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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To provide for the establishment of clean technology consortia to enhance the economic, environmental, and energy security of the United States by promoting domestic development, manufacture, and deployment of clean technologies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. CARTWRIGHT introduced the following bill; which was referred to the Committee on _____

A BILL

To provide for the establishment of clean technology consortia to enhance the economic, environmental, and energy security of the United States by promoting domestic development, manufacture, and deployment of clean technologies, 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 ''Consortia-Led Energy and Advanced Manufacturing Networks Act''.

SEC. 2. DEFINITIONS.

In this Act:

(1) CLEAN TECHNOLOGY.—The term ''clean technology'' means a technology, production process, or methodology that—

(A) produces energy from solar, wind, geothermal, biomass, tidal, wave, ocean, or another renewable energy source (as defined in section 609 of the Public Utility Regulatory Policies Act of 1978 (7 U.S.C. 918c));

(B) more efficiently transmits, distributes, or stores energy;

(C) enhances energy efficiency for buildings and industry, including combined heat and power;

(D) enables the development of a Smart Grid (as described in section 1301 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17381)), including integration of renewable energy sources and distributed generation, demand response, demand side management, and systems analysis;

(E) produces an advanced or sustainable material with energy or energy efficiency applications;

(F) improves energy efficiency for transportation, including electric vehicles; or

(G) enhances water security through improved water management, conservation, distribution, or end use applications.

(2) ADVANCED MANUFACTURING.—The term ''advanced manufacturing''—

(A) means a manufacturing process that makes extensive use of computer, high precision, or information technologies integrated with a high performance workforce in a production system capable of furnishing a heterogeneous mix of products in small or large volumes with either the efficiency of mass production or the flexibility of custom manufacturing in order to respond quickly to customer demands; and

(B) includes both new ways to manufacture existing products and the manufacture of new products emerging from new advanced technologies.

(3) CLUSTER.—The term ''cluster'' means a network of entities directly involved in the research, development, finance, and commercial application of clean technologies and advanced manufacturing

whose geographic proximity facilitates the use and sharing of skilled human resources, infrastructure, research facilities, educational and training institutions, venture capital, and input suppliers.

(4) CONSORTIUM.—The term ''consortium'' means a clean technology consortium established in accordance with this Act.

(5) PROJECT.—The term ''project'' means an activity with respect to which a consortium provides support under this Act.

(6) QUALIFYING ENTITY.—The term ''qualifying entity'' means—

(A) an institution of higher education that has entered into a partnership agreement with a private-sector entity;

(B) a Federal or State entity with a focus on developing clean technologies or clusters, as determined by the Secretary;

(C) a nongovernmental organization with expertise in translational research, clean technology, or cluster development; or

(D) any other entity determined appropriate by the Secretary.

(7) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

(8) TRANSLATIONAL RESEARCH.—The term ''translational research'' means the coordination of basic or applied research with technical applications to enable promising discoveries or inventions to achieve commercial application.

SEC. 3. ESTABLISHMENT OF CLEAN TECHNOLOGY CONSORTIA PROGRAM.

(a) IN GENERAL.—The Secretary shall establish and carry out a program to establish clean technology consortia to enhance the economic, environmental, and energy security of the United States by promoting domestic development, manufacture, and deployment of clean, state-of-the-art technologies.

(b) PROGRAM.—The Secretary shall carry out the program established under subsection (a) by leveraging the expertise and resources of private research communities, institutions of higher education, industry, venture capital, National Laboratories (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801)), and other participants in technology innovation—

(1) to support collaborative, cross-disciplinary research and development in clean technologies and advanced manufacturing; and

(2) to develop and accelerate the commercial application of innovative clean technologies and advanced manufacturing practices.

(c) ROLE OF THE SECRETARY.—The Secretary shall—

(1) carry out and oversee all aspects of the program established under subsection (a);

(2) select recipients of grants for the establishment and operation of consortia through a competitive selection process; and

(3) coordinate the innovation activities of consortia with activities carried out by the Secretary of Energy, the Secretary of Defense, other Federal agency heads, industry, and institutions of higher education, including by annually—

(A) issuing guidance regarding national clean technology and advanced manufacturing development priorities and strategic objectives; and

(B) convening a conference relating to clean technology and advanced manufacturing, which shall bring together representatives of Federal agencies, industry, institutions of higher education, and other entities to share re-

search and commercialization results, program plans, and opportunities for collaboration.

(d) PURPOSES OF CONSORTIA.—The purposes of the consortia shall include—

(1) promoting new innovative clean technologies that have demonstrated interest and potential for commercialization;

(2) expanding advanced manufacturing capabilities, networks, supply chains, and assets, in the area of clean technologies, that contribute to regional and national manufacturing competitiveness and potential for growth;

(3) promoting job creation and entrepreneurship through the establishment of new companies, the expansion of existing companies, and commercialization of clean technologies;

(4) providing technical or financial assistance to companies looking to invest in clean technologies, new products or services, or enhanced processes that will grow sales and jobs;

(5) determining opportunities and challenges that companies are facing and how to improve their use or production of clean technologies;

(6) assisting individual small- and medium-sized enterprises with adopting and utilizing new clean

technologies and related business and advanced manufacturing practices;

(7) accelerating investment in and deployment of clean technologies through public-private partnerships;

(8) encouraging partnering between and among emerging and established clean technology and advanced manufacturing enterprises; or

(9) demonstrating a comprehensive and successful model for commercialization of clean technologies for promotion and emulation.

SEC. 4. APPLICATIONS.

(a) IN GENERAL.—To receive a grant under this Act, a consortium shall submit to the Secretary an application in such manner, at such time, and containing such information as the Secretary determines to be necessary.

(b) ELIGIBILITY.—A consortium shall be eligible to receive a grant under this Act if—

(1) the consortium consists of—

(A) one or more research universities that can demonstrate a significant annual clean technology research budget, entrepreneurial support programs, and technology licensing expertise; and

(B) a total of three or more qualifying entities that can demonstrate expertise in translational research, clean technology, and cluster development;

(2) the members of the consortium have established a binding agreement that documents—

(A) the structure of the partnership agreement;

(B) a governance and management structure that enables cost-effective implementation of the program;

(C) a conflicts-of-interest policy, including procedures, consistent with those of the Department of Commerce, to ensure that employees and designees for consortium activities who are in decision-making capacities disclose all material conflicts of interest, including financial, organizational, and personal conflicts of interest;

(D) an accounting structure that meets the requirements of the Secretary and that may be audited under this Act; and

(E) the existence of an external advisory committee;

(3) the consortium receives funding from non-Federal sources, such as a State and participants of

the consortium, that may be used to support projects;

(4) the consortium is part of an existing cluster or demonstrates high potential to develop a new cluster; and

(5) the consortium operates as a nonprofit organization or as a public-private partnership under an operating agreement led by a nonprofit organization.

(c) DISQUALIFICATION.—The Secretary may disqualify an application from a consortium under this Act if the Secretary determines that the conflicts-of-interest policy of the consortium is inadequate.

(d) EXTERNAL ADVISORY COMMITTEES.—

(1) IN GENERAL.—To be eligible to receive a grant under this Act, a consortium shall establish an external advisory committee, the members of which shall have extensive and relevant scientific, technical, industry, financial, or research management expertise.

(2) DUTIES.—An external advisory committee shall—

(A) review the proposed plans, programs, project selection criteria, and projects of the consortium; and

(B) ensure that projects selected by the consortium meet the applicable conflicts-of-interest policy of the consortium.

(3) MEMBERS.—An external advisory committee shall consist of—

(A) representatives of the members of the consortium; and

(B) such representatives of industry, including entrepreneurs and venture capitalists, as the members of the consortium determine to be necessary.

(4) SECRETARY AS MEMBER.—The Secretary shall join the external advisory committee of a consortium that receives a grant under this Act.

SEC. 5. GRANTS.

(a) IN GENERAL.—The Secretary shall award grants, on a competitive basis—

(1) not later than 2 years after the date of enactment of this Act, to at least 1 consortium; and

(2) not later than 10 years after such date of enactment, to not fewer than 6 consortia.

(b) TERMS.—

(1) IN GENERAL.—The initial term of a grant awarded under this Act shall not exceed 5 years.

(2) EXTENSION.—The Secretary may extend the term of a grant awarded under this Act for a period of not more than 5 additional years.

(c) AMOUNTS.—

(1) IN GENERAL.—A grant awarded to a consortium under this Act shall not exceed the lesser of—

(A) $30,000,000 per fiscal year; or

(B) the collective contributions of non-Federal entities to the consortium, as described under section 4(b)(3).

(2) FLEXIBILITY.—In determining the amount of a grant under this section, the Secretary shall consider—

(A) the translational research capacity of the consortium;

(B) the financial, human, and facility resources of the qualifying entities; and

(C) the cluster of which the consortium is a part.

(3) INCREASES IN AMOUNTS.—Subject to paragraph (1), a consortium may request an increase in the amount of a grant awarded under this Act at the time the consortium requests an extension of an initial grant.

(d) USE OF AMOUNTS.—

(1) IN GENERAL.—Subject to paragraph (3), a consortium awarded a grant under this Act shall use the amounts to support translational research, technology development, manufacturing innovation, and commercialization activities relating to clean technology.

(2) PROJECT SELECTION.—As a condition of receiving a grant under this Act, a consortium shall—

(A) develop and make available to the public on the website of the Department of Commerce proposed plans, programs, project selection criteria, and terms for individual project awards;

(B) establish policies—

(i) to prevent resources provided to the consortium from being used to displace private sector investment otherwise likely to occur, including investment from private sector entities that are members of the consortium;

(ii) to facilitate the participation of private entities that invest in clean technologies to perform due diligence on award

proposals, to participate in the award review process, and to provide guidance to projects supported by the consortium; and

(iii) to facilitate the participation of parties with a demonstrated history of commercial application of clean technologies in the development of consortium projects;

(C) oversee project solicitations, review proposed projects, and select projects for awards; and

(D) monitor project implementation.

(3) LIMITATIONS.—

(A) ADMINISTRATIVE EXPENSES.—A consortium may use not more than 10 percent of the amounts awarded to the consortium for administrative expenses.

(B) PROHIBITION ON USE.—A consortium may not use any amounts awarded to the consortium under this Act to construct a new building or facility.

(e) AUDITS.—

(1) IN GENERAL.—A consortium that receives a grant under this Act shall carry out, in accordance with such requirements as the Secretary may pre-

scribe, an annual audit to determine whether the grant has been used in accordance with this Act.

(2) REPORT.—The consortium shall submit a copy of each audit under paragraph (1) to the Secretary and the Comptroller General of the United States.

(3) GAO REVIEW.—As a condition of receiving a grant under this Act, a consortium shall allow the Comptroller General of the United States, on the request of the Comptroller General, full access to the books, records, and personnel of the consortium.

(4) REPORTS TO CONGRESS.—The Secretary shall submit to Congress annually a report that includes—

(A) a copy of each audit carried out under paragraph (1); and

(B) any recommendations of the Secretary relating to the clean technology consortia program.

(f) REVOCATION OF AWARDS.—The Secretary shall have the authority—

(1) to review grants awarded under this Act; and

(2) to revoke a grant awarded under this Act if the Secretary determines that a consortium has

used the grant in a manner that is not consistent with this Act.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $100,000,000.