



FOR IMMEDIATE RELEASE
June 22, 2009

CONTACT:
Sue Walitsky (Cardin) 202-224-4524
Scott Schneider (SBC) 202-224-4030

CARDIN CALLS ON NIH TO UTILIZE SMALL BUSINESSES FOR EXTRAMURAL RESEARCH PROJECTS

NIH declines to attend field hearing exploring use of Recovery Act funds

Rockville, MD – U.S. Senator Benjamin L. Cardin (D-MD), chaired a field hearing today of the U.S. Senate Committee on Small Business and Entrepreneurship in Rockville, MD, entitled “***Missed Opportunities: The ARRA and the NIH/SBIR exclusion.***” During the hearing, local and national experts in biotechnology testified about the important research and development projects that could be funded by the National Institutes of Health (NIH) through the Small Business Innovative Research (SBIR) program, creating jobs and helping to stimulate the economy in Maryland and across the country. **Congressman Chris Van Hollen (MD-8)** and **Congresswoman Donna Edwards (MD-4)**, who both represent Montgomery and Prince George’s Counties, home to numerous biotech and health-related small businesses, participated in the hearing with Senator Cardin.

“With our nation’s economy in crisis, Congress moved quickly to enact ***The American Recovery and Investment Act of 2009*** to stimulate our economy to create jobs. One such investment that I strongly supported was additional funding for the National Institutes of Health to conduct biomedical research in areas such as cancer, Alzheimer’s, heart disease and stem cell research. I was sorely disappointed though when this NIH funding was exempted from mandatory participation in the SBIR and Small Business Technology Transfer (STTR) programs. As a result, small businesses across the country are being denied the opportunity to receive upwards of \$200 million in SBIR and STTR grants.

“The SBIR program is exactly the type of jumpstart that our economy needs during these tough times. Small firms employ 41% of the nation’s high-tech workers and generate 13 to 14 times more patents per employee than large firms. The SBIR program alone has generated more than 84,000 patents and millions of jobs. However, despite repeated inquiries, the NIH has yet to provide an adequate response as to how they will ensure that small businesses can receive their fair share of these grants. The SBIR program is especially important because innovation spurs growth and job creation and leads to advanced technology, including life-saving therapies and devices.”

The field hearing comes just days after the Senate Committee on Small Business voted to reauthorize the SBIR and STTR programs, which fund more than \$2 billion annually in early-stage research and development projects at small technology companies. Eleven federal departments participate in the SBIR program – including the Department of Health and Human Services, the Department of Defense and National Science Foundation – allocating 2.5 percent of their external research and development dollars to the program. Maryland has approximately 440,000 small businesses.

##