

[First Reprint]

ASSEMBLY, No. 1191

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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District 16 (Hunterdon, Mercer, Middlesex and Somerset)

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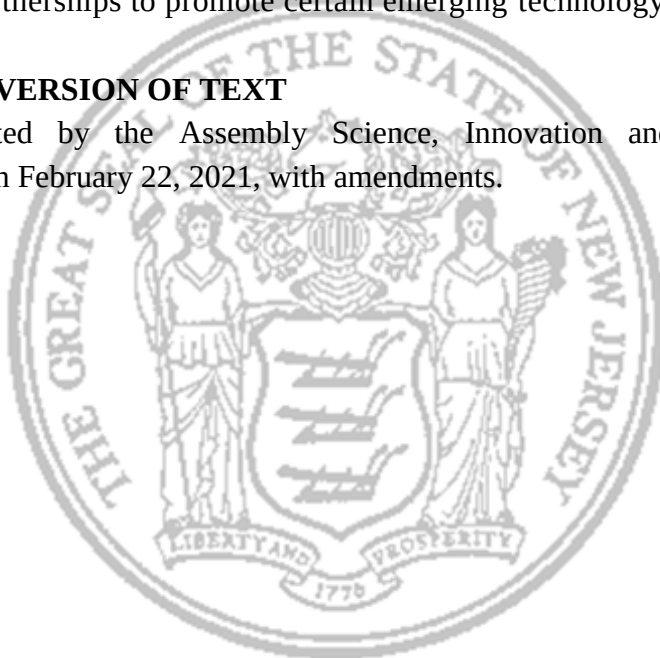
**Assemblywoman Lampitt, Assemblyman Tully, Assemblywoman Swain,
Assemblyman Freiman and Assemblywoman Lopez**

SYNOPSIS

Establishes “Innovation Partnership”; provides funding for certain nonprofit partnerships to promote certain emerging technology businesses.

CURRENT VERSION OF TEXT

As reported by the Assembly Science, Innovation and Technology Committee on February 22, 2021, with amendments.



(Sponsorship Updated As Of: 3/25/2021)

1 AN ACT establishing the ¹["Beatrice Hicks"] ¹ Innovation
2 Partnership" to promote certain emerging technology businesses
3 and supplementing Title 52 of the Revised Statutes.

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

7
8 1. a. The Legislature finds and declares that:

9 (1) New Jersey has been a hub for pharmaceutical, technology,
10 medical research, and other science-related businesses for over a
11 century;

12 (2) with the reestablishment of the New Jersey Commission on
13 Science, Innovation, and Technology (commission), the State is
14 refocusing its efforts on attracting and fostering emerging
15 technology business innovators so that New Jersey can continue to
16 lead the nation in the fields of science and technology; and

17 (3) the ¹["Beatrice Hicks"] ¹ Innovation Partnership" shall
18 work in tandem with the commission to fund these innovators and
19 to ensure they have the support to continue with their work in this
20 State.

21 b. The Legislature further finds and declares that:

22 (1) Beatrice Hicks, born in Orange, New Jersey in 1919, was
23 one this State's most successful and important scientists and
24 engineers;

25 (2) by the age of 13, after being inspired by the newly built
26 Empire State Building and George Washington Bridge, Ms. Hicks
27 believed her calling was to become an engineer;

28 (3) a graduate of Orange High School and the Newark College
29 of Engineering, now known as the New Jersey Institute of
30 Technology, Ms. Hicks went on to be the first woman engineer
31 employed by Western Electric, where she pioneered the theoretical
32 study, analysis, development, and manufacture of sensing devices,
33 developed long-distance telephone technology, and a invented a
34 crystal oscillator that generated radio frequencies used in aircraft
35 communications;

36 (4) after working as an independent consultant, she assumed
37 several leadership roles at her father's company, the Newark
38 Controls Company;

39 (5) Ms. Hicks served as vice-president and chief engineer, and
40 eventually president, of the Newark Controls Company, where she
41 developed environmental sensors for heating and cooling systems
42 that went on to be used in the United States' space program; and

43 (6) Ms. Hicks co-founded the Society of Women Engineers in
44 1950 after recognizing the lack of support and encouragement
45 women received to pursue an education in engineering.

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 AST committee amendments adopted February 22, 2021.

1 c. The Legislature therefore determines that, in honor of her
2 trailblazing and independent spirit, her innovations and leadership
3 in science and engineering, and her consciousness of the support
4 needed to foster a community of innovators, this partnership shall
5 be **‘[named the “Beatrice Hicks Innovation Partnership.”]**
6 **established.**¹
7

8 2. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 **‘[“Beatrice Hicks Innovation Fund” or “fund” means the fund**
11 **established pursuant to section 8 of P.L. , c. (C.) (pending**
12 **before the Legislature as this bill).**

13 **“Beatrice Hicks Innovation Partner” or “partner” means a**
14 **nonprofit organization certified or established by the commission**
15 **pursuant to sections 4 or 5 of P.L. , c. (C.) (pending before**
16 **the Legislature as this bill).]**¹

17 **“Commission” means the New Jersey Commission on Science,**
18 **Innovation and Technology established pursuant to section 3 of**
19 **P.L.1985, c.102 (C.52:9X-3).**

20 **“Emerging technology business” means a company that is doing**
21 **business, employing or owning capital or property, or maintaining**
22 **an office in this State, and has qualified research expenses paid or**
23 **incurred for research conducted in this State, conducts pilot scale**
24 **manufacturing in this State, or conducts technology**
25 **commercialization in this State, in the fields of: advanced**
26 **computing; cybersecurity, financial information technology,**
27 **advanced materials; biotechnology; carbon footprint reduction**
28 **technology; electronic device technology; information technology;**
29 **life sciences; agriculture; aviation; medical device technology;**
30 **mobile communications technology; renewable energy technology;**
31 **or any field determined by the commission.**

32 **‘“Fund” means the account established pursuant to section 8 of**
33 **P.L. , c. (C.) (pending before the Legislature as this bill).**

34 **“Innovation Partner” or “partner” means a nonprofit organization**
35 **certified or established and incorporated by the commission**
36 **pursuant to sections 4 or 5 of P.L. , c. (C.) (pending before**
37 **the Legislature as this bill).**

38 **“Minority” means a person who is:**

39 **a. Black, which is a person having origins in any of the black**
40 **racial groups in Africa or the Caribbean islands;**

41 **b. Hispanic, which is a person of Spanish or Portuguese**
42 **culture, with origins in Mexico, South or Central America, or the**
43 **Caribbean Islands, regardless of race;**

44 **c. Asian-American, which is a person having origins in any of**
45 **the original peoples of the Far East, Southeast Asia, Indian**
46 **subcontinent, Hawaii, or the Pacific Islands; or**

1 d. American Indian or Alaskan native, which is a person having
2 origins in any of the original peoples of North America.

3 "Minority emerging technology business" means an emerging
4 technology business owned and controlled by a minority in which at
5 least 51 percent of the ownership interest is held by minorities and
6 the management and daily business operations of which are
7 controlled by one or more of the minorities who own it.¹

8 "Nonprofit organization" means a nonprofit organization that is
9 incorporated as a New Jersey nonprofit corporation pursuant to the
10 "New Jersey Nonprofit Corporation Act," N.J.S.15A:1-1 et seq., is
11 exempt from federal taxation pursuant to section 501(c)(3) of the
12 federal Internal Revenue Code of 1986, 26 U.S.C. s.501(c)(3), or
13 other federal tax exempt status as the commission determines to be
14 appropriate, and may be established and incorporated by the
15 commission for the purpose of identifying and generating business
16 opportunities and financial assistance for emerging technology
17 businesses.

18 "Private institution of higher education" and "public institution
19 of higher education" shall have the same meaning as provided in
20 section 2 of P.L.1985, c.103 (C.18A:64J-2).

21 "Research institution" means any institution that conducts
22 research and is approved by the commission for the purposes of
23 P.L. , c. (C.) (pending before the Legislature as this bill),
24 which shall include, but not be limited to, private or public
25 institutions of higher education, research hospitals, or public or
26 private organizations within this State.

27 "Spin-out company" means a company that was developed
28 within a larger company or a private or public institution of higher
29 education that has become an independent company with separate
30 employees and assets.

31 ¹"Woman" or "women" means a female, females, or an
32 individual or individuals whose gender identity is female,
33 regardless of race.

34 "Women's emerging technology business" means an emerging
35 technology business owned and controlled by a woman in which at
36 least 51 percent of the ownership is held by women and the
37 management and daily business operations of which are controlled
38 by one or more women who own it.¹

39
40 3. a. The ¹["Beatrice Hicks"] ¹"Innovation Partnership," to be
41 administered by the New Jersey Commission on Science,
42 Innovation and Technology, shall be one or more independent
43 nonprofit organizations, working individually, in partnership with
44 each other, and in partnership with the commission, to advance the
45 development of emerging technology businesses in this State and to
46 create supportive and collaborative innovation ecosystems across
47 New Jersey.

1 b. The goals and policies of the partners shall include, but not
2 be limited to:

3 (1) identifying, developing, adapting, and implementing
4 advanced technologies to enable the growth and competitiveness of
5 emerging technology businesses through technology development,
6 commercialization, and implementation;

7 (2) acting as regional facilitators and managers for interactions,
8 programs, and initiatives by and among the commission, emerging
9 technology businesses, economic development organizations, the
10 corporate community, private and public institutions of higher
11 education, research institutions, government, organized labor and
12 other interests working collaboratively to advance the development
13 of specialized innovation-based science and technology ecosystems
14 in this State;

15 (3) directly providing, and serving as the conduit to, early-stage
16 and later-stage public and private capital for emerging technology
17 businesses;

18 (4) providing training or technical assistance to help emerging
19 technology businesses apply to federal programs, such as the Small
20 Business Innovation Research Program, under 15 U.S.C. s.631 and
21 15 U.S.C. s.638, for the purpose of attracting federal investment
22 funds to this State;

23 (5) developing, providing, or supporting business incubation
24 resources and space and facilitating the development of emerging
25 technology business campuses, including discounted laboratory
26 space to academic or executive emerging technology business spin-
27 out companies;

28 (6) coordinating marketing efforts concerning existing State and
29 local financial and material resources for emerging technology
30 businesses;

31 (7) establishing and administering a research grant fund for the
32 economic impact assessments of technology development projects
33 conducted by private or public institutions of higher education that
34 seek grant funding through the commission; ¹~~and~~¹

35 (8) establishing partnerships to support and enhance the scale,
36 scope, and impact of initiatives that support the purpose and
37 mission of the commission and the partners ¹; ~~and~~

38 (9) encouraging the advancement, development, and support of
39 minority and women's emerging technology businesses to expand
40 diversity and opportunity within that sector, with priority given to
41 emerging technology businesses that demonstrate diversity in
42 ownership or leadership, as applicable¹.

43
44 4. a. The commission shall select and certify ¹, on a rolling
45 basis in a timeframe determined by the commission,¹ one or more
46 nonprofit organizations to serve as partners in the ¹~~“Beatrice~~

1 Hicks] “¹ Innovation Partnership.” Each partner shall be
 2 responsible for one or more of the following:

3 (1) the northern region of the State having a primary, but not
 4 exclusive, focus on financial information technology, cybersecurity,
 5 or a combination thereof;

6 (2) the central region of the State having a primary, but not
 7 exclusive, focus on life sciences, biotechnology, or a combination
 8 thereof;

9 (3) the southern region of the State having a primary, but not
 10 exclusive, focus on agriculture, aviation, or a combination thereof;
 11 and

12 (4) the shore region of the State, having a primary, but not
 13 exclusive, focus on renewable energy and autonomous vehicles.

14 The commission shall establish the exact geographical
 15 boundaries of the four regions of each focus.

16 b. A nonprofit organization established as of the date of
 17 enactment of P.L. , c. (C.) (pending before the Legislature
 18 as this bill), meeting at least one of the regional focus requirements
 19 of subsection a. of this section, may submit to the commission an
 20 application, in a form and manner determined by the commission,
 21 for certification as a partner.

22 ¹c. In selecting and certifying a nonprofit organization as a
 23 partner, pursuant to subsection a. of section, the commission shall
 24 give priority to:

25 (1) a nonprofit organization with a board of directors or
 26 leadership, as applicable, demonstrating diversity in ethnicity, race,
 27 or gender; and

28 (2) a nonprofit headquartered in a municipality that meets the
 29 criteria for State aid pursuant to P.L.1978, c.14 (C.52:27D-
 30 178 et seq.).¹
 31

32 5. a. If the commission is unable to certify ¹[an existing]
 33 a¹nonprofit organization as a partner, pursuant to subsection b. of
 34 section 4 of P.L. , c. (C.) (pending before the Legislature as
 35 this bill), the commission shall establish and incorporate an
 36 independent nonprofit organization to serve as a partner for one or
 37 more particular regional focuses.

38 b. The commission shall appoint the board of directors of each
 39 partner established pursuant to this section, in a number and manner
 40 to be determined by the commission, who shall be experts in the
 41 field of focus of each partner ¹[and] ¹, who shall represent the
 42 public and private sectors ¹, and who shall be appointed with due
 43 consideration to reflect the ethnic, racial, and gender diversity of
 44 the community in which the partner is located¹, including, but not
 45 limited to:

46 (1) one person representing academia;

47 (2) one person representing industry;

1 (3) one person having an expertise in leadership and
2 entrepreneurship in an emerging technology business;

3 (4) one person representing a research institution; and

4 (5) one person having an expertise in investment, venture
5 capital, or economic development concerning emerging technology
6 businesses.

7 A vacancy in the membership of a board of directors shall be
8 filled in the same manner as the original appointment.

9 c. Upon the establishment and appointment of the first board of
10 directors of each partner, each board of directors shall adopt bylaws
11 setting forth the structure, offices, powers, and duties of each
12 partner.

13 d. The commission may modify or revoke a partner's
14 certification as a partner if the commission determines, after
15 receiving information submitted pursuant to section 7 of
16 P.L. , c. (C.) (pending before the Legislature as this bill), the
17 partner does not achieve the goals or does not implement the
18 policies of section 3 of P.L. , c. (C.) (pending before the
19 Legislature as this bill).

20
21 6. a. A partner may apply to the commission, in a form and
22 manner determined by the commission, to receive grant funds from
23 the ¹["Beatrice Hicks"] ¹"Innovation Fund," established pursuant to
24 section 8 of P.L. , c. (C.) (pending before the Legislature as
25 this bill), to implement the policies of section 3 of
26 P.L. , c. (C.) (pending before the Legislature as this bill).
27 The commission, upon approving a grant application submitted by a
28 partner pursuant to this subsection, shall sign a grant agreement
29 with the partner, which shall permit the partner to execute the goals
30 and policies of section 3 of P.L. , c. (C.) (pending before the
31 Legislature as this bill) only if matched by private sector funds on a
32 minimum basis to be established by the commission.

33 b. Upon receipt of a grant pursuant to subsection a. of this
34 section, a partner shall implement the terms of the grant agreement.
35 Failure to comply with the grant agreement shall result in the
36 forfeiture of the grant.

37
38 7. A partner shall annually submit the following information to
39 the commission:

40 a. the partner's current mailing address, telephone number, and
41 electronic mail address;

42 b. a copy of the partner's current bylaws;

43 c. a list of the partner's current officers, directors, and staff;

44 d. an independent audit covering all funds received from the
45 State and funds received from State support, such as paybacks,
46 reimbursements, investment returns, fees for services, cash
47 reserves, interest, return of depreciation and any other similar forms
48 of income that result at least partially from initial expenditure of

1 State funds. The audit shall include all of the communications
2 between the auditors and the managers of the partner. The audit
3 shall be conducted in accordance with appropriate government
4 auditing standards and shall be a public record;

5 e. upon the commission's request, an independent audit
6 covering all funds received and partner activities supported by non-
7 State funding sources; and

8 f. any other information the commission may require.

9
10 8. There is hereby established in the Department of the
11 Treasury a separate special, non-lapsing, account ¹to be known as
12 the "Beatrice Hicks Innovation Fund," which ¹that shall be
13 administered by the commission for the purpose of funding the
14 partners, into which shall be deposited any State appropriations to
15 the commission or to the partners, to technology and research
16 activities assigned to the commission, or any other State
17 appropriations for the purposes of P.L. , c. (C.) (pending
18 before the Legislature as this bill), federal funds, royalties, gifts,
19 grants, bequests, devises, private funds, venture capital funds, and
20 funds from any other source that are designated to the commission.
21 All earnings received from the investment of monies in the fund
22 shall be credited to the fund.

23
24 9. a. The commission is authorized to call upon any
25 department, authority, commission, board, office, division, or
26 agency of the State to provide any information, resources, or other
27 assistance deemed necessary to effectuate the purposes of
28 P.L. , c. (C.) (pending before the Legislature as this bill).

29 b. Each department, authority, commission, board, office,
30 division and agency of the State shall be required to cooperate with
31 the commission to furnish the commission with any information,
32 personnel, and assistance as is necessary to effectuate the purposes
33 of P.L. , c. (C.) (pending before the Legislature as this bill).

34
35 10. a. The commission shall annually issue a report to the
36 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
37 19.1), to the Legislature, describing the activities of the commission
38 and each partner, which shall include, but not be limited to, the
39 following:

40 (1) the budget of the commission and each partner;

41 (2) individual projects of the commission and each partner; and

42 (3) the progress of the commission and of each partner in
43 achieving the goals and implementing the policies described in
44 section 3 of P.L. , c. (C.) (pending before the Legislature as
45 this bill).

1 b. Each partner shall submit information to the commission, at
2 a time, form, and manner to be determined by the commission,
3 which enables the commission to comply with the requirements of
4 this section.

5

6 11. This act shall take effect immediately.