

Small Business Administration
Paperwork Reduction Act Submission
Supporting Statement for SBIR/STTR Databases
OMB Control Number 3245-0356

A: JUSTIFICATION

1. Circumstances necessitating the collection of information

Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Background

On December 31, 2011, the President signed into law the National Defense Authorization Act for Fiscal Year 2012 (Defense Authorization Act), Pub. L. 112-81. Section 5001, Division E of the Defense Authorization Act contains the SBIR/STTR Reauthorization Act of 2011 (Reauthorization Act), which amends the Small Business Act (SBAAct) and makes several amendments to the Small Business Innovation Research (SBIR) and Small Business Technology Transfer Program (STTR) Programs.

The Small Business Administration (SBA) is amending the information collection (*Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Tech-Net Database- 3245-0356*) that is currently approved for these two programs to incorporate the various reporting requirements added by the Reauthorization Act. In some instances SBA will be collecting this information directly and in others, the awarding agency will collect the information from the small business concern (SBC)¹. SBA, however, will house all of the information collected in Tech-Net. If a Federal agency collects the information, it will be required to input the information into this system.

The Reauthorization Act has increased the amount of information required to be collected; however, SBA has taken steps to mitigate the impact of the increased reporting requirements and other program changes. SBA's goal is to minimize burden on SBCs and agencies, including eliminating the duplication of data input, and maximizing the value of data throughout the Program in order to encourage improved performance from all stakeholders, and for the program overall. For example, one of the new requirements imposed by the Reauthorization Act calls for SBCs that are majority owned and backed by multiple venture capital, hedge fund, or private equity firms to register with the SBA. SBA decided to require all SBCs to register with SBA for two reasons. First, centralizing the collection of this information at SBA will ensure that SBCs will not provide duplicate and contradictory registration data even if they apply to multiple participating agencies. SBA will transmit the registration data that a SBC reports or validates to each agency the SBC applies to. Second, requiring all applicants to read the ownership rules and report this data will help fight fraud, waste, and abuse in the program. The SBIR Inspector General interagency committee communicated that it is much easier to prosecute potential abuses if ownership rules are communicated in a uniform fashion to all applicants.

¹ A small business concern (SBC) is defined in 13 CFR §121.702.

The changes being made to this information collection will encompass information that all SBIR-STTR Federal agencies could rely on when collecting this statutorily required information. This would ensure that the information is uniform and consistent across agencies. In addition, because the information will be stored in one system, small businesses and agencies will not need to input the same information more than once. Any information that is already in the system for one database, and which is current and accurate, will be used to populate the same data field in another database.

In developing the revised information collection, the agency has focused on the following key principles, among other things.

- Make updated data available electronically;
- Centralize and share certain data through secure interfaces to which only authorized government personnel have access;
- Have small business enter the data only once, if possible; and
- Provide standardized procedures.

Overview of Tech-Net databases

Database	Reporting Mechanism	Collection Frequency	Public/Government Only Access
Company Registry	SBC reports data to SBA.	Register or reconfirm at time of application	Government only
Application Information	SBC reports data to agency.	At time of application	Government only
Commercialization	SBC reports data to agency or SBA, but not both.	Updated at least annually	Government only

Company Registry: The data collected in the company registry includes ownership information that assists in determining eligibility for small businesses that are majority owned by venture capital operation companies, hedge funds, and private equity firms as required by Congress (see 15 U.S.C. §638k, attached). All companies are required to register and the information they report to SBA is transmitted with their application to participating SBIR/STTR agencies.

Application Information Database: The Application Information Database is a government only database that stores required application information related from each SBC applicant. The data in the Application Information Database is collected directly from SBC applicants through the participating agencies online. Currently, this functionality is already carried out through the agencies in the current application process. With the reauthorization of the SBIR program, a small number of fields have been added since the previous PRA to be asked

from SBC applicants, and in comparison the Applicant Information Database closely aligns with the Awards Database in the previously approved PRA submission. SBC applicants are expected to submit this data with every application at any participating agency every time. The data includes company name, size, and location, key individuals associated with the proposed research, project aims, and a 200-word technical abstract.

In addition, for purposes of the STTR Program only, this database must also include information concerning whether the SBC or the research institution initiated the collaboration on each assisted STTR project; whether the SBC or the research institution originated any technology relating to the assisted STTR project; the length of time it took to negotiate any licensing agreement between the SBC and the research institution under each assisted STTR project; and how the proceeds from commercialization, marketing, or sale of technology resulting from each assisted STTR project were allocated between the SBC and the research institution. Some of this information is currently collected by the Federal agencies that participate in those programs for use by those agencies. However, the Reauthorization Act requires SBA or the agencies to collect additional information for this database that is not currently collected by the participating federal agencies.

Commercialization Database: The Commercialization database collects measures of commercial success, such as a company's total sales, external investment amounts, patents filed, and the valuation of an initial public offering (IPO), and if it merged with another company or was acquired. Only the awardees, SBA, or the awarding Federal agency can change the commercialization data. Awardees always retain the opportunity to update their information.

Modifications

The current collection identifies two databases for data collection; the Awards (public) database and the Commercialization (government only) database. With this submission SBA modifies or creates new databases to more closely fit the new reporting requirements specified in the SBA Act (15 U.S.C. §638k).

The Awards database is being modified to contain only agency information, such as dollar amounts of awards and other award solicitation related information supplied by federal agencies. It will no longer contain or require the current type of data submitted by SBCs; such data will be captured in the Application Information Database. The Awards database is therefore being removed from the current collection.

The Commercialization database will continue to collect all data required from past awardees. This database has been revised slightly based on the new requirements set forth in the SBA Act. Please refer to the data fields in Appendix VII to see specific changes in data collection that will be maintained in this database.

Two new databases, the Company Registry and Application Information Database Databases will be added to this information collection. The SBA Act requires SBA to report participation by venture capital, hedge fund, and private equity firms in the programs. SBA will create the new Company Registry database to track this information on all applicants who apply

to the program. The SBAAct also requires more applicant data to be reported at more frequent intervals irrespective of whether the applicant actually wins an award or not. All required application information submitted by an applicant to the SBIR and STTR program will be collected in the Application Information Database. This application data is collected in the award database in the current collection.

Because there are so many changes, the data to be collected, including an identification of the new requirements are outlined in Appendix IV, V, and VII for easy reference, rather than outlined fully in the text.

Need for Collection

The SBAAct requires SBA to collect data from the Federal agencies that participate in the SBIR and STTR Programs and report to the Congress information regarding applications by and awards to SBCs by each of these agencies. SBA will report data using standardized templates that are provided, maintained, and updated by SBA.

The SBAAct also requires SBA to maintain searchable, electronic databases that include pertinent information concerning each SBIR and STTR award made through the programs. One of the databases required in the legislation must be available to the public and is referred to as the public database in the statute. Another database is referred to as a government only database in the statute. In practice, SBA maintains one central, relational database, which is referred to as Tech-Net and is located at www.SBIR.gov. In order to more easily differentiate what data is collected, from whom, at what interval, and who has access to it, SBA has subdivided the Tech-Net Database into “sub-databases.” Of these “sub-databases,” the Company Registry, Application Information, and Commercialization Databases are the only collections that record data from program applicants and participants.

The SBAAct also requires a “simplified, standardized and timely annual report” from each Federal agency participating in the SBIR program. In addition, agencies are required to report certain items periodically throughout the year to SBA. Some of this information is provided by the SBCs that apply for SBIR and/or STTR awards or receive such awards. This information collection concerns the information collected from the SBCs. Agencies may identify certain information, such as award data information, by the various components of each agency. SBA will collect these reports electronically, to the extent possible, and upload them to the statutorily required databases attached to Tech-Net. See Appendix IV, V, and VII for complete list of information to be collected.

See attached copy of the statutory authority (15 U.S.C. §638k) for this information collection, as well as a copy of Section 10 of the SBIR Policy Directive, which summarizes these statutory requirements.

2. How, by whom, and for what purpose information will be used

Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

SBA, as the overall administrator for the SBIR and STTR Programs, is required to collect and report to the Congress information regarding awards made to SBCs by each Federal agency participating in these programs. The information in the Company Registry, Application Information Database, and the Commercialization Database databases is used for evaluating and determining eligibility for the SBIR and STTR programs in accordance with Policy Directives issued by SBA.

With respect to the Company Registry Database, new ownership data will be collected in the Company Registry from small businesses at the time of application by the Small Business Administration. The information will be used to meet the statutory requirement that small businesses that are majority-owned by VCOCs, hedge funds and private equity firms are registered.

Information in the Application Information database will be used for program reviews and audits performed by the Government Accountability Office (GAO) and other agencies, and to identify potential duplication of research and development efforts funded by the SBIR/STTR agencies.

Information in the Commercialization Database is used by the SBA, agencies, and GAO to measure the performance of individual awardees and assess the overall performance and commercial impact of the SBIR and STTR programs. This information has not been systematically collected in the program. Project accomplishments, commercialization and sales data can only be viewed by Congress, GAO, agencies participating in the SBIR and STTR Programs, Office of Management and Budget (OMB), Office of Science and Technology Policy (OSTP), Office of Federal Procurement Policy (OFPP), and other authorized persons (for example, authorized SBA contractors) who are subject to use a nondisclosure agreement with the Federal Government covering the use of the database.

3. Technological collection techniques

Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce the burden.

All of the databases described in the preceding sections collect data required by the Reauthorization Act and will be accessed and maintained using the Tech-Net online platform at www.SBIR.gov. Tech-Net allows potential research partners and investors to view research and development efforts that are ongoing in the two Programs, increasing the investment opportunities for the SBCs that participate in the programs. SBA has redesigned the SBIR/STTR Tech-Net Database system to offer an array of user-friendly capabilities, and is accessible by the

public at no charge. The website interface allows for the online submission of SBIR and STTR application and awards data from the participating agencies. SBIR.gov allows end-users to perform keyword searches, modify the scope of the reports, and create formatted reports of award information that are exportable into Excel files.

The information for the Commercialization database is collected from SBIR and STTR applicants via an on-line questionnaire. Program applicants will be presented with the questionnaire during the on-line application process of each agency. The commercialization questionnaire is designed to minimize respondent burden in several ways. For example, award information and other data from the Awards Information Database will populate the questionnaire automatically, requiring only verification by the applicant; and totals or percentages will be calculated automatically as the data is entered.

4. Avoidance of Duplication

Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

The Small Business Act requires agencies to collect information from SBCs and ensure that reporting requirements are streamlined to minimize the burden on small businesses. Refer to Section A.1. for a detailed discussion on minimizing burden on small businesses and principles consistent with this aim.

SBA is required to collect data from agencies and report to the Congress information regarding applications by and awards to SBCs by each Federal agency participating in the SBIR and STTR programs. As an added check on duplication, SBA checks company records against the Central Contractor Registration (CCR) and Federal Procurement Data System (FPDS) when updating or creating any new record in the TechNet databases.

The SBA is not currently collecting this statutorily mandated information through any other SBA programs or systems. Currently, there are no other centralized database systems other than Tech-Net that contain SBIR or STTR award data that crosses agency boundaries. The system affords each agency the ability to periodically check for duplicative funding of technologies by agencies, and to cost-share on technologies being developed at one agency that also has relevance at another.

5. Impact on small businesses or other small entities

If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

There is an increased and significant impact on the time small businesses or small entities that will provide the information collected for the SBIR related databases due to new statutory requirements. SBA has taken steps to minimize this burden. First, where possible, SBCs will only need to submit certain information once; the redesigned collection system will auto populate certain fields and the information will be electronically available to all participating agencies. This would obviate the need for SBCs to send the same information to all agencies separately. Second, the information requested is primarily the type of information that businesses

are expected to maintain as part of the ordinary course of business, or is information that these SBCs would necessarily have to compile in order to complete the OMB approved application process at the federal agencies that participate in the SBIR/STTR programs. An exception to this is the SBC affiliate data that some companies will now need to collect, which includes the names, locations, and numbers of employees of their affiliates. This data will take time to compile and report. For that reason, SBA will implement this data collection in a phased approach over the next two to three fiscal years to minimize the reporting burden that a small business faces at any one time. SBA has categorized required data fields into “basic” or “advanced” in the attached data appendices below. “Basic” data information will be more straightforward for SBCs to collect and report and this data reporting will be implemented in FY 2012. The “advanced” data fields will be more intensive to collect and will be implemented in the FY 2013 and FY 2014. This phased approach also gives SBCs additional time to adjust to the new requirements.

6. Consequences if collection of information is not conducted

Describe the consequence to the Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The SBIR/STTR reporting requirements for small business are designed to help minimize fraud, waste, and abuse in the program. The Inspector General (IG) at participating agencies have recommend, both independently and collectively through an interagency working group, more stringent reporting requirements from small businesses to reduce risk of fraud, waste, and abuse (See various IG SBIR reports, including NASA’s IG audit on the SBIR program from February 2010). In 2010 the Small Business Administration declared that improving the SBIR Operations and Commercialization was a strategic goal. The strategic goal identified the necessity of improving metrics and reporting to enable more systematic monitoring of fraud, waste and abuse (See U.S. Small Business Administration 2011 - 2016 Strategic Plan).

Further, the Small Business Act, 15 U.S.C. § 638(b)(6) requires SBA to independently survey and monitor the operation of the SBIR and STTR Programs with participating agencies. In support of this statutory requirement, the Small Business Act (15 U.S.C. § 638(k)) specifically requires SBA to establish a “public” and “government” database to collect information on this program. The purpose of the two databases is to enable evaluation and monitoring of the programs and provide certain information about the programs to the public. Failure to collect this information would hamper the ability to effectively evaluate and assess the programs. The agencies and SBA would be in violation of the statute if the information is not collected and reported. Likewise, collecting this information less frequently, e.g., pursuant to every other award, would also be in violation of the statute.

For eligibility purposes, SBCs must submit all information to ensure the timely review and receipt of award notifications. The entirety of Company Registry and Application Information Databases ensure the timely determination of eligibility and certification of eligibility for an SBIR Award. For example, if SBCs who are majority backed by venture capital, hedge fund, and private equity firms fail to report ownership data to the Company

Registry Database, they could be unable to apply and receive awards through the SBIR/ STTR Programs.

7. Existence of special circumstances

Explain any special circumstances that would cause an information collection to be conducted in a manner:

- *requiring respondents to report information to the agency more often than quarterly;*
- *requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;*
- *requiring respondents to submit more than an original and two copies of any document;*
- *requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;*
- *in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;*
- *requiring the use of a statistical data classification that has not been approved by OMB;*
- *that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use;*
- *requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.*

The SBA Act (15 U.S.C. §638k) requires that data on commercialization be collected and be considered proprietary, and protected from public disclosure. The SBA protects this data by restricting access to the Commercialization database to only those individual government employees that it grants access to. The SBA Act (15 U.S.C. §638k) also directs SBA to request that all SBCs receiving a Phase I or Phase II award voluntarily update certain information about their awards annually for a period of five years. All other information collected will require the respondents to retain records, other than grant/contract or tax records, for no more than three years.

Further, SBCs will have to input some of this information, or update this information, each time they receive an award. That could mean they would be providing this information more often than quarterly.

8. Solicitation of Public Comment

If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize comments received. Describe efforts to consult with persons outside the agency to obtain their views...

SBA published a notice for public comment on this information collection in the Federal Register at 77 FR 6702 on March 20, 2012. The comment period ends on May 21, 2012. SBA has received two public comments in response to this notice. Commenters supported data collection that measures the extent to which venture capital, hedge fund, and private equity is

involved in the SBIR and STTR programs and generally considered the reporting burden to be minimal. SBA concurs with these respondents that the data reporting requirement is important and will have an impact on small businesses.

Commenters also expressed the belief that venture capital, hedge fund, and private equity should not be involved in the SBIR program. However, Congressional statute has opened the SBIR programs up to the participation by venture capital, hedge fund, and private equity firms and SBA must collect the required ownership and eligibility requirements specified by the legislation.

SBA has worked with the participating agencies in developing its data gathering strategy, and to ensure that each could provide the standardized data format issued by SBA. Once the data collection has begun, SBA will review all the incoming data and contact agencies if corrections are required.

9. Payment of gifts

Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There will be no payments or gifts given to any respondent.

10. Assurance of Confidentiality

Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The Company Registry and Application Information Databases will house all legislatively mandated information on all SBIR and STTR applicants. All of this information is confidential and not shared publicly. If an applicant receives a SBIR or STTR award, some mandated application data, such as name, location of the company, and abstract, will be shared publicly along with the award amounts, duration, and awarding agency information. Confidential information will be available solely for program evaluation purposes by the Federal Government or, by other authorized persons who are subject to a use and nondisclosure agreement with the Federal Government covering the use of the database.

Pursuant to 15 U.S.C. §638(k)(4), certain information provided to the Company Registry, Application Information Database, and the Commercialization Databases are only accessible to government personnel and are privileged and confidential and not subject to disclosure pursuant to 5 U.S.C. § 552, Freedom of Information Act, and must not be considered to be publication for purposes of 35 U.S.C. § 102 (a) or (b). *Conditions for patentability; novelty and loss of right to patent.* Further, the collection of other business information may implicate the Trade Secrets Act; however, SBA will protect the confidentiality of this information to the extent permitted by law.

11. Questions of a sensitive nature

Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the

specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

This information collection includes data that is, or may be considered sensitive; however, as discussed below, some of this data is either statutorily required and protected from disclosure, or can be justified as the most effective means to achieve agency objectives.

First, each applicant to the SBIR or STTR program is being asked to provide their Employer Identification Number (EIN) as part of the application. If a company is a sole proprietorship, the EIN is generally the owner's social security number. These numbers are needed to uniquely identify the participating firms over time. Firms funded by the SBIR or STTR programs may undergo name or address changes which makes it difficult to link the program award with the eventual commercial impact. The EIN number provides a unique way to identify the participating firms and often is the only way to track the economic effect of these awards over time.

Second, the programs also require SBCs to report the ownership percentages for equity investors as required in the SBA Act (15 U.S.C. §638k). This information is sensitive because SBCs do not want this information divulged to competitors. This knowledge has the potential to discourage private investments in the firm.

Third, SBA must also report to the Congress on the number of SBIR and STTR awards that are made to firms that are also HUBZone certified and the Federal Tax ID number is the only identifier that is common to each of these programs. Although the EIN information is collected, this data field is not shared publicly or with any individual who has not been approved for access to the government only site. Refer to the attached Appendices below for detailed look at data fields that remain private. The information identified in section 11 of this document is used by SBA to fulfill its responsibilities for oversight and reporting on each program's implementation of the SBIR and STTR programs.

Fourth, the SBA Act (15 U.S.C. §638k) requires that the programs collect and track potentially sensitive data related to the identity and nationality of the owners of the applicants as well as convictions of fraud related crimes. This data includes information on whether the applicant and awardee is: a women-owned small business; has principal investigator who is a woman; is a Socially and Economically Disadvantaged SBC (SDB); has a principal investigator that is an SDB; has an investor that is an individual who is not a U.S. citizen or permanent resident alien (include the name of such individual); and has an investor that is an entity, which is not organized the laws of a State or the United States (include the name of investor) (as defined by 20 U.S.C. §1001 et. seq.).

The first page of each Commercialization database notifies respondents that the information provided for this database will be considered commercially sensitive, treated as confidential, and is exempted from disclosure under the Freedom of Information Act. It will be available only to authorized persons within the reporting firm and to those Federal officials with specific clearance granted by SBA. The data will be protected using Point-To-Point Session Encryption. All logins are protected by "https," the industry standard for encryption. The same

standards disclosures and security measures defined and applied in the Commercialization database will be applied to the Application Information Database and the Company Registry when it is built.

12. Estimate the hourly burden of the collection of information

Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated...

Information will be collected from small businesses only once whenever possible. This means that the annual reporting burden on small businesses will decrease each year a returning applicant applies to the program because applicants will only be updating changes and confirming data previously reported has not changed. The reporting burden estimates provided below are conservative estimates, since it is assumed that all applicants are applying to the program for the first time. In practice, however, many small businesses applying to the SBIR and STTR programs are returning applicants.

(a) The Company Registry and Application Information Database will contain information from Phase I and Phase II applicants..

For “basic” company registry information SBA has estimated the following: Each year an estimated 13,500 applicants submit approximately 27,000 applications for awards: 25,000 for the SBIR program and 2,000 for STTR. SBA estimates that these applicants require 1 hour to read the directions, gather the required information, and to provide the requested information to the databases. This represents a total burden of about 27,000 hours per year.

For “advanced” company registry information SBA has estimated the following: Based on the regulatory limits in the program on venture capital, hedge fund, and private equity majority backed firms we estimate that roughly 6,750 applicants, or 25 percent of the current applicant pool, will need to provide information that we categorized as “advanced.” We estimate that these applicants will take 5 times the amount of time required by those applicants who only need to report “basic” information. The estimate is approximately 5 total hours of time to gather both basic and advanced company registry information. This represents a total burden of about 33,750 hours per year.

(b) Commercialization (government) database. This database contains information from all SBIR or STTR applicants that have won Phase II awards in the past. SBA estimates that approximately 3,000 firms are likely to have had prior Phase II awards. Each of these Phase II awardees will be asked to complete the survey upon application and to voluntarily update such information annually for a period of five years. SBA estimates that each of these respondents will require approximately 1.5 hours to read the directions, gather the required information, and to complete the survey each year for a total of 4,500 hours a year.

A financial officer of the SBCs will likely input this information. SBA has assumed that the officer’s pay is equal to a GS-14, step 1 employee in the Washington, DC area, who makes on average \$50.41/hour. At this hourly rate, the estimated annual cost of the information collected from applicants for “basic” company registry information and applicant data with an estimated annual

burden of 27,000 hours is \$1,361,070. The estimated annual cost of the information collected from applicants for “advanced” company registry information with an estimated annual burden of 33,750 hours is \$1,701,338. The cost burden for Commercialization survey, with an estimated annual burden of 4,500 hours, is \$226,845.

The total estimated number of hours to small businesses per year is 62,250 hours. The total estimated annual cost associated with these databases and surveys is \$3,289,252.

13. Estimate the total annual cost burden for submission

Provide an estimate for the total annual cost burden to respondents or recordkeepers resulting from the collection of information...

SBA estimates that there will be no total annual cost burden to respondents or record keepers resulting from collection of the information for the Company Registry, Application Information Database, or the Commercialization databases known collectively as Tech-Net. The information requested should be collected and retained in the ordinary course of business and no special equipment is needed in order to comply with the information request.

14. Annualized Cost to the Federal Government

Provide estimates of annualized costs to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The SBA estimates that the annual cost to the federal government of collecting and maintaining Tech-Net will be equivalent to three full time equivalent government or contractor employees. Employees with the required skills for this work are estimated to be equivalent to the GS 14, step 1 level in the Washington, DC area, who make on average \$50.41 per hour or \$105,211 per year. The total estimated labor costs for three employees at the above pay rate are estimated to be \$315,633. Hosting for the website and related databases are estimated to cost \$50,000 a year. Total annual combined costs for labor and web and database hosting is \$365,633.

15. Explanation of program changes in Items 13 or 14 on OMB Form 83-I

Explain reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I

The increase in burden hours previously reported in number 13(e) reflects the new reporting requirements that are now imposed on applicants and awardees for the SBIR and STTR programs.

16. Collection of information whose results will be published.

For collection of information whose results will be published, outline plans for tabulation and publication. Address complex analytical techniques... Provide time schedules for the entire project...

SBA will report on the data collection activity to each participating federal agency. After the data has been received and verified by SBA and the reporting agencies, SBA will prepare its

annual reports, which are submitted to the Congress and OMB as well as to each participating federal agency, SBA District Offices and all interested parties. The Annual Report for the SBIR program is submitted in October of each calendar year. The Annual Report for the STTR program is submitted in July of each calendar year. No quantitative operations are performed on the data for these reports. Not all of the information collected is specifically set forth in these reports; rather, summary information is published.

17. Expiration date for collection of information

If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why the display would be inappropriate.

Not applicable.

18. Exceptions to certification in block 19 on OMB Form 83-I

Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submission," of OMB Form 83-I

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent select

Not applicable.