114TH CONGRESS
1ST SESSION

S. 1259

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

(for himself and Mr. Bennet)

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

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Laboratory Technology Maturation Act of 2015".

SEC. 2. DEFINITIONS.

In this Act:

(1) NATIONAL LABORATORY.—The term "National Laboratory" has the meaning given the term in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801).

(2) SECRETARY.—The term "Secretary" means the Secretary of Energy.

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

SEC. 3. ESTABLISHMENT OF TECHNOLOGY MATURATION GRANT PROGRAM.

(a) IN GENERAL.—The Secretary shall establish the National Laboratory technology maturation program under which the Secretary shall make grants to National Laboratories for the purpose of increasing the successful transfer of technologies licensed from National Laboratories to small business concerns by providing a link between an innovative process or technology and a practical application with potential to be successful in commercial markets.

(b) APPLICATION FOR GRANT FROM THE SECRETARY.—

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

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

(A) manage a technology maturation program;

(B) encourage small business concerns, with an emphasis on businesses in the region in which the National Laboratory is located, to participate in the technology maturation program;

(C) select small business concerns and technologies to participate in the technology maturation program using a selection board (referred to in this section as the "selection board") made up of technical and business members, including venture capitalists and investors; and

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

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

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

(iii) the number of jobs created or retained;

(iv) sales of the licensed technologies; and

(v) any additional external investment attracted by participating small business concerns.

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

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

(1) IN GENERAL.—A National Laboratory receiving a grant under subsection (a) shall use the grant funds to provide vouchers to small business concerns that hold a technology license from a National Laboratory to pay the cost of providing assistance from scientists and engineers at the National Laboratory to assist in the development of the licensed technology and further develop related products and services until the products and services are

1 market-ready or sufficiently developed to attract pri-
2 vate investment.
3 (2) USE OF VOUCHER FUNDS.—A small busi-
4 ness concern receiving a voucher under paragraph
5 (1) may use the voucher—
6 (A) to gain access to special equipment or
7 facilities at the National Laboratory that
8 awarded the voucher;
9 (B) to partner with the National Labora-
10 tory on a commercial prototype; and
11 (C) to perform early-stage feasibility or
12 later-stage field testing.
13 (3) ELIGIBLE PROJECTS.—A National Labora-
14 tory receiving a grant under subsection (a) may pro-
15 vide a voucher to small business concerns and part-
16 nerships between a small business concern and an
17 institution of higher education (as defined in section
18 101(a) of the Higher Education Act of 1965 (20
19 U.S.C. 1001(a))) for projects—
20 (A) involving—
21 (i) commercial prototypes;
22 (ii) scale-up and field demonstrations;
23 or

(iii) other activities that move the technology closer to successful commercialization; and

(B) that do not exceed 1 year.

(4) APPLICATION FOR VOUCHER FROM NATIONAL LABORATORY.—Each small business concern that holds a technology license from a National Laboratory that elects to apply for a voucher under paragraph (1) shall submit an application to the selection board at such time, in such manner, and containing such information as the selection board may reasonably require.

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

(A) the viability of the technology for commercial success;

(B) a robust commercialization business plan for transition of the technology into a marketplace success;

(C) a significant opportunity for growth of an existing company;

(D) access to a strong, experienced business and technical team;

(E) clear, market-driven milestones for the project;

(F) the potential of the technology to enhance the economy of the region in which the National Laboratory is located;

(G) availability and source of matching funds for the project, including in-kind contributions; and

(H) compatibility with the mission of the National Laboratory.

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

(7) PROGRESS TRACKING.—

(A) IN GENERAL.—The National Laboratory that awards a voucher to carry out a project under paragraph (1) shall establish a procedure to monitor interim progress of the project toward commercialization milestones.

(B) TERMINATION OF VOUCHER.—If the National Laboratory determines that a project is not making adequate progress toward commercialization milestones under the procedure established pursuant to subparagraph (A), the project shall not continue to receive funding or assistance under this subsection.

SEC. 4. ANNUAL REPORT.

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

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

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

(2) provide an estimate of the return on investment, including—

(A) the increase in the number of technologies licensed to small business concerns;

(B) the number of jobs created or retained;

(C) sales of the licensed technologies; and

(D) any additional external investment attracted by participating small business concerns.

SEC. 5. FINAL REPORT.

Not later than 5 years after the date of enactment of this Act, the Secretary shall submit to the Committees on Armed Services and Energy and Natural Resources of the Senate and the Committees on Armed Services and Science, Space, and Technology of the House of Representatives a report on the results of the program established under section 3, including—

1 (1) the return on investment; and

2 (2) any recommendations for improvements to

3 the program.

4 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

5 There is authorized to be appropriated to carry out

6 this Act $25,000,000 for each of fiscal years 2016 through

7 2020.