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H. R. 1158

To improve management of the National Laboratories, enhance technology commercialization, facilitate public-private partnerships, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2015

Mr. HULTGREN (for himself, Mr. PERLMUTTER, Mr. WEBER of Texas, Mr. SWALWELL of California, Mr. SMITH of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. NEWHOUSE, Mr. LIPINSKI, Mr. ROHRABACHER, Mr. FATTAH, Mr. NEUGEBAUER, and Mr. BEN RAY LUJÁN of New Mexico) introduced the following bill; which was referred to the Committee on Science, Space, and Technology

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A BILL

To improve management of the National Laboratories, enhance technology commercialization, facilitate public-private partnerships, 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; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Department of Energy Laboratory Modernization and Technology Transfer Act of 2015''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. DEFINITIONS.

In this Act:

(1) DEPARTMENT.—The term ''Department'' means the Department of Energy.

(2) NATIONAL LABORATORY.—The term ''National Laboratory'' means a Department of Energy nonmilitary national laboratory, including—

(A) Ames Laboratory;

(B) Argonne National Laboratory;

(C) Brookhaven National Laboratory;

(D) Fermi National Accelerator Laboratory;

(E) Idaho National Laboratory;

(F) Lawrence Berkeley National Laboratory;

(G) National Energy Technology Laboratory;

(H) National Renewable Energy Laboratory;

(I) Oak Ridge National Laboratory;

(J) Pacific Northwest National Laboratory;

(K) Princeton Plasma Physics Laboratory;

(L) Savannah River National Laboratory;

(M) Stanford Linear Accelerator Center;

(N) Thomas Jefferson National Accelerator Facility; and

(O) any laboratory operated by the National Nuclear Security Administration, but only with respect to the civilian energy activities thereof.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 3. SAVINGS CLAUSE.

Nothing in this Act or an amendment made by this Act abrogates or otherwise affects the primary responsibilities of any National Laboratory to the Department.

TITLE I—INNOVATION MANAGEMENT AT DEPARTMENT OF ENERGY

SEC. 101. UNDER SECRETARY FOR SCIENCE AND ENERGY.

(a) IN GENERAL.—Section 202(b) of the Department of Energy Organization Act (42 U.S.C. 7132(b)) is amended—

(1) by striking ''Under Secretary for Science'' each place it appears and inserting ''Under Secretary for Science and Energy''; and

(2) in paragraph (4)—

(A) in subparagraph (F), by striking ''and'' at the end;

(B) in subparagraph (G), by striking the period at the end and inserting a semicolon; and

(C) by inserting after subparagraph (G) the following:

''(H) establish appropriate linkages between offices under the jurisdiction of the Under Secretary; and

''(I) perform such functions and duties as the Secretary shall prescribe, consistent with this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 3164(b)(1) of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381a(b)(1)) is amended by striking ''Under Secretary for Science'' and inserting ''Under Secretary for Science and Energy''.

(2) Section 641(h)(2) of the United States Energy Storage Competitiveness Act of 2007 (42 U.S.C. 17231(h)(2)) is amended by striking ''Under Secretary for Science'' and inserting ''Under Secretary for Science and Energy''.

SEC. 102. TECHNOLOGY TRANSFER AND TRANSITIONS ASSESSMENT.

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall transmit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report which shall include—

(1) an assessment of the Department's current ability to carry out the goals of section 1001 of the Energy Policy Act of 2005 (42 U.S.C. 16391), including an assessment of the role and effectiveness of the Director of the Office of Technology Transitions; and

(2) recommended departmental policy changes and legislative changes to section 1001 of the Energy Policy Act of 2005 (42 U.S.C. 16391) to improve the Department's ability to successfully transfer new energy technologies to the private sector.

SEC. 103. SENSE OF CONGRESS.

It is the sense of the Congress that the Secretary should encourage the National Laboratories and federally funded research and development centers to inform small businesses of the opportunities and resources that exist pursuant to this Act.

SEC. 104. NUCLEAR ENERGY INNOVATION.

Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the National Laboratories, relevant Federal agencies, and other stakeholders, shall transmit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report assessing the Department's capabilities to authorize, host, and oversee privately funded fusion and non-light water reactor prototypes and related demonstration facilities at Department-owned sites. For purposes of this report, the Secretary shall consider the Department's capabilities to facilitate privately-funded proto-

types up to 20 megawatts thermal output. The report shall address the following:

(1) The Department's safety review and oversight capabilities.

(2) Potential sites capable of hosting research, development, and demonstration of prototype reactors and related facilities for the purpose of reducing technical risk.

(3) The Department's and National Laboratories' existing physical and technical capabilities relevant to research, development, and oversight.

(4) The efficacy of the Department's available contractual mechanisms, including cooperative research and development agreements, work for others agreements, and agreements for commercializing technology.

(5) Potential cost structures related to physical security, decommissioning, liability, and other long-term project costs.

(6) Other challenges or considerations identified by the Secretary, including issues related to potential cases of demonstration reactors up to 2 gigawatts of thermal output.

TITLE II—CROSS-SECTOR PARTNERSHIPS AND GRANT COMPETITIVENESS

SEC. 201. AGREEMENTS FOR COMMERCIALIZING TECHNOLOGY PILOT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out the Agreements for Commercializing Technology pilot program of the Department, as announced by the Secretary on December 8, 2011, in accordance with this section.

(b) TERMS.—Each agreement entered into pursuant to the pilot program referred to in subsection (a) shall provide to the contractor of the applicable National Laboratory, to the maximum extent determined to be appropriate by the Secretary, increased authority to negotiate contract terms, such as intellectual property rights, payment structures, performance guarantees, and multiparty collaborations.

(c) ELIGIBILITY.—

(1) IN GENERAL.—Any director of a National Laboratory may enter into an agreement pursuant to the pilot program referred to in subsection (a).

(2) AGREEMENTS WITH NON-FEDERAL ENTITIES.—To carry out paragraph (1) and subject to paragraph (3), the Secretary shall permit the directors of the National Laboratories to execute agree-

ments with a non-Federal entity, including a non-Federal entity already receiving Federal funding that will be used to support activities under agreements executed pursuant to paragraph (1), provided that such funding is solely used to carry out the purposes of the Federal award.

(3) RESTRICTION.—The requirements of chapter 18 of title 35, United States Code (commonly known as the ''Bayh-Dole Act'') shall apply if—

(A) the agreement is a funding agreement (as that term is defined in section 201 of that title); and

(B) at least 1 of the parties to the funding agreement is eligible to receive rights under that chapter.

(d) SUBMISSION TO SECRETARY.—Each affected director of a National Laboratory shall submit to the Secretary, with respect to each agreement entered into under this section—

(1) a summary of information relating to the relevant project;

(2) the total estimated costs of the project;

(3) estimated commencement and completion dates of the project; and

(4) other documentation determined to be appropriate by the Secretary.

(e) CERTIFICATION.—The Secretary shall require the contractor of the affected National Laboratory to certify that each activity carried out under a project for which an agreement is entered into under this section—

(1) is not in direct competition with the private sector; and

(2) does not present, or minimizes, any apparent conflict of interest, and avoids or neutralizes any actual conflict of interest, as a result of the agreement under this section.

(f) EXTENSION.—The pilot program referred to in subsection (a) shall be extended until October 31, 2017.

(g) REPORTS.—

(1) OVERALL ASSESSMENT.—Not later than 60 days after the date described in subsection (f), the Secretary, in coordination with directors of the National Laboratories, shall submit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report that—

(A) assesses the overall effectiveness of the pilot program referred to in subsection (a);

(B) identifies opportunities to improve the effectiveness of the pilot program;

(C) assesses the potential for program activities to interfere with the responsibilities of the National Laboratories to the Department; and

(D) provides a recommendation regarding the future of the pilot program.

(2) TRANSPARENCY.—The Secretary, in coordination with directors of the National Laboratories, shall submit to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate an annual report that accounts for all incidences of, and provides a justification for, non-Federal entities using funds derived from a Federal contract or award to carry out agreements pursuant to this section.

SEC. 202. PUBLIC-PRIVATE PARTNERSHIPS FOR COMMERCIALIZATION.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall delegate to directors of the National Laboratories signature authority with respect to any agreement described in subsection (b) the total cost of

which (including the National Laboratory contributions and project recipient cost share) is less than $1,000,000.

(b) AGREEMENTS.—Subsection (a) applies to—

(1) a cooperative research and development agreement;

(2) a non-Federal work-for-others agreement; and

(3) any other agreement determined to be appropriate by the Secretary, in collaboration with the directors of the National Laboratories.

(c) ADMINISTRATION.—

(1) ACCOUNTABILITY.—The director of the affected National Laboratory and the affected contractor shall carry out an agreement under this section in accordance with applicable policies of the Department, including by ensuring that the agreement does not compromise any national security, economic, or environmental interest of the United States.

(2) CERTIFICATION.—The director of the affected National Laboratory and the affected contractor shall certify that each activity carried out under a project for which an agreement is entered into under this section does not present, or minimizes, any apparent conflict of interest, and avoids

or neutralizes any actual conflict of interest, as a result of the agreement under this section.

(3) AVAILABILITY OF RECORDS.—On entering an agreement under this section, the director of a National Laboratory shall submit to the Secretary for monitoring and review all records of the National Laboratory relating to the agreement.

(4) RATES.—The director of a National Laboratory may charge higher rates for services performed under a partnership agreement entered into pursuant to this section, regardless of the full cost of recovery, if such funds are used exclusively to support further research and development activities at the respective National Laboratory.

(d) CONFORMING AMENDMENT.—Section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting the subparagraphs appropriately;

(B) by striking ''Each Federal agency'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), each Federal agency''; and

(C) by adding at the end the following:

''(2) EXCEPTION.—Notwithstanding paragraph (1), in accordance with section 202(a) of the Department of Energy Laboratory Modernization and Technology Transfer Act of 2015, approval by the Secretary of Energy shall not be required for any technology transfer agreement proposed to be entered into by a National Laboratory of the Department of Energy, the total cost of which (including the National Laboratory contributions and project recipient cost share) is less than $1,000,000.''; and

(2) in subsection (b), by striking ''subsection (a)(1)'' each place it appears and inserting ''subsection (a)(1)(A)''.

SEC. 203. INCLUSION OF EARLY-STAGE TECHNOLOGY DEMONSTRATION IN AUTHORIZED TECHNOLOGY TRANSFER ACTIVITIES.

Section 1001 of the Energy Policy Act of 2005 (42 U.S.C. 16391) is amended by—

(1) redesignating subsection (g) as subsection (h); and

(2) inserting after subsection (f) the following:

''(g) EARLY-STAGE TECHNOLOGY DEMONSTRATION.—The Secretary shall permit the directors of the National Laboratories to use funds authorized to support

technology transfer within the Department to carry out early-stage and pre-commercial technology demonstration activities to remove technology barriers that limit private sector interest and demonstrate potential commercial applications of any research and technologies arising from National Laboratory activities.''.

SEC. 204. FUNDING COMPETITIVENESS FOR INSTITUTIONS OF HIGHER EDUCATION AND OTHER NONPROFIT INSTITUTIONS.

Section 988(b) of the Energy Policy Act of 2005 (42 U.S.C. 16352(b)) is amended—

(1) in paragraph (1), by striking ''Except as provided in paragraphs (2) and (3)'' and inserting ''Except as provided in paragraphs (2), (3), and (4)''; and

(2) by adding at the end the following:

''(4) EXEMPTION FOR INSTITUTIONS OF HIGHER EDUCATION AND OTHER NONPROFIT INSTITUTIONS.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to a research or development activity performed by an institution of higher education or nonprofit institution (as defined in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703)).

''(B) TERMINATION DATE.—The exemption under subparagraph (A) shall apply during the 6-year period beginning on the date of enactment of this paragraph.''.

SEC. 205. PARTICIPATION IN THE INNOVATION CORPS PROGRAM.

The Secretary may enter into an agreement with the Director of the National Science Foundation to enable researchers funded by the Department to participate in the National Science Foundation Innovation Corps program.

TITLE III—ASSESSMENT OF IMPACT

SEC. 301. REPORT BY GOVERNMENT ACCOUNTABILITY OFFICE.

Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report—

(1) describing the results of the projects developed under sections 201, 202, and 203, including information regarding—

(A) partnerships initiated as a result of those projects and the potential linkages presented by those partnerships with respect to national priorities and other taxpayer-funded research; and

(B) whether the activities carried out under those projects result in—

(i) fiscal savings;

(ii) expansion of National Laboratory capabilities;

(iii) increased efficiency of technology transfers; or

(iv) an increase in general efficiency of the National Laboratory system; and

(2) assess the scale, scope, efficacy, and impact of the Department's efforts to promote technology transfer and private sector engagement at the National Laboratories, and make recommendations on how the Department can improve these activities.

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