

113TH CONGRESS
2^D SESSION

S. 2973

To establish a grant program to allow National Laboratories to provide vouchers to small business concerns to improve commercialization of technologies developed at National Laboratories and the technology-driven economic impact of commercialization in the regions in which National Laboratories are located, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 4, 2014

Mr. HEINRICH introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To establish a grant program to allow National Laboratories to provide vouchers to small business concerns to improve commercialization of technologies developed at National Laboratories and the technology-driven economic impact of commercialization in the regions in which National Laboratories are located, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Laboratory
5 Technology Maturation Act of 2014”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) NATIONAL LABORATORY.—The term “Na-
4 tional Laboratory” has the meaning given the term
5 in section 2 of the Energy Policy Act of 2005 (42
6 U.S.C. 15801).

7 (2) SECRETARY.—The term “Secretary” means
8 the Secretary of Energy.

9 (3) SMALL BUSINESS CONCERN.—The term
10 “small business concern” has the meaning given the
11 term in section 3 of the Small Business Act (15
12 U.S.C. 632).

13 **SEC. 3. ESTABLISHMENT OF TECHNOLOGY MATURATION**
14 **GRANT PROGRAM.**

15 (a) IN GENERAL.—The Secretary shall establish the
16 National Laboratory technology maturation program
17 under which the Secretary shall make grants to National
18 Laboratories for the purpose of increasing the successful
19 transfer of technologies licensed from National Labora-
20 tories to small business concerns by providing a link be-
21 tween an innovative process or technology and a practical
22 application with potential to be successful in commercial
23 markets.

24 (b) APPLICATION FOR GRANT FROM THE SEC-
25 RETARY.—

1 (1) IN GENERAL.—Each National Laboratory
2 that elects to apply for a grant under subsection (a)
3 shall submit an application to the Secretary at such
4 time, in such manner, and containing such informa-
5 tion as the Secretary may reasonably require.

6 (2) CONTENTS.—In an application submitted
7 under this subsection, a National Laboratory shall
8 describe how the National Laboratory will—

9 (A) manage a technology maturation pro-
10 gram;

11 (B) encourage small business concerns,
12 with an emphasis on businesses in the region in
13 which the National Laboratory is located, to
14 participate in the technology maturation pro-
15 gram;

16 (C) select small business concerns and
17 technologies to participate in the technology
18 maturation program using a selection board
19 (referred to in this section as the “selection
20 board”) made up of technical and business
21 members, including venture capitalists and in-
22 vestors; and

23 (D) measure the results of the program
24 and the return on investment, including—

1 (i) the number of technologies licensed
2 to small business concerns;

3 (ii) the number of new small business
4 concerns created;

5 (iii) the number of jobs created or re-
6 tained;

7 (iv) sales of the licensed technologies;

8 (v) the change in average salaries paid
9 by the participating small business con-
10 cerns; and

11 (vi) any additional external invest-
12 ment attracted by participating small busi-
13 ness concerns.

14 (c) MAXIMUM GRANT.—The maximum amount of a
15 grant received by a National Laboratory under subsection
16 (a) shall be \$5,000,000 for each fiscal year.

17 (d) VOUCHERS TO SMALL BUSINESS CONCERNS
18 FROM NATIONAL LABORATORIES.—

19 (1) IN GENERAL.—A National Laboratory re-
20 ceiving a grant under subsection (a) shall use the
21 grant funds to provide vouchers to small business
22 concerns that hold a technology license from a Na-
23 tional Laboratory to pay the cost of providing assist-
24 ance from scientists and engineers at the National
25 Laboratory to assist in the development of the li-

1 censed technology and further develop related prod-
2 ucts and services until the products and services are
3 market-ready or sufficiently developed to attract pri-
4 vate investment.

5 (2) USE OF VOUCHER FUNDS.—A small busi-
6 ness concern receiving a voucher under paragraph
7 (1) may use the voucher—

8 (A) to gain access to special equipment or
9 facilities at the National Laboratory that
10 awarded the voucher;

11 (B) to partner with the National Labora-
12 tory on a commercial prototype; and

13 (C) to perform early-stage feasibility or
14 later-stage field testing.

15 (3) ELIGIBLE PROJECTS.—A National Labora-
16 tory receiving a grant under subsection (a) may pro-
17 vide a voucher to small business concerns and part-
18 nerships between a small business concern and an
19 institution of higher education (as defined in section
20 101(a) of the Higher Education Act of 1965 (20
21 U.S.C. 1001(a))) for projects—

22 (A) involving—

23 (i) commercial prototypes;

24 (ii) scale-up and field demonstrations;

25 or

1 (iii) other activities that move the
2 technology closer to successful commer-
3 cialization; and

4 (B) that do not exceed 1 year.

5 (4) APPLICATION FOR VOUCHER FROM NA-
6 TIONAL LABORATORY.—Each small business concern
7 that holds a technology license from a National Lab-
8 oratory that elects to apply for a voucher under
9 paragraph (1) shall submit an application to the se-
10 lection board at such time, in such manner, and con-
11 taining such information as the selection board may
12 reasonably require.

13 (5) CRITERIA.—The selection board may award
14 vouchers based on—

15 (A) the technological and commercial via-
16 bility of the project for commercial success;

17 (B) a significant opportunity for new com-
18 pany formation or growth of an existing com-
19 pany in the region in which the National Lab-
20 oratory is located;

21 (C) access to a strong, experienced busi-
22 ness and technical team;

23 (D) clear, market-driven milestones for the
24 project that connect to an ability to leverage
25 matching funds from other sources;

1 (E) a clear path for commercialization;

2 (F) identification of a profitable market;

3 (G) the potential to enhance the tech-
4 nology-driven economy of the region in which
5 the National Laboratory is located;

6 (H) availability and source of matching
7 funds for the project; and

8 (I) compatibility with the mission of the
9 National Laboratory.

10 (6) MAXIMUM VOUCHER.—The maximum
11 amount of a voucher received by a small business
12 concern under paragraph (1) shall be \$250,000.

13 (7) PROGRESS TRACKING.—

14 (A) IN GENERAL.—The National Labora-
15 tory that awards a voucher to carry out a
16 project under paragraph (1) shall establish a
17 procedure to monitor interim progress of the
18 project toward commercialization milestones.

19 (B) TERMINATION OF VOUCHER.—If the
20 National Laboratory determines that a project
21 is not making adequate progress toward com-
22 mercialization milestones under the procedure
23 established pursuant to subparagraph (A), the
24 project shall not continue to receive funding or
25 assistance under this subsection.

1 **SEC. 4. ANNUAL REPORT.**

2 (a) IN GENERAL.—Each National Laboratory receiv-
3 ing a grant under section 3 shall submit to the Secretary
4 an annual report, at such time and in such manner as
5 the Secretary may reasonably require.

6 (b) CONTENTS OF REPORT.—The report submitted
7 under subsection (a) shall—

8 (1) include a list of each recipient of a voucher
9 and the amount of each voucher awarded; and

10 (2) provide an estimate of the return on invest-
11 ment, including—

12 (A) the number of technologies licensed to
13 small business concerns;

14 (B) the number of new small business con-
15 cerns created;

16 (C) the number of jobs created or retained;

17 (D) sales of the licensed technologies;

18 (E) the change in average salaries paid by
19 the participating small business concerns; and

20 (F) any additional external investment at-
21 tracted by participating small business con-
22 cerns.

23 **SEC. 5. FINAL REPORT.**

24 Not later than 5 years after the date of enactment
25 of this Act, the Secretary shall submit to the Committees
26 on Armed Services and Energy and Natural Resources of

1 the Senate and the Committees on Armed Services and
2 Science, Space, and Technology of the House of Rep-
3 resentatives a report on the results of the program estab-
4 lished under section 3, including—

5 (1) the return on investment; and

6 (2) any recommendations for improvements to
7 the program.

8 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

9 There is authorized to be appropriated to carry out
10 this Act \$25,000,000 for each of fiscal years 2015 through
11 2019.

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