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(Original Signature of Member)

113TH CONGRESS  
1ST SESSION

# H. R.

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To support innovative approaches to technology transfer, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. COLLINS of New York (for himself and Mr. KILMER) introduced the following bill; which was referred to the Committee on

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# A BILL

To support innovative approaches to technology transfer, 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 “Technology and Re-  
5 search Accelerating National Security and Future Eco-  
6 nomic Resiliency Act of 2013” or the “TRANSFER Act  
7 of 2013”.

1 **SEC. 2. INNOVATIVE APPROACHES TO TECHNOLOGY**  
2 **TRANSFER.**

3 Section 9(jj) of the Small Business Act (15 U.S.C.  
4 638(jj)) is amended to read as follows:

5 “(jj) INNOVATIVE APPROACHES TO TECHNOLOGY  
6 TRANSFER.—

7 “(1) GRANT PROGRAM.—

8 “(A) IN GENERAL.—Each Federal agency  
9 required by subsection (n) to establish an  
10 STTR program shall carry out a grant program  
11 to support innovative approaches to technology  
12 transfer at institutions of higher education (as  
13 defined in section 101(a) of the Higher Edu-  
14 cation Act of 1965 (20 U.S.C. 1001(a)), non-  
15 profit research institutions and Federal labora-  
16 tories in order to accelerate the commercializa-  
17 tion of federally funded research and technology  
18 by small business concerns, including new busi-  
19 nesses.

20 “(B) AWARDING OF GRANTS AND  
21 AWARDS.—

22 “(i) IN GENERAL.—Each Federal  
23 agency required by subparagraph (A) to  
24 participate in this program, shall award,  
25 through a competitive, merit-based process,  
26 grants, in the amounts listed in subpara-

1 graph (C) to institutions of higher edu-  
2 cation, technology transfer organizations  
3 that facilitate the commercialization of  
4 technologies developed by one or more such  
5 institutions of higher education, Federal  
6 laboratories, other public and private non-  
7 profit entities, and consortia thereof, for  
8 initiatives that help identify high-quality,  
9 commercially viable federally funded re-  
10 search and technologies and to facilitate  
11 and accelerate their transfer into the mar-  
12 ketplace.

13 “(ii) USE OF FUNDS.—Activities sup-  
14 ported by grants under this subsection  
15 may include—

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

19 “(II) identifying research and  
20 technologies at recipient institutions  
21 that have the potential for accelerated  
22 commercialization;

23 “(III) technology maturation  
24 funding to support activities such as  
25 prototype construction, experiment

1 analysis, product comparison, and col-  
2 lecting performance data;

3 “(IV) technical validations, mar-  
4 ket research, clarifying intellectual  
5 property rights position and strategy,  
6 and investigating commercial and  
7 business opportunities; and

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

15 “(iii) SELECTION PROCESS AND AP-  
16 PPLICATIONS.—Qualifying institutions seek-  
17 ing a grant under this subsection shall  
18 submit an application to a Federal agency  
19 required by subparagraph (A) to partici-  
20 pate in this program at such time, in such  
21 manner, and containing such information  
22 as the agency may require. The application  
23 shall include, at a minimum—

24 “(I) a description of innovative  
25 approaches to technology transfer,

1 technology development, and commer-  
2 cial readiness that have the potential  
3 to increase or accelerate technology  
4 transfer outcomes and can be adopted  
5 by other qualifying institutions, or a  
6 demonstration of proven technology  
7 transfer and commercialization strate-  
8 gies, or a plan to implement proven  
9 technology transfer and commer-  
10 cialization strategies, that can achieve  
11 greater commercialization of federally  
12 funded research and technologies with  
13 program funding;

14 “(II) a description of how the  
15 qualifying institution will contribute  
16 to local and regional economic devel-  
17 opment efforts; and

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

21 “(iv) PROGRAM OVERSIGHT  
22 BOARDS.—

23 “(I) IN GENERAL.—Successful  
24 proposals shall include a plan to as-  
25 semble a Program Oversight Board,

1 the members of which shall have tech-  
2 nical, scientific, or business expertise  
3 and shall be drawn from industry,  
4 start-up companies, venture capital,  
5 technical enterprises, financial institu-  
6 tions, and business development orga-  
7 nizations.

8 “(II) PROGRAM OVERSIGHT  
9 BOARDS RESPONSIBILITIES.—Pro-  
10 gram Oversight Boards shall—

11 “(aa) establish award pro-  
12 grams for individual projects;

13 “(bb) provide rigorous eval-  
14 uation of project applications;

15 “(cc) determine which  
16 projects should receive awards, in  
17 accordance with guidelines estab-  
18 lished under subparagraph  
19 (C)(ii);

20 “(dd) establish milestones  
21 and associated award amounts  
22 for projects that reach mile-  
23 stones;

1                   “(ee) determine whether  
2                   awarded projects are reaching  
3                   milestones; and

4                   “(ff) develop a process to re-  
5                   allocate outstanding award  
6                   amounts from projects that are  
7                   not reaching milestones to other  
8                   projects with more potential.

9                   “(C) GRANT AND AWARD AMOUNTS.—

10                   “(i) GRANT AMOUNTS.—Each Federal  
11                   agency required by subparagraph (A) to  
12                   carry out a grant program may make  
13                   grants to a qualifying institution for up to  
14                   \$1,000,000 per year for up to 3 years.

15                   “(ii) AWARD AMOUNTS.—Each quali-  
16                   fying institution that receives a grant  
17                   under subparagraph (B) shall provide  
18                   awards for individual projects of not more  
19                   than \$150,000, to be provided in phased  
20                   amounts, based on reaching the milestones  
21                   established by the qualifying institution’s  
22                   Program Oversight Board.

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

1                   “(i) PERCENTAGE.—The percentage  
2                   of the extramural budget each Federal  
3                   agency required by subsection (n) to estab-  
4                   lish an STTR program shall expend on the  
5                   Innovative Approaches to Technology  
6                   Transfer Grant Program shall be—

7                               “(I) 0.05 percent for each of fis-  
8                               cal years 2014 and 2015; and

9                               “(II) 0.1 percent for each of fis-  
10                              cal years 2016 and 2017.

11                   “(ii) TREATMENT OF EXPENDI-  
12                   TURES.—Any portion of the extramural  
13                   budget expended by a Federal agency on  
14                   the Innovative Approaches to Technology  
15                   Transfer Grant Program shall apply to-  
16                   wards the agency’s expenditure require-  
17                   ments under subsection (n).

18                   “(2) PROGRAM EVALUATION AND DATA COL-  
19                   LECTION AND DISSEMINATION.—

20                              “(A) EVALUATION PLAN AND DATA COL-  
21                              LECTION.—Each Federal agency required by  
22                              paragraph (1)(A) to establish an Innovative Ap-  
23                              proaches to Technology Transfer Grant Pro-  
24                              gram shall develop a program evaluation plan  
25                              and collect annually such information from



1 grantees as is necessary to assess the Program.  
2 Program evaluation plans shall require the col-  
3 lection of data aimed at identifying outcomes  
4 resulting from the transfer of technology with  
5 assistance from the Innovative Approaches to  
6 Technology Transfer Grant Program, such as—

7 “(i) specific follow-on funding identi-  
8 fied or obtained, including follow-on fund-  
9 ing sources, such as Federal sources or  
10 private sources;

11 “(ii) number of projects which result  
12 in a license to a start-up company or an  
13 established company with sufficient re-  
14 sources for effective commercialization  
15 within 5 years of receiving an award under  
16 paragraph (1);

17 “(iii) invention disclosures and pat-  
18 ents;

19 “(iv) number of projects supported by  
20 qualifying institutions receiving a grant  
21 under paragraph (1) that secure Phase I  
22 or Phase II SBIR or STTR awards;

23 “(v) available information on revenue,  
24 sales or other measures of products that

1           have been commercialized as a result of  
2           projects awarded under paragraph (1);

3           “(vi) number and location of jobs cre-  
4           ated resulting from projects awarded under  
5           paragraph (1); and

6           “(vii) other data as deemed appro-  
7           priate by a Federal agency required by this  
8           subparagraph to develop a program evalua-  
9           tion plan.

10          “(B) EVALUATIVE REPORT TO CON-  
11          GRESS.—The head of each Federal agency that  
12          participates in the Innovative Approaches to  
13          Technology Transfer Grant Program shall sub-  
14          mit to the Committee on Science, Space, and  
15          Technology and the Committee on Small Busi-  
16          ness of the House of Representatives and the  
17          Committee on Small Business and Entrepre-  
18          neurship of the Senate an evaluative report re-  
19          garding the activities of the program. The re-  
20          port shall include—

21                 “(i) a detailed description of the im-  
22                 plementation of the program;

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

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

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

5                   “(C) DATA DISSEMINATION.—For the pur-  
6                   poses of program transparency and dissemina-  
7                   tion of best practices, the Administrator shall  
8                   include on the public database under subsection  
9                   (k)(1) information on the Innovative Ap-  
10                  proaches to Technology Transfer Grant Pro-  
11                  gram, including—

12                   “(i) the program evaluation plan re-  
13                   quired under subparagraph (A);

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

16                   “(iii) information on the use of grants  
17                   under paragraph (1) by recipient institu-  
18                   tions.”.