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SYNOPSIS

Re-establishes former NJ Commission on Science and Technology as NJ Commission on Science, Innovation and Technology.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 17, 2018, with amendments.

(Sponsorship Updated As Of: 6/26/2018)

1 AN ACT creating the New Jersey Commission on Science,
2 Innovation and Technology, amending the title and body of
3 P.L.1985, c.102, and amending P.L.1998, c.44.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. The title of P.L.1985, c.102 (C.52:9X-1 et seq.) is amended
9 to read as follows:

10 AN ACT creating a New Jersey Commission on Science, Innovation
11 and Technology in the Department of **Commerce and Economic**
12 **Development** the Treasury and supplementing Title 52 of the
13 Revised Statutes.

14
15 ¹**2.** Section 1 of P.L.1985, c.102 (C.52:9X-1) is amended to read
16 as follows:

17 1. a. The Legislature finds and declares that **the Report of the**
18 **Governor's**:

19 (1) during its existence, the New Jersey Commission on Science
20 and Technology **contains recommendations which merit**
21 **consideration and evaluation by persons with expertise in the**
22 **various respective areas of science and technology; and the**
23 encouraged the development of scientific and technological
24 programs, stimulated academic-industrial cooperation, and
25 coordinated activities of technological centers and business
26 facilities;

27 (2) the primary mission of the commission was to accelerate
28 economic development by applying science and technology
29 applications to industry;

30 (3) the principal goals of the commission were the creation of
31 new jobs and the revitalization of industry by encouraging new
32 enterprises, particularly those that are oriented towards the adoption
33 of the most advanced scientific and technological techniques; and

34 (4) due to the elimination of its funding in 2010, the commission
35 became non-operational.

36 b. The Legislature **furthers finds** therefore determines that it
37 is necessary and desirable to **establish**:

38 (1) re-establish the commission as a qualified body to exercise
39 oversight for the responsibility of implementing **and**, evaluating
40 **the outcome of the commission's recommendations**, and **for**
41 formulating long-range plans and programs for science, innovation,
42 and technology in New Jersey; and

43 (2) rename the commission as the New Jersey Commission on
44 Science, Innovation and Technology to recognize the role and the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted May 17, 2018.

1 importance of innovation developed at the State's institutions of
2 higher education and businesses to the economy of this State.

3 (cf: P.L.1985, c.102, s.1)]¹

4

5 ¹2. Section 1 of P.L.1985, c.102 (C.52:9X-1) is amended to read
6 as follows:

7 1. a. The Legislature finds and declares that **【the Report of the**
8 **Governor's】**:

9 (1) during its existence, the New Jersey Commission on Science
10 and Technology **【contains recommendations which merit**
11 consideration and evaluation by persons with expertise in the
12 various respective areas of science and technology; and the**】**
13 encouraged the development of scientific and technological
14 programs, stimulated academic-industrial cooperation, and
15 coordinated activities of technological centers and business
16 facilities;

17 (2) the primary mission of the commission was to accelerate
18 economic development by applying science and technology
19 applications to industry;

20 (3) the principal goals of the commission were the creation of
21 new jobs and the revitalization of industry by encouraging new
22 enterprises, particularly those that are oriented towards the adoption
23 of the most advanced scientific and technological techniques; and

24 (4) due to the elimination of its funding in 2010, the commission
25 became non-operational.

26 b. The Legislature **【further finds】** therefore determines that it
27 is necessary and desirable to **【establish】**:

28 (1) re-establish the commission as a qualified body to exercise
29 oversight for the responsibility of implementing **【and】**, evaluating
30 **【the outcome of the commission's recommendations】**, and **【for】**
31 formulating long-range plans and programs for science, innovation,
32 and technology in New Jersey; and

33 (2) rename the commission as the New Jersey Commission on
34 Science, Innovation and Technology to recognize the role and the
35 importance of innovation developed at the State's institutions of
36 higher education and businesses to the economy of this State.¹

37 (cf: P.L.1985, c.102, s.1)

38

39 3. Section 2 of P.L.1985, c.102 (C.52:9X-2) is amended to read
40 as follows:

41 2. For purposes of **【this act】** P.L.1985, c.102 (C.52:9X-1 et
42 seq.):

43 **【a.】** "Advanced technology center" means outstanding programs
44 or departments at New Jersey's public and private higher education
45 institutions, which are provided substantial and concentrated
46 financial support to promote their development into national-level
47 bases for innovative technology research.

1 **【b.】** "Business incubation facilities" means the provision of
2 space and technical assistance to a targeted network of
3 developmental facilities, consisting of low-cost space, for short-
4 term occupancy, to new companies employing selected technologies
5 congruent with the strengths of the State's public and private
6 institutions of higher education.

7 **【c.】** "Commission" means the New Jersey Commission on
8 Science, Innovation and Technology established pursuant to section
9 3 of P.L.1985, c.102 (C.52:9X-3).

10 "Innovation partnership grants" means matching grants to
11 academic researchers performing applied research in emerging
12 technologies at the State's public and private institutions of higher
13 education, which are of strategic importance to the New Jersey
14 economy, under regulations adopted by the commission pursuant to
15 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
16 seq.).

17 **【d.】** "Technology extension services" means programs to
18 accelerate the application and transfer of technological innovation
19 by the State's public and private institutions of higher education to
20 existing industry, specifically to work with the State's businesses to
21 adapt these innovations to the requirements of individual business
22 operations.

23 (cf: P.L.1985, c.102, s.2)

24

25 4. Section 3 of P.L.1985, c.102 (C.52:9X-3) is amended to read
26 as follows:

27 3. The New Jersey Commission on Science, Innovation and
28 Technology **【(hereinafter referred to as the "commission")】** is
29 created and established in the Executive Branch of the State
30 Government. For the purposes of complying with the provisions of
31 Article V, Section IV, paragraph 1 of the New Jersey Constitution,
32 the commission is allocated within the Department of **【Commerce**
33 **and Economic Development】** the Treasury, but notwithstanding this
34 allocation, the commission shall be independent of any supervision
35 or control by the department or by any board or officer thereof.

36 (cf: P.L.1985, c.102, s.3)

37

38 ¹**【5.**Section 4 of P.L.1985, c.102 (C.52:9X-4) is amended to read
39 as follows:

40 4. a. The commission shall consist of the following 12
41 members:

42 (1) four public members to be appointed by the Governor, with
43 **【the advice and consent of the Senate, of whom no more than two**
44 **shall be of the same political party】** each public member having a
45 background in a field of science, technology, or finance;

46 (2) two public members to be appointed by the Governor upon
47 the recommendation of the President of the Senate and two public

1 members to be appointed by the Governor upon the
 2 recommendation of the Speaker of the General Assembly, [of
 3 whom no more than one of each group of two shall be of the same
 4 political party; two members of the Senate who shall not be of the
 5 same political party to be appointed by the President of the Senate;
 6 two members of the General Assembly who shall not be of the same
 7 political party to be appointed by the Speaker of the General
 8 Assembly] with each public member having a background in a field
 9 of science, technology, or finance;

10 (3) the [Chancellor] Secretary of Higher Education, ex officio,
 11 or [his] the secretary's duly authorized representative;

12 (4) the Commissioner of Education, ex officio, or [his] the
 13 commissioner's duly authorized representative; [the Commissioner
 14 of Commerce and Economic Development, ex officio, or his duly
 15 authorized representative; and a member of the Governor's staff,
 16 designated by the Governor, ex officio, or his duly authorized
 17 representative. In the selection of public members, a strong effort
 18 shall be made to appoint women and minorities to the commission.
 19 These 16 members shall have a right to vote on the various matters
 20 considered by the commission. In addition, the commission shall
 21 include] and

22 (5) two presidents from the State's public and private research
 23 institutions of higher education, who shall be appointed annually by
 24 the Governor and who shall serve as [nonvoting] ex officio, non-
 25 voting members.

26 b. In the selection of public members, a strong effort shall be
 27 made to appoint women and minorities to the commission. The
 28 members who are not presidents from the State's public and private
 29 research institutions of higher education shall have a right to vote
 30 on the various matters considered by the commission.

31 (cf: P.L.1986, c.49, s.1)]¹

32

33 ¹5. Section 4 of P.L.1985, c.102 (C.52:9X-4) is amended to read
 34 as follows:

35 4. a. The commission shall consist of the following 17
 36 members:

37 (1) four public members to be appointed by the Governor, with
 38 [the advice and consent of the Senate, of whom no more than two
 39 shall be of the same political party] each public member having a
 40 background in a field of science or technology or in a business
 41 related to science and technology;

42 (2) two public members to be appointed by the Governor upon
 43 the recommendation of the President of the Senate and two public
 44 members to be appointed by the Governor upon the
 45 recommendation of the Speaker of the General Assembly, [of
 46 whom no more than one of each group of two shall be of the same
 47 political party] with each public member having a background in a

1 field of science or technology, or in a business related to science
 2 and technology;

3 (3) two members of the Senate, who shall not be of the same
 4 political party, to be appointed by the President of the Senate **【;**
 5 and who shall serve as ex officio, non-voting members, and two
 6 members of the General Assembly, who shall not be of the same
 7 political party, to be appointed by the Speaker of the General
 8 Assembly and who shall as serve ex officio, non-voting members;

9 (4) the **【Chancellor】** Secretary of Higher Education, ex officio,
 10 or **【his】** the secretary's duly authorized representative;

11 (5) the Commissioner of Education, ex officio, or **【his】** the
 12 commissioner's duly authorized representative;

13 (6) the **【Commissioner of Commerce and Economic**
 14 **Development】** Executive Director of the New Jersey Economic
 15 Development Authority, ex officio, or 【his】 the executive director's
 16 duly authorized representative; and 【a member of the Governor's
 17 staff, designated by the Governor, ex officio, or his duly authorized
 18 representative. In the selection of public members, a strong effort
 19 shall be made to appoint women and minorities to the commission.
 20 These 16 members shall have a right to vote on the various matters
 21 considered by the commission. In addition, the commission shall
 22 include】

23 (7) two presidents from the State's public and private research
 24 institutions of higher education, who shall be appointed annually by
 25 the Governor and who shall serve as **【nonvoting】** ex officio, non-
 26 voting members.

27 b. In the selection of public members, a strong effort shall be
 28 made to appoint women and minorities to the commission. The
 29 commission members who are not members of the Senate or the
 30 General Assembly and who are not presidents from the State's
 31 public and private research institutions of higher education shall
 32 have a right to vote on the various matters considered by the
 33 commission.

34 c. The terms of office of any member of the commission that
 35 served prior to the effective date of P.L. , c. (C.) (pending
 36 before the Legislature as this bill) shall expire on June 30, 2018.¹
 37 (cf: P.L.1986, c.49, s.1)

38
 39 6. Section 5 of P.L.1985, c.102 (C.52:9X-5) is amended to read
 40 as follows:

41 5. a. The terms of the public members of the commission
 42 appointed by the Governor shall be for five years or until their
 43 successors are appointed, except that of the appointments first made
 44 to the commission under **【this act】** P.L. , c. (C.) (pending
 45 before the Legislature as this bill), two shall serve for three years or
 46 until their successors are appointed, three shall serve for four years
 47 or until their successors are appointed, and three shall serve for five

1 years or until their successors are appointed. **【**Legislative members
2 shall serve for the terms of their office.**】** Any vacancy shall be
3 filled in the same manner as the original appointment but only for
4 the balance of the unexpired term. The commission members shall
5 serve without compensation but shall be reimbursed for necessary
6 expenses incurred in the performance of their duties, within the
7 limits of funds appropriated or otherwise made available to the
8 commission for its purposes.

9 b. Each member appointed by the Governor may be removed
10 from office by the Governor, for cause, after a public hearing, and
11 may be suspended by the Governor pending the completion of the
12 hearing. Each member, before entering upon **【his】** the member's
13 duties, shall take and subscribe an oath to perform the duties of
14 **【his】** the office faithfully, impartially, and justly to the best of
15 **【his】** the member's ability. A record of these oaths shall be filed in
16 the office of the Secretary of State.

17 (cf: P.L.1985, c.102, s.5)

18

19 7. Section 6 of P.L.1985, c.102 (C.52:9X-6) is amended to read
20 as follows:

21 6. The Governor shall designate the **【chairman】** chair of the
22 commission from among the public members appointed by **【him】**
23 the Governor.

24 (cf: P.L.1985, c.102, s.6)

25

26 8. Section 7 of P.L.1985, c.102 (C.52:9X-7) is amended to read
27 as follows:

28 7. The commission shall appoint an executive director, who
29 shall serve at **【its】** the pleasure of the commission and who shall
30 receive **【such】** compensation as provided by law.

31 (cf: P.L.1985, c.102, s.7)

32

33 9. Section 8 of P.L.1985, c.102 (C.52:9X-8) is amended to read
34 as follows:

35 8. The executive director shall be responsible for the selection
36 of properly qualified staff members of the commission. Staff
37 members shall have strong backgrounds in science, innovation, and
38 technology as well as in economic development.

39 (cf: P.L.1985, c.102, s.8)

40

41 10. Section 9 of P.L.1985, c.102 (C.52:9X-9) is amended to read
42 as follows:

43 9. The commission shall:

44 a. Be responsible for the development and oversight of policies
45 and programs in science, innovation, and technology for New
46 Jersey;

- 1 b. Ensure that the programs in science, innovation, and
2 technology are adequately funded to achieve their stated goals;
- 3 c. Stimulate academic-industrial collaboration through such
4 mechanisms as advanced technology centers, innovation partnership
5 grants, business incubation facilities, and technology extension
6 services;
- 7 d. Plan and assist in the establishment of new advanced
8 technology centers, business incubation facilities, and technology
9 extension services and adopt rules and regulations regarding the
10 operation of these activities;
- 11 e. Coordinate activities of the advanced technology centers,
12 business incubation facilities, and technology extension services in
13 conjunction with designated public and private institutions of higher
14 education;
- 15 f. Recommend funding levels, determine eligible fields, and
16 supervise the process of making awards for innovation partnership
17 grants;
- 18 g. Continue to identify and to support research opportunities at
19 New Jersey academic institutions and other institutions that can
20 advance economic development and employment;
- 21 h. Encourage and coordinate activities to help entrepreneurs
22 and inventors;
- 23 i. **【Stimulate】** Appoint an Innovation Council from the
24 membership of the commission, as the commission deems
25 appropriate, which shall determine how to stimulate technology
26 transfer between public and private research institutions of higher
27 education 【institutions】 in this State and industry, including the
28 transfer of information available from various federal agencies, and
29 report, pursuant to subsection b. of section 10 of P.L.1985, c.102
30 (C.52:9X-10), on how this State can better achieve this effort;
- 31 j. Appoint a peer review committee, where warranted, for each
32 of the fields of technology, drawn from the academic, scientific,
33 and industrial communities to review all situations involving either
34 competitive applications for agency support or judgments on
35 complex scientific, innovation, or technological matters with the
36 stipulation that neither reviewers nor their affiliated institutions
37 shall be eligible as applicants;
- 38 k. Monitor changes in national and international economic
39 conditions which might justify a recommendation of a reorientation
40 of the State's science, innovation, and technology **【program】**
41 programs;
- 42 l. Identify and support future fields of science, innovation, and
43 technology in New Jersey that offer potential for application or
44 commercialization, or both, in New Jersey and help to find funding
45 sources;
- 46 m. Adopt rules and regulations pursuant to the "Administrative
47 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
48 the provisions of **【this act】** P.L.1985, c.102 (C.52:9X-1 et seq.),

1 consistent with the rules and regulations of the **Commission on**
2 Secretary of Higher Education;

3 n. Adopt, amend, and repeal bylaws for the regulation of its
4 affairs and the conduct of its business;

5 o. Adopt and have a seal and alter the same at its pleasure;

6 p. Have the authority to sue and be sued;

7 q. Have the authority to conduct meetings and public hearings
8 in connection with the purposes of **this act** P.L.1985, c.102
9 (C.52:9X-1 et seq.);

10 r. Have the authority to enter into contracts, public and private,
11 with a person upon those terms and conditions as the commission
12 determines to be reasonable and to effectuate the purposes of **this**
13 **act** P.L.1985, c.102 (C.52:9X-1 et seq.);

14 s. Employ consultants and specialists in science, innovation,
15 and technology and any other employees as may be required in the
16 judgment of the commission to effectuate the purposes of **this act**
17 P.L.1985, c.102 (C.52:9X-1 et seq.), and to fix and pay their
18 compensation from funds available therefor, all without regard to
19 the provisions of Title **11** 11A of the **Revised** New Jersey
20 Statutes;

21 t. Receive and disburse funds from non-State sources
22 including but not limited to federal funds;

23 u. Have the authority to receive a percentage of royalty
24 payments from any intangible property, as that term is defined in
25 section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science,
26 innovation, and technology company that received assistance from
27 the commission and which assistance led to the awarding of the
28 intangible property, as appropriate, except that three-fourths of the
29 amount of any royalty payments received by the commission shall
30 be remitted to the State Treasurer for deposit in the General Fund
31 pursuant to an agreement with the State Treasurer; and

32 v. Have the authority to do any and all things necessary or
33 convenient to carry out its purposes and exercise the powers granted
34 in **this act** P.L.1985, c.102 (C.52:9X-1 et seq.).

35 (cf: P.L.2005, c.272, s.1)

36
37 11. Section 10 of P.L.1985, c.102 (C.52:9X-10) is amended to
38 read as follows:

39 10. a. The commission shall **annually** report to the Governor
40 and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
41 Legislature on or before February 15 one year after the effective
42 date of P.L. , c. (C.) (pending before the Legislature as this
43 bill) and annually thereafter. Each report shall set forth a complete
44 operating and financial statement covering the operations of the
45 commission and all advanced technology centers within its
46 jurisdiction. The financial records of the commission shall be
47 audited annually by the State Auditor.

1 b. Within one year of the enactment of P.L. , c. (C.)
2 (pending before the Legislature as this bill), and every third year
3 thereafter, the Innovation Council, appointed pursuant to subsection
4 i. of section 9 of P.L.1985, c.102 (C.52:9X-9), shall report to the
5 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
6 19.1), to the Legislature, on its recommendations on how this State
7 can better achieve technology transfer efforts between public and
8 private research institutions of higher education and industry,
9 including the transfer of information available from various federal
10 agencies.

11 (cf: P.L.1985, c.102, s.10)

12

13 12. Section 25 of P.L.1998, c.44 (C.52:27C-85) is amended to
14 read as follows:

15 25. a. The New Jersey Commission on Science, Innovation and
16 Technology, established pursuant to P.L.1985, c.102 (C.52:9X-1 et
17 seq.), is transferred in but not of the Department of the Treasury,
18 but notwithstanding this transfer, the New Jersey Commission on
19 Science, Innovation and Technology shall be independent of any
20 supervision and control by the department or by any board or
21 officer thereof. Notwithstanding the provisions of any law, rule,
22 regulation, or order to the contrary, the **【Board of Directors】**
23 members of the New Jersey **【Commerce】** Commission on Science
24 and Technology shall appoint the Executive Director of the New
25 Jersey Commission on Science, Innovation and Technology.

26 b. Whenever, in any law, rule, regulation, order, contract,
27 document, judicial or administrative proceeding, or otherwise,
28 reference is made to the New Jersey Commission on Science and
29 Technology, the same shall mean and refer to the New Jersey
30 Commission on Science, Innovation and Technology in but not of
31 the Department of the Treasury.

32 c. This transfer shall be subject to the provisions of the "State
33 Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

34 d. The New Jersey Commission on Science, Innovation and
35 Technology may, subject to the commission's approval, develop and
36 promulgate such rules and regulations in accordance with the
37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
38 seq.) as are necessary to implement the provisions of this act and to
39 effectuate the purposes of the New Jersey Commission on Science
40 and Technology as provided by law.

41 e. Regulations adopted by the New Jersey Commission on
42 Science, Innovation and Technology shall continue with full force
43 and effect until amended or repealed pursuant to law.

44 (cf: P.L.2007, c.253, s.36)

45

46 13. This act shall take effect on July 1, 2018.