

114TH CONGRESS
2D SESSION

H. R. 5288

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

MAY 19, 2016

Mr. CARTWRIGHT (for himself, Mr. HONDA, Ms. MICHELLE LUJAN GRISHAM of New Mexico, Mr. TAKANO, Mr. TONKO, Mr. McDERMOTT, and Mr. LANGEVIN) 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;

1 (F) improves energy efficiency for trans-
2 portation, including electric vehicles; or

3 (G) enhances water security through im-
4 proved water management, conservation, dis-
5 tribution, or end use applications.

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

8 (A) means a manufacturing process that
9 makes extensive use of computer, high preci-
10 sion, or information technologies integrated
11 with a high performance workforce in a produc-
12 tion system capable of furnishing a hetero-
13 geneous mix of products in small or large vol-
14 umes with either the efficiency of mass produc-
15 tion or the flexibility of custom manufacturing
16 in order to respond quickly to customer de-
17 mands; and

18 (B) includes both new ways to manufac-
19 ture existing products and the manufacture of
20 new products emerging from new advanced
21 technologies.

22 (3) **CLUSTER.**—The term “cluster” means a
23 network of entities directly involved in the research,
24 development, finance, and commercial application of
25 clean technologies and advanced manufacturing

1 whose geographic proximity facilitates the use and
2 sharing of skilled human resources, infrastructure,
3 research facilities, educational and training institu-
4 tions, venture capital, and input suppliers.

5 (4) CONSORTIUM.—The term “consortium”
6 means a clean technology consortium established in
7 accordance with this Act.

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

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

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

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

19 (C) a nongovernmental organization with
20 expertise in translational research, clean tech-
21 nology, or cluster development; or

22 (D) any other entity determined appro-
23 priate by the Secretary.

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

1 (2) to develop and accelerate the commercial
2 application of innovative clean technologies and ad-
3 vanced manufacturing practices.

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

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

8 (2) select recipients of grants for the establish-
9 ment and operation of consortia through a competi-
10 tive selection process; and

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

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

20 (B) convening a conference relating to
21 clean technology and advanced manufacturing,
22 which shall bring together representatives of
23 Federal agencies, industry, institutions of high-
24 er education, and other entities to share re-

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

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

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

8 (2) expanding advanced manufacturing capabili-
9 ties, networks, supply chains, and assets, in the area
10 of clean technologies, that contribute to regional and
11 national manufacturing competitiveness and poten-
12 tial for growth;

13 (3) promoting job creation and entrepreneur-
14 ship through the establishment of new companies,
15 the expansion of existing companies, and commer-
16 cialization of clean technologies;

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

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

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

1 technologies and related business and advanced
2 manufacturing practices;

3 (7) accelerating investment in and deployment
4 of clean technologies through public-private partner-
5 ships;

6 (8) encouraging partnering between and among
7 emerging and established clean technology and ad-
8 vanced manufacturing enterprises; or

9 (9) demonstrating a comprehensive and success-
10 ful model for commercialization of clean technologies
11 for promotion and emulation.

12 **SEC. 4. APPLICATIONS.**

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

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

19 (1) the consortium consists of—

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

1 (B) a total of three or more qualifying en-
2 tities that can demonstrate expertise in
3 translational research, clean technology, and
4 cluster development;

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

7 (A) the structure of the partnership agree-
8 ment;

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

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

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

22 (E) the existence of an external advisory
23 committee;

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

1 the consortium, that may be used to support
2 projects;

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

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

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

14 (d) EXTERNAL ADVISORY COMMITTEES.—

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

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

23 (A) review the proposed plans, programs,
24 project selection criteria, and projects of the
25 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—

18 (1) not later than 2 years after the date of en-
19 actment of this Act, to at least 1 consortium; and

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

22 (b) TERMS.—

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

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

4 (c) AMOUNTS.—

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

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

9 (B) the collective contributions of non-Fed-
10 eral entities to the consortium, as described
11 under section 4(b)(3).

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

15 (A) the translational research capacity of
16 the consortium;

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

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

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

1 (d) USE OF AMOUNTS.—

2 (1) IN GENERAL.—Subject to paragraph (3), a
3 consortium awarded a grant under this Act shall use
4 the amounts to support translational research, tech-
5 nology development, manufacturing innovation, and
6 commercialization activities relating to clean tech-
7 nology.

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

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

16 (B) establish policies—

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

23 (ii) to facilitate the participation of
24 private entities that invest in clean tech-
25 nologies to perform due diligence on award

1 proposals, to participate in the award re-
2 view process, and to provide guidance to
3 projects supported by the consortium; and

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

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

12 (D) monitor project implementation.

13 (3) LIMITATIONS.—

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

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

22 (e) AUDITS.—

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

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

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

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

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

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

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

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

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

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

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

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

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