

113TH CONGRESS
2D SESSION

H. R. 5548

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

SEPTEMBER 18, 2014

Mr. CARTWRIGHT introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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.

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 “Consortia-Led Energy
5 and Advanced Manufacturing Networks Act”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) CLEAN TECHNOLOGY.—The term “clean
4 technology” means a technology, production process,
5 or methodology that—

6 (A) produces energy from solar, wind, geo-
7 thermal, biomass, tidal, wave, ocean, or another
8 renewable energy source (as defined in section
9 609 of the Public Utility Regulatory Policies
10 Act of 1978 (7 U.S.C. 918c));

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

13 (C) enhances energy efficiency for build-
14 ings and industry, including combined heat and
15 power;

16 (D) enables the development of a Smart
17 Grid (as described in section 1301 of the En-
18 ergy Independence and Security Act of 2007
19 (42 U.S.C. 17381)), including integration of re-
20 newable energy sources and distributed genera-
21 tion, demand response, demand side manage-
22 ment, and systems analysis;

23 (E) produces an advanced or sustainable
24 material with energy or energy efficiency appli-
25 cations;

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

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

(H) addresses challenges in advanced manufacturing and supply chain integration related to a technology, production process, or methodology described in subparagraphs (A) through (G).

(2) ADVANCED MANUFACTURING.—The term “advanced manufacturing”—

(A) means a family of activities that—

(i) depend on the use and coordination of information, automation, computation, software, sensing, and networking; or

(ii) make use of cutting edge materials and emerging capabilities enabled by the physical or biological sciences, including nanotechnology, chemistry, and biology; and

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

1 (3) CLUSTER.—The term “cluster” means a
2 network of entities directly involved in the research,
3 development, finance, and commercial application of
4 clean technologies and advanced manufacturing
5 whose geographic proximity facilitates the use and
6 sharing of skilled human resources, infrastructure,
7 research facilities, educational and training institu-
8 tions, venture capital, and input suppliers.

9 (4) CONSORTIUM.—The term “consortium”
10 means a clean technology consortium established in
11 accordance with this Act.

12 (5) PROJECT.—The term “project” means an
13 activity with respect to which a consortium provides
14 support under this Act.

15 (6) QUALIFYING ENTITY.—The term “quali-
16 fying entity” means—

17 (A) a research university;

18 (B) a Federal or State institution with a
19 focus on developing clean technologies or clus-
20 ters; or

21 (C) a nongovernmental organization with
22 expertise in translational research, clean tech-
23 nology, or cluster development.

24 (7) SECRETARY.—The term “Secretary” means
25 the Secretary of Commerce.

1 (8) TRANSLATIONAL RESEARCH.—The term
2 “translational research” means the coordination of
3 basic or applied research with technical applications
4 to enable promising discoveries or inventions to
5 achieve commercial application.

6 **SEC. 3. ESTABLISHMENT OF CLEAN TECHNOLOGY CON-**
7 **SORTIA PROGRAM.**

8 (a) IN GENERAL.—The Secretary shall establish and
9 carry out a program to establish clean technology con-
10 sortia to enhance the economic, environmental, and energy
11 security of the United States by promoting domestic devel-
12 opment, manufacture, and deployment of clean, state-of-
13 the-art technologies.

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

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

24 (2) to develop and accelerate the commercial
25 application of innovative clean technologies.

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

3 (1) carry out and oversee all aspects of the pro-
4 gram established under subsection (a);

5 (2) select recipients of grants for the establish-
6 ment and operation of consortia through a competi-
7 tive selection process; and

8 (3) coordinate the innovation activities of con-
9 sortia with activities carried out by the Secretary of
10 Energy, the Secretary of Defense, other Federal
11 agency heads, industry, and institutions of higher
12 education, including by annually—

13 (A) issuing guidance regarding national
14 clean technology development priorities and
15 strategic objectives; and

16 (B) convening a conference relating to
17 clean technology, which shall bring together
18 representatives of Federal agencies, industry,
19 institutions of higher education, and other enti-
20 ties to share research and commercialization re-
21 sults, program plans, and opportunities for col-
22 laboration.

23 (d) ROLE OF CONSORTIA.—The consortia shall—

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

4 (2) expand advanced manufacturing capabili-
5 ties, networks, supply chains, and assets, in the area
6 of clean technologies, that contribute to regional and
7 national manufacturing competitiveness and poten-
8 tial for growth;

9 (3) promote job creation and entrepreneurship
10 through the establishment of new companies, the ex-
11 pansion of existing companies, and commercializa-
12 tion of clean technologies;

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

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

20 (6) equip individual small- and medium-sized
21 enterprises with the capacity and agility to change
22 through the adoption and utilization of new clean
23 technologies and related business practices;

1 (7) accelerate investment in and deployment of
2 clean technologies through public-private partner-
3 ships;

4 (8) encourage partnering between and among
5 emerging and established clean technology and ad-
6 vanced manufacturing enterprises; and

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

10 **SEC. 4. APPLICATIONS.**

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

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

17 (1) the consortium consists of—

18 (A) 1 or more research universities that
19 can demonstrate a significant annual clean
20 technology research budget, entrepreneurial
21 support programs, and technology licensing ex-
22 pertise; and

23 (B) a total of 5 or more qualifying entities
24 that can demonstrate expertise in translational

1 research, clean technology, and cluster develop-
2 ment;

3 (2) the members of the consortium have estab-
4 lished a binding agreement that documents—

5 (A) the structure of the partnership agree-
6 ment;

7 (B) a governance and management struc-
8 ture that enables cost-effective implementation
9 of the program;

10 (C) a conflicts-of-interest policy, including
11 procedures, consistent with those of the Depart-
12 ment of Commerce, to ensure that employees
13 and designees for consortium activities who are
14 in decisionmaking capacities disclose all mate-
15 rial conflicts of interest, including financial, or-
16 ganizational, and personal conflicts of interest;

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

20 (E) the existence of an external advisory
21 committee;

22 (3) the consortium receives funding from non-
23 Federal sources, such as a State and participants of
24 the consortium, that may be used to support
25 projects;

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

4 (5) the consortium operates as a nonprofit or-
5 ganization or as a public-private partnership under
6 an operating agreement led by a nonprofit organiza-
7 tion.

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

12 (d) EXTERNAL ADVISORY COMMITTEES.—

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

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

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

1 (B) ensure that projects selected by the
2 consortium meet the applicable conflicts-of-in-
3 terest policy of the consortium.

4 (3) MEMBERS.—An external advisory com-
5 mittee shall consist of—

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

8 (B) such representatives of industry, in-
9 cluding entrepreneurs and venture capitalists,
10 as the members of the consortium determine to
11 be necessary.

12 (4) SECRETARY AS MEMBER.—The Secretary
13 shall join the external advisory committee of a con-
14 sortium that receives a grant under this Act.

15 **SEC. 5. GRANTS.**

16 (a) IN GENERAL.—The Secretary shall award grants,
17 on a competitive basis, to 6 or more consortia.

18 (b) TERMS.—

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

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

24 (c) AMOUNTS.—

1 (1) IN GENERAL.—A grant awarded to a con-
2 sortium under this Act shall not exceed the lesser
3 of—

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

5 (B) the collective contributions of non-Fed-
6 eral entities to the consortium, as described
7 under section 4(b)(3).

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

11 (A) the translational research capacity of
12 the consortium;

13 (B) the financial, human, and facility re-
14 sources of the qualifying entities; and

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

17 (3) INCREASES IN AMOUNTS.—Subject to para-
18 graph (1), a consortium may request an increase in
19 the amount of a grant awarded under this Act at the
20 time the consortium requests an extension of an ini-
21 tial grant.

22 (d) USE OF AMOUNTS.—

23 (1) IN GENERAL.—Subject to paragraph (3), a
24 consortium awarded a grant under this Act shall use
25 the amounts to support translational research, tech-

1 nology development, manufacturing innovation, and
2 commercialization activities relating to clean tech-
3 nology.

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

7 (A) develop and make available to the pub-
8 lic on the Web site of the Department of Com-
9 merce proposed plans, programs, project selec-
10 tion criteria, and terms for individual project
11 awards;

12 (B) establish policies—

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

19 (ii) to facilitate the participation of
20 private entities that invest in clean tech-
21 nologies to perform due diligence on award
22 proposals, to participate in the award re-
23 view process, and to provide guidance to
24 projects supported by the consortium; and

1 (iii) to facilitate the participation of
2 parties with a demonstrated history of
3 commercial application of clean tech-
4 nologies in the development of consortium
5 projects;

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

9 (D) monitor project implementation.

10 (3) LIMITATIONS.—

11 (A) ADMINISTRATIVE EXPENSES.—A con-
12 sortium may use not more than 10 percent of
13 the amounts awarded to the consortium for ad-
14 ministrative expenses.

15 (B) PROHIBITION ON USE.—A consortium
16 may not use any amounts awarded to the con-
17 sortium under this Act to construct a new
18 building or facility.

19 (e) AUDITS.—

20 (1) IN GENERAL.—A consortium that receives a
21 grant under this Act shall carry out, in accordance
22 with such requirements as the Secretary may pre-
23 scribe, an annual audit to determine whether the
24 grant has been used in accordance with this Act.

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

5 (3) GAO REVIEW.—As a condition of receiving
6 a grant under this Act, a consortium shall allow the
7 Comptroller General of the United States, on the re-
8 quest of the Comptroller General, full access to the
9 books, records, and personnel of consortium.

10 (4) REPORTS TO CONGRESS.—The Secretary
11 shall submit to Congress annually a report that in-
12 cludes—

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

15 (B) any recommendations of the Secretary
16 relating to the clean technology consortia pro-
17 gram.

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

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

22 (2) to revoke a grant awarded under this Act
23 if the Secretary determines that a consortium has
24 used the grant in a manner that is not consistent
25 with this Act.

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

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