AMENDMENT TO H.R. 2763
OFFERED BY MR. LIPINSKI OF ILLINOIS

At the end of the bill, add the following:

SEC. _____. 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 an Innovative Approaches to Technology Transfer Grant Program (hereinafter referred to as a ‘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 accelerate the commercialization of federally funded research and technology
by small business concerns, including new businesses.

“(B) AWARDING OF GRANTS TO QUALIFYING INSTITUTIONS.—

“(i) IN GENERAL.—Each Federal agency described in subparagraph (A) shall provide grants, through a competitive, merit-based process, in the amounts listed in subparagraph (C)(i) to institutions of higher education, 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 nonprofit entities, and consortia thereof, for initiatives that help identify high-quality, commercially viable federally funded research and technologies and to facilitate and accelerate their transfer into the marketplace.

“(ii) SELECTION PROCESS AND APPLICATIONS.—Qualifying institutions seeking a grant under this subsection shall submit an application to a Federal agency described in subparagraph (A) at such time,
in such manner, and containing such infor-
mation as the agency may require. The ap-
application shall include, at a minimum—

“(I) a description of innovative
approaches to technology transfer,
technology development, and commer-
cial 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 strate-
gies, or a plan to implement proven
technology transfer and commer-
cialization 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 devel-
opment efforts; and

“(III) a plan for sustainability
beyond the duration of the funding
award.
“(iii) USE OF FUNDS.—Activities supported by grants under this subsection may include—

“(I) providing early-stage proof of concept funding for translational research;

“(II) identifying research and technologies at recipient 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; and

“(V) programs to provide advice, mentoring, entrepreneurial education, project management, and technology and business development expertise to innovators and recipients of tech-
nology transfer licenses to maximize commercialization potential.

“(iv) PROGRAM OVERSIGHT BOARD.—

“(I) IN GENERAL.—Successful applications required under clause (ii) shall include a plan to assemble a Program Oversight Board, the members of which shall have technical, scientific, or business expertise and shall be drawn from industry, start-up companies, venture capital, technical enterprises, financial institutions, and business development organizations.

“(II) PROJECT AWARDS.—A Program Oversight Board 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 by the Board;

“(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 re-allocate outstanding award amounts from projects that are not reaching milestones to other projects with more potential.

“(C) GRANT AND AWARD AMOUNTS.—

“(i) GRANT AMOUNTS.—Each Federal agency described in subparagraph (A) may make grants under subparagraph (B) to qualifying institutions for up to $1,000,000 per year for up to 3 years.

“(ii) AWARD AMOUNTS.—Each qualifying institution that receives a grant under subparagraph (B) shall provide awards for individual projects of not more than $150,000, to be provided in phased amounts, based on reaching the milestones established by the qualifying institution’s Program Oversight Board.
“(D) AUTHORIZED EXPENDITURES FOR THE PROGRAM.—

“(i) PERCENTAGE.—The percentage of the extramural budget that each Federal agency described under subparagraph (A) expends on a Program shall be—

“(I) 0.05 percent for each of fiscal years 2018 and 2019; and

“(II) 0.1 percent for each of fiscal years 2020 and 2021.

“(ii) TREATMENT OF EXPENDITURES.—Any portion of the extramural budget expended by a Federal agency on a Program shall apply towards 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 a 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 Program, such as—

“(i) specific follow-on funding identified or obtained, including follow-on funding sources, such as Federal sources or private sources;

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

“(iii) invention disclosures and patents;

“(iv) the number of projects supported by qualifying institutions receiving a grant under paragraph (1)(C)(i) 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)(C)(ii);
“(vi) the number and location of jobs created resulting from projects awarded under paragraph (1)(C)(ii); and

“(vii) other data as considered 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 has a 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 purposes of Program transparency and dissemination of best practices, the Administrator shall include, on the public database under subsection (k)(1), information on the Program, including—

“(i) the program evaluation plan required under subparagraph (A);

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

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