

109TH CONGRESS
1ST SESSION

H. R. 1491

To provide for the establishment of the Nanomanufacturing Investment Partnership, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2005

Mr. HONDA (for himself, Mr. GORDON, Mr. KUHL of New York, Mr. VAN HOLLEN, Mr. ETHERIDGE, Mr. CUMMINGS, Mr. HINOJOSA, Mr. INSLEE, and Mr. RUPPERSBERGER) introduced the following bill; which was referred to the Committee on Science

A BILL

To provide for the establishment of the Nanomanufacturing Investment Partnership, 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 “Nanomanufacturing
5 Investment Act of 2005”.

6 **SEC. 2. NANOMANUFACTURING INVESTMENT PARTNER-**
7 **SHIP.**

8 (a) ESTABLISHMENT.—If \$250,000,000 is made
9 available for such purposes from the private sector within

1 2 years after the date of enactment of this Act, the Sec-
2 retary of Commerce shall establish the
3 Nanomanufacturing Investment Partnership, in partner-
4 ship with such private sector investors.

5 (b) PURPOSE.—The Nanomanufacturing Investment
6 Partnership shall provide funding for precommercial
7 nanomanufacturing research and development projects,
8 but not for basic research projects, through funding mech-
9 anisms described in subsection (c) in a manner so as to
10 advance the commercialization of nanomanufacturing
11 technologies to address critical scientific and engineering
12 needs of national importance, especially with respect to
13 projects that would not be adequately funded or pursued
14 by the private sector or pursuant to the 21st Century
15 Nanotechnology Research and Development Act or other
16 law, and to increase the commercial application of feder-
17 ally supported research results. To the extent that a suffi-
18 cient number of viable applications have been submitted,
19 at least 85 percent of the funding provided by the
20 Nanomanufacturing Investment Partnership under this
21 section shall be provided to startup companies.

22 (c) FUNDING MECHANISMS.—The
23 Nanomanufacturing Investment Partnership may provide
24 funding through direct investment in nanomanufacturing
25 firms, contracts, loans or loan guarantees, unsecured sub-

1 ordinated debt, or any other mechanism designed to ad-
2 vance nanomanufacturing technologies.

3 (d) RETURN ON INVESTMENT.—

4 (1) REQUIREMENT.—Each transaction through
5 which the Nanomanufacturing Investment Partner-
6 ship provides funding under subsection (c) shall pro-
7 vide for the return to the Nanomanufacturing In-
8 vestment Partnership of fair and reasonable
9 amounts resulting from the commercialization of
10 technologies developed with the funding provided by
11 the Nanomanufacturing Investment Partnership.

12 (2) DISTRIBUTION.—Amounts received by the
13 Nanomanufacturing Investment Partnership pursu-
14 ant to paragraph (1) shall be distributed as follows:

15 (A) Except as provided in subparagraph
16 (B), amounts shall be distributed to all inves-
17 tors in the Nanomanufacturing Investment
18 Partnership, including the Federal Government,
19 in proportion to their monetary contribution to
20 the Nanomanufacturing Investment Partner-
21 ship.

22 (B) After the total monetary investment of
23 the Federal Government has been recovered
24 under subparagraph (A), the Federal share of
25 distributions under this paragraph shall be re-

1 duced to 7 percent of the proportional distribu-
2 tion under subparagraph (A), and the remain-
3 ing amounts shall be distributed proportionately
4 to all non-Federal investors.

5 (e) COST SHARING.—Each applicant for funding as-
6 sistance from the Nanomanufacturing Investment Part-
7 nership for a project shall be required to provide a portion
8 of the cost of the project.

9 (f) PEER REVIEW.—Each application for funding as-
10 sistance for a project from the Nanomanufacturing Invest-
11 ment Partnership shall be peer reviewed.

12 (g) ADMINISTRATION.—The Secretary of Commerce,
13 based on guidance from the Advisory Board established
14 under section 3 and on the results of peer review under
15 subsection (f), shall make awards of funding under this
16 Act.

17 (h) PROGRESS REPORTS.—The Nanomanufacturing
18 Investment Partnership shall require periodic project
19 progress reports from recipients of funding under this Act.

20 **SEC. 3. ADVISORY BOARD.**

21 (a) ESTABLISHMENT.—The Secretary of Commerce
22 shall establish an Advisory Board to assist the Secretary
23 in carrying out this Act, including by establishing require-
24 ments for progress reports under section 2(h). The Advi-
25 sory Board shall consist of—

1 (1) representatives of each investor providing
2 more than \$10,000,000 to the Nanomanufacturing
3 Investment Partnership, whose votes shall—

4 (A) be distributed proportional to the size
5 of their investment in the Nanomanufacturing
6 Investment Partnership; and

7 (B) collectively amount to 40 percent of
8 the votes on the Advisory Board; and

9 (2) independent experts on nanomanufacturing
10 and finance appointed by the President from among
11 representatives of government, industry, and aca-
12 demia, whose votes shall collectively amount to 60
13 percent of the votes on the Advisory Board.

14 (b) TERMS.—Members of the Advisory Board ap-
15 pointed under subsection (a)(2) shall be appointed for 3
16 year terms, except that the President shall make some ini-
17 tial appointments for terms of 1 year and some for terms
18 of 2 years, in order to ensure continuity of membership
19 on the Advisory Board.

20 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

21 There are authorized to be appropriated to the Sec-
22 retary of Commerce for the Nanomanufacturing Invest-
23 ment Partnership \$750,000,000, to remain available until
24 expended.

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