AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 4435
OFFERED BY MR. COLLINS OF NEW YORK

At the end of title VIII, add the following new section:

SEC. 827. INNOVATIVE APPROACHES TO TECHNOLOGY TRANSFER.

Section 9(jj) of the Small Business Act (15 U.S.C. 638(jj)) is amended to read as follows:

“(jj) INNOVATIVE APPROACHES TO TECHNOLOGY TRANSFER.—

“(1) Grant program.—

“(A) In general.—Each Federal agency required by subsection (n) to establish an STTR program shall carry out a grant program to support innovative approaches to technology transfer at institutions of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), non-profit research institutions and Federal laboratories in order to improve or accelerate the commercialization of federally funded research
and technology by small business concerns, in-
cluding new businesses.

“(B) AWARDED OF GRANTS AND
AWARDS.—

“(i) IN GENERAL.—Each Federal
agency required by subparagraph (A) to
participate in this program, shall award,
through a competitive, merit-based process,
grants, in the amounts listed in subpara-
graph (C) to institutions of higher edu-
cation, technology transfer organizations
that facilitate the commercialization of
technologies developed by one or more such
institutions of higher education, Federal
laboratories, other public and private non-
profit entities, and consortia thereof, for
initiatives that help identify high-quality,
commercially viable federally funded re-
search and technologies and to facilitate
and accelerate their transfer into the mar-
ketplace.

“(ii) USE OF FUNDS.—Activities sup-
ported by grants under this subsection
may include—
“(I) providing early-stage proof of concept funding for translational research;

“(II) identifying research and technologies at institutions that have the potential for accelerated commercialization;

“(III) technology maturation funding to support activities such as prototype construction, experiment analysis, product comparison, and collecting performance data;

“(IV) technical validations, market research, clarifying intellectual property rights position and strategy, and investigating commercial and business opportunities;

“(V) programs to provide advice, mentoring, entrepreneurial education, project management, and technology and business development expertise to innovators and recipients of technology transfer licenses to maximize commercialization potential; and
“(VI) conducting outreach to small business concerns as potential licensees of federally funded research and technology, and providing technology transfer services to such small business concerns.

“(iii) SELECTION PROCESS AND APPLICATIONS.—Qualifying institutions seeking a grant under this subsection shall submit an application to a Federal agency required by subparagraph (A) to participate in this program at such time, in such manner, and containing such information as the agency may require. The application shall include, at a minimum—

“(I) a description of innovative approaches to technology transfer, technology development, and commercial readiness that have the potential to increase or accelerate technology transfer outcomes and can be adopted by other qualifying institutions, or a demonstration of proven technology transfer and commercialization strategies, or a plan to implement proven
technology transfer and commercialization strategies, that can achieve greater commercialization of federally funded research and technologies with program funding;

“(II) a description of how the qualifying institution will contribute to local and regional economic development efforts; and

“(III) a plan for sustainability beyond the duration of the funding award.

“(iv) Program Oversight Boards.—

“(I) In general.—Successful proposals shall include a plan to assemble a Program Oversight Board, the members of which shall have technical, scientific, or business expertise three-fifths of whom shall be drawn from industry, start-up companies, venture capital or other equity investment mechanism, technical enterprises, financial institutions, and business development organizations with a
track record of success in commercializing innovations. Proposals may use oversight boards in existence on the date of the enactment of the Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015 that meet the requirements of this subclause.

“(II) PROGRAM OVERSIGHT BOARDS RESPONSIBILITIES.—Program Oversight Boards shall—

“(aa) establish award programs for individual projects;

“(bb) provide rigorous evaluation of project applications;

“(cc) determine which projects should receive awards, in accordance with guidelines established under subparagraph (C)(ii);

“(dd) establish milestones and associated award amounts for projects that reach milestones;
“(ee) determine whether awarded projects are reaching milestones; and

“(ff) develop a process to reallocate outstanding award amounts from projects that are not reaching milestones to other projects with more potential.

“(III) CONFLICT OF INTEREST.—Program Oversight Boards shall be composed of members who do not have a conflict of interest. Boards shall adopt conflict of interest policies to ensure relevant relationships are disclosed and proper recusal procedures are in place.

“(C) GRANT AND AWARD AMOUNTS.—

“(i) GRANT AMOUNTS.—Each Federal agency required by subparagraph (A) to carry out a grant program may make grants up to $3,000,000 to a qualifying institution.

“(ii) AWARD AMOUNTS.—Each qualifying institution that receives a grant under subparagraph (B) shall provide
awards for individual projects of not more than $100,000, to be provided in phased amounts, based on reaching the milestones established by the qualifying institution’s Program Oversight Board.

“(D) AUTHORIZED EXPENDITURES FOR INNOVATIVE APPROACHES TO TECHNOLOGY TRANSFER GRANT PROGRAM.—

“(i) PERCENTAGE.—The percentage of the extramural budget for research, or research and development, each Federal agency required by subsection (n) to establish an STTR program shall expend on the Innovative Approaches to Technology Transfer Grant Program shall be—

“(I) 0.05 percent for each of fiscal years 2014 and 2015; and

“(II) 0.1 percent for each of fiscal years 2016 and 2017.

“(ii) TREATMENT OF EXPENDITURES.—Any portion of the extramural budget expended by a Federal agency on the Innovative Approaches to Technology Transfer Grant Program shall apply to—
wards the agency’s expenditure requirements under subsection (n).

“(2) Program evaluation and data collection and dissemination.—

“(A) Evaluation plan and data collection.—Each Federal agency required by paragraph (1)(A) to establish an Innovative Approaches to Technology Transfer Grant Program shall develop a program evaluation plan and collect annually such information from grantees as is necessary to assess the Program. Program evaluation plans shall require the collection of data aimed at identifying outcomes resulting from the transfer of technology with assistance from the Innovative Approaches to Technology Transfer Grant Program. Such data may include—

“(i) specific follow-on funding identified or obtained, including follow-on funding sources, such as Federal sources or private sources, within 3 years of the completion of the award;

“(ii) number of projects which, within 5 years of receiving an award under paragraph (1), result in a license to a start-up
company or an established company with sufficient resources for effective commercialization;

“(iii) the number of invention disclosures received, United States patent applications filed, and United States patents issued within 5 years of the award;

“(iv) number of projects receiving a grant under paragraph (1) that secure Phase I or Phase II SBIR or STTR awards;

“(v) available information on revenue, sales or other measures of products that have been commercialized as a result of projects awarded under paragraph (1), within 5 years of the award;

“(vi) number and location of jobs created resulting from projects awarded under paragraph (1); and

“(vii) other data as deemed appropriate by a Federal agency required by this subparagraph to develop a program evaluation plan.

“(B) Evaluative report to Congress.—The head of each Federal agency that
participates in the Innovative Approaches to Technology Transfer Grant Program shall submit to the Committee on Science, Space, and Technology and the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate an evaluative report regarding the activities of the program. The report shall include—

“(i) a detailed description of the implementation of the program;

“(ii) a detailed description of the grantee selection process;

“(iii) an accounting of the funds used in the program; and

“(iv) a summary of the data collected under subparagraph (A).

“(C) DATA DISSEMINATION.—For the purposes of program transparency and dissemination of best practices, the Administrator shall include on the public database under subsection (k)(1) information on the Innovative Approaches to Technology Transfer Grant Program, including—
“(i) the program evaluation plan required under subparagraph (A);

“(ii) a list of recipients by State of awards under paragraph (1); and

“(iii) information on the use of grants under paragraph (1) by recipient institutions.”.