis.civ@mail.mil](mailto:susan.r.celis.civ@mail.mil).



Heidi Shyu