

Excerpt from “The Small Business Innovation Development Act of 1982”
(Public Law 97–219) that first authorized the SBIR program (15 U.S.C. 638)

Section 2. Congressional Findings and Declaration of Purpose

“(a) The Congress finds that—

“(1) technological innovation creates jobs, increases productivity, competition, and economic growth, and is a valuable counterforce to inflation and the United States balance-of-payments deficit;

“(2) while small business is the principal source of significant innovations in the Nation, the vast majority of federally funded research and development is conducted by large businesses, universities, and Government laboratories; and

“(3) small businesses are among the most cost-effective performers of research and development and are particularly capable of developing research and development results into new products.

“(b) Therefore, the purposes of the Act are—

“(1) to stimulate technological innovation;

“(2) to use small business to meet Federal research and development needs;

“(3) to foster and encourage participation by minority and disadvantaged persons¹ in technological innovation; and

“(4) to increase private sector commercialization innovations derived from Federal research and development.”

¹Defined in the Small Business Act [15 U.S.C. 631 et seq.] to include women-owned small business concerns and socially and economically disadvantaged small business concerns.