

52:9X-9

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2005 **CHAPTER:** 272

NJSA: 52:9X-9 (Allows NJ Commission on Science and Technology to receive certain percentage of royalties from certain intellectual property awarded to those science and technology companies assisted by the commission)

BILL NO: S567

SPONSOR(S): Baer and Doria

DATE INTRODUCED: Pre-filed

COMMITTEE: **ASSEMBLY:** Commerce and Economic Development

SENATE: Economic Growth

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** December 12, 2005

SENATE: March 21, 2005

DATE OF APPROVAL: January 6, 2006

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (1st reprint enacted)

[SPONSOR'S STATEMENT](#): (Begins on page 4 of original bill) [Yes](#)

COMMITTEE STATEMENT: [ASSEMBLY:](#) [Yes](#)

[SENATE:](#) [Yes](#)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L. 2005, CHAPTER 272, *approved January 6, 2006*
Senate, No. 567 (*First Reprint*)

1 **AN ACT** allowing the New Jersey Commission on Science and
2 Technology to receive percentage of royalties from certain
3 intellectual property awarded to science and technology companies
4 assisted by the commission and amending P.L.1985, c.102 and
5 P.L.1995, c.277.

6

7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:

9

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

12 9. The commission shall:

13 a. Be responsible for the development and oversight of policies and
14 programs in science and technology for New Jersey;

15 b. Ensure that the programs in science and technology are
16 adequately funded to achieve their stated goals;

17 c. Stimulate academic-industrial collaboration through such
18 mechanisms as advanced technology centers, innovation partnership
19 grants, business incubation facilities, and technology extension
20 services;

21 d. Plan and assist in the establishment of new advanced technology
22 centers, business incubation facilities, and technology extension
23 services and adopt rules and regulations regarding the operation of
24 these activities;

25 e. Coordinate activities of the advanced technology centers,
26 business incubation facilities and technology extension services in
27 conjunction with designated public and private institutions of higher
28 education;

29 f. Recommend funding levels, determine eligible fields and
30 supervise the process of making awards for innovation partnership
31 grants;

32 g. Continue to identify and to support research opportunities at
33 New Jersey academic institutions and other institutions that can
34 advance economic development and employment;

35 h. Encourage and coordinate activities to help entrepreneurs and
36 inventors;

37 i. Stimulate technology transfer between higher education
38 institutions and industry, including transfer of information available
39 from various federal agencies;

40 j. Appoint a peer review committee, where warranted, for each of

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SEG committee amendments adopted March 7, 2005.

- 1 the fields of technology, drawn from the academic, scientific and
2 industrial communities to review all situations involving either
3 competitive applications for agency support or judgments on complex
4 scientific or technological matters with the stipulation that neither
5 reviewers nor their affiliated institutions shall be eligible as applicants;
- 6 k. Monitor changes in national and international economic
7 conditions which might justify a reorientation of the State's technology
8 program;
- 9 l. Identify future fields of science and technology that offer
10 potential for application in New Jersey and help to find funding
11 sources;
- 12 m. Adopt rules and regulations pursuant to the "Administrative
13 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
14 the provisions of this act, consistent with the rules and regulations of
15 the Department of Higher Education;
- 16 n. Adopt, amend and repeal bylaws for the regulation of its affairs
17 and the conduct of its business;
- 18 o. Adopt and have a seal and alter the same at pleasure;
- 19 p. Have authority to sue and be sued;
- 20 q. Have authority to conduct meetings and public hearings in
21 connection with the purposes of this act;
- 22 r. Have authority to enter into contracts, public and private, with
23 a person upon those terms and conditions as the commission
24 determines to be reasonable and to effectuate the purposes of this act;
- 25 s. Employ consultants and specialists in science and technology and
26 any other employees as may be required in the judgment of the
27 commission to effectuate the purposes of this act, and to fix and pay
28 their compensation from funds available therefor, all without regard to
29 the provisions of Title 11 of the Revised Statutes;
- 30 t. Receive and disburse funds from non-State sources including but
31 not limited to federal funds;
- 32 u. Have authority to receive a percentage of royalty payments from
33 any intangible property, as that term is defined in section 5 of
34 P.L.2002, c.40 (C.54:10A-4.4), awarded to any science and
35 technology company that received assistance ¹[by] from¹ the
36 commission and which assistance led to the awarding of the intangible
37 property, as appropriate ¹, except that three-fourths of the amount of
38 any royalty payments received by the commission shall be remitted to
39 the State Treasurer for deposit in the General Fund pursuant to an
40 agreement with the State Treasurer¹; and
- 41 [u.]v. Have authority to do any and all things necessary or
42 convenient to carry out its purposes and exercise the powers granted
43 in this act.
44 (cf: P.L.1985, c.102, s.9)
45
- 46 2. Section 3 of P.L.1995, c.277 (C.52:9X-9.3) is amended to read

1 as follows:

2 3. The New Jersey Commission on Science and Technology, in
3 consultation with the Department of Commerce and Economic
4 Development, shall establish a program to promote biotechnology and
5 other high technology industries in the State and to attract
6 biotechnology and other high technology companies to the State.

7 The program shall: include research and information on commercial
8 opportunities in biotechnology and high technology; provide technical
9 and financial assistance to biotechnology and high technology
10 companies considering locating in New Jersey; regularly represent or
11 assist in representing the interests of New Jersey based firms in the
12 national and international markets for biotechnology and high
13 technology through conferences and seminars; provide New Jersey
14 based firms with customized technical, financial and other assistance;
15 authorize receiving a percentage of royalty payments from any
16 intangible property, as that term is defined in section 5 of P.L.2002,
17 c.40 (C.54:10A-4.4), awarded to those biotechnology and high
18 technology companies that received assistance ¹[by] from¹ the
19 commission and which assistance led to the awarding of the intangible
20 property, as appropriate ¹, except that three-fourths of the amount of
21 any royalty payments received by the commission shall be remitted to
22 the State Treasurer for deposit in the General Fund pursuant to an
23 agreement with the State Treasurer¹; and recruit capital investment in
24 New Jersey to be applied to the high technology and biotechnology
25 industries.

26 (cf: P.L.1995, c.277, s.3)

27

28 3. This act shall take effect immediately.

29

30

31

32

33 _____
34 Allows NJ Commission on Science and Technology to receive
35 percentage of royalties from certain intellectual property awarded to
those science and technology companies assisted by the commission.

SENATE, No. 567

STATE OF NEW JERSEY
211th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2004 SESSION

Sponsored by:
Senator BYRON M. BAER
District 37 (Bergen)

SYNOPSIS

Allows NJ Commission on Science and Technology to receive percentage of royalties from certain intellectual property awarded to those science and technology companies assisted by the commission.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT allowing the New Jersey Commission on Science and
2 Technology to receive percentage of royalties from certain
3 intellectual property awarded to science and technology companies
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5 P.L.1995, c.277.

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8 *of New Jersey:*

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21 d. Plan and assist in the establishment of new advanced technology
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24 these activities;

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27 conjunction with designated public and private institutions of higher
28 education;

29 f. Recommend funding levels, determine eligible fields and
30 supervise the process of making awards for innovation partnership
31 grants;

32 g. Continue to identify and to support research opportunities at
33 New Jersey academic institutions and other institutions that can
34 advance economic development and employment;

35 h. Encourage and coordinate activities to help entrepreneurs and
36 inventors;

37 i. Stimulate technology transfer between higher education
38 institutions and industry, including transfer of information available
39 from various federal agencies;

40 j. Appoint a peer review committee, where warranted, for each of
41 the fields of technology, drawn from the academic, scientific and
42 industrial communities to review all situations involving either
43 competitive applications for agency support or judgments on complex

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

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1 scientific or technological matters with the stipulation that neither
2 reviewers nor their affiliated institutions shall be eligible as applicants;

3 k. Monitor changes in national and international economic
4 conditions which might justify a reorientation of the State's technology
5 program;

6 l. Identify future fields of science and technology that offer
7 potential for application in New Jersey and help to find funding
8 sources;

9 m. Adopt rules and regulations pursuant to the "Administrative
10 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
11 the provisions of this act, consistent with the rules and regulations of
12 the Department of Higher Education;

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

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

16 p. Have authority to sue and be sued;

17 q. Have authority to conduct meetings and public hearings in
18 connection with the purposes of this act;

19 r. Have authority to enter into contracts, public and private, with
20 a person upon those terms and conditions as the commission
21 determines to be reasonable and to effectuate the purposes of this act;

22 s. Employ consultants and specialists in science and technology and
23 any other employees as may be required in the judgment of the
24 commission to effectuate the purposes of this act, and to fix and pay
25 their compensation from funds available therefor, all without regard to
26 the provisions of Title 11 of the Revised Statutes;

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

29 u. Have authority to receive a percentage of royalty payments from
30 any intangible property, as that term is defined in section 5 of
31 P.L.2002, c.40 (C.54:10A-4.4), awarded to any science and
32 technology company that received assistance by the commission and
33 which assistance led to the awarding of the intangible property, as
34 appropriate; and

35 [u.]v. Have authority to do any and all things necessary or
36 convenient to carry out its purposes and exercise the powers granted
37 in this act.

38 (cf: P.L.1985, c.102, s.9)

39

40 2. Section 3 of P.L.1995, c.277 (C.52:9X-9.3) is amended to read
41 as follows:

42 3. The New Jersey Commission on Science and Technology, in
43 consultation with the Department of Commerce and Economic
44 Development, shall establish a program to promote biotechnology and
45 other high technology industries in the State and to attract
46 biotechnology and other high technology companies to the State.

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6 national and international markets for biotechnology and high
7 technology through conferences and seminars; provide New Jersey
8 based firms with customized technical, financial and other assistance;
9 authorize receiving a percentage of royalty payments from any
10 intangible property, as that term is defined in section 5 of P.L.2002,
11 c.40 (C.54:10A-4.4), awarded to those biotechnology and high
12 technology companies that received assistance by the commission and
13 which assistance led to the awarding of the intangible property, as
14 appropriate; and recruit capital investment in New Jersey to be applied
15 to the high technology and biotechnology industries.
16 (cf: P.L.1995, c.277, s.3)

17

18 3. This act shall take effect immediately.

19

20

21

STATEMENT

22

23 This bill authorizes the New Jersey Commission on Science and
24 Technology ("commission") to receive a percentage of royalty
25 payments from any intangible property, as that term is defined in
26 section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science
27 and technology, biotechnology and high technology company that
28 received assistance by the commission and which assistance led to the
29 awarding of the intangible property. The term "intangible property"
30 is defined as meaning patents, patent applications, trade names,
31 trademarks, service marks, copyrights, mask works, trade secrets and
32 similar types of intangible assets.

33

34 The commission was established to advance economic development
35 and employment in New Jersey through the development and
36 encouragement of leading edge science and technology programs. To
37 accomplish its mission, each year the commission provides financial
38 support to a variety of projects that target business sectors critical to
39 the State's economy, such as biotechnology, advanced materials,
40 information technology and environmental protection technology, or
41 provides support to small, for-profit technology companies. The
42 commission's sponsorship is critical in these areas since most of the
43 projects it supports would have difficulty attracting private capital due
44 to the risks associated with leading edge research and development.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 567

STATE OF NEW JERSEY

DATED: JUNE 9, 2005

The Assembly Commerce and Economic Development Committee reports favorably Senate Bill No. 567 (1R).

Senate Bill No. 567 (1R) authorizes the New Jersey Commission on Science and Technology ("commission") to receive a percentage of royalty payments from any intangible property, as that term is defined in section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science and technology, biotechnology and high technology company that received assistance from the commission and which assistance led to the awarding of the intangible property. Three-fourths of all royalty payment amounts received by the commission are to be remitted to the State Treasurer for deposit in the General Fund pursuant to an agreement with the State Treasurer. The term "intangible property" is defined as meaning patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets and similar types of intangible assets.

The commission was established to advance economic development and employment in New Jersey through the development and encouragement of leading edge science and technology programs. To accomplish its mission, each year the commission provides financial support to a variety of projects that target business sectors critical to the State's economy, such as biotechnology, advanced materials, information technology and environmental protection technology, or provides support to small, for-profit technology companies. The commission's sponsorship is critical in these areas since most of the projects it supports would have difficulty attracting private capital due to the risks associated with leading edge research and development.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 567

STATE OF NEW JERSEY

DATED: JUNE 9, 2005

The Assembly Commerce and Economic Development Committee reports favorably Senate Bill No. 567 (1R).

Senate Bill No. 567 (1R) authorizes the New Jersey Commission on Science and Technology ("commission") to receive a percentage of royalty payments from any intangible property, as that term is defined in section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science and technology, biotechnology and high technology company that received assistance from the commission and which assistance led to the awarding of the intangible property. Three-fourths of all royalty payment amounts received by the commission are to be remitted to the State Treasurer for deposit in the General Fund pursuant to an agreement with the State Treasurer. The term "intangible property" is defined as meaning patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets and similar types of intangible assets.

The commission was established to advance economic development and employment in New Jersey through the development and encouragement of leading edge science and technology programs. To accomplish its mission, each year the commission provides financial support to a variety of projects that target business sectors critical to the State's economy, such as biotechnology, advanced materials, information technology and environmental protection technology, or provides support to small, for-profit technology companies. The commission's sponsorship is critical in these areas since most of the projects it supports would have difficulty attracting private capital due to the risks associated with leading edge research and development.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 567

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 7, 2005

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 567.

This bill, as amended by the committee, authorizes the New Jersey Commission on Science and Technology ("commission") to receive a percentage of royalty payments from any intangible property, as that term is defined in section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science and technology, biotechnology and high technology company that received assistance from the commission and which assistance led to the awarding of the intangible property. Three-fourths of all royalty payment amounts received by the commission are to be remitted to the State Treasurer for deposit in the General Fund pursuant to an agreement with the State Treasurer. The term "intangible property" is defined as meaning patents, patent applications, trade names, trademarks, service marks, copyrights, mask works, trade secrets and similar types of intangible assets.

The commission was established to advance economic development and employment in New Jersey through the development and encouragement of leading edge science and technology programs. To accomplish its mission, each year the commission provides financial support to a variety of projects that target business sectors critical to the State's economy, such as biotechnology, advanced materials, information technology and environmental protection technology, or provides support to small, for-profit technology companies. The commission's sponsorship is critical in these areas since most of the projects it supports would have difficulty attracting private capital due to the risks associated with leading edge research and development.

The committee amended the bill to require that three-fourths of all royalty payment amounts received from the commission are to be remitted to the the State Treasurer for deposit in the General Fund pursuant to an agreement with the State Treasurer.

This bill was prefiled for introduction in the 2004-2005 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.