

Senate panel okays legislation to restore Grant Eligibility for SMEs

18 October 2006 | News



Senate panel okays legislation to restore Grant Eligibility for SMEs

The US Senate committee on Small Business and Entrepreneurship has given its consent for the legislation to restore Small Business Innovation Research (SBIR) grant eligibility to small biotech companies that are majority backed by private investment.

Praising members of the Senate Small Business and Entrepreneurship Committee for supporting legislation, Jim Greenwood, president and CEO of the Biotechnology Industry Organization (BIO), said "This amendment restores the original interpretation of eligibility by allowing more biotech and medical device companies to again compete for funding albeit limited to conduct research on innovative new medical therapies, providing promise and hope for millions of patients and their families.

He further said, "For more than 20 years, small biotech and medical device companies qualified for SBIR grants. The arbitrary 2003 change in eligibility standards inequitably penalized biotech firms and has delayed, in some cases even prevented, life saving drugs and life-enhancing medical innovations from reaching patients and consumers.

"Presently, companies that are 51 percent owned by a group of venture capital firms are not eligible for SBIR grants. Most small and emerging biotechnology companies, which are years away from revenue-generating products, must look to the venture capital community for investments to fund the very high-cost pre-clinical and clinical research. Prior to the new interpretation, these companies used SBIR grants to validate the potential of their research as they raised critical start-up

investment funds.

According to Biotechnology Industry Organization, over 325 million patients have been helped by one or more of the 200 biotech drugs and vaccines already in the market.

Source: www.bio.org

Senate passes Stem Cell Research Enhancement Act

The US Senate has passed HR 810, the Stem Cell Research Enhancement Act, by a vote of 63-37. This Act would expand the limited number of stem cell lines currently available for federally funded research. The US House of Representatives passed HR 810 by a vote of 238-194 on May 24, 2005.

HR 810 would expand the limited number of stem cell lines currently available for federally funded research by allowing individuals to donate excess embryos from in vitro fertilization clinics which would otherwise be discarded as medical waste. Individuals who choose to donate these excess embryos would have to give written consent and would not receive any monetary compensation for the donation.

Reacting to passage of the Act, Jim Greenwood, president and CEO of the Biotechnology Industry Organization (BIO), said, "The bipartisan passage of the Stem Cell Research Enhancement Act by both the House and Senate reflects the strong support of the vast majority of Americans for this very promising research."

He further noted, "While embryonic stem cell research is still at an early stage, the nation's top scientists agree that this technology has the greatest potential to provide new, groundbreaking therapies for diabetes, heart disease, spinal cord injuries and a host of other disabling and deadly conditions. We must do all we can to accelerate the research and explore all avenues of therapeutic possibilities to their fullest. This bill allows important research to advance and creates an ethical framework that will ensure it is done appropriately."

Source: www.bio.org