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LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS:

HEARINGS:

NEWSPAPER ARTICLES: Yes

"Murphy signs law reinstating innovation commission," NJBIZ, August 15, 2018

"Murphy signs law setting up science, innovation commission," Associated Press State Wire: New Jersey, August 15, 2018

"Bill reforms science and technology commission," Burlington County Times, August 16, 2018

RH/CL

P.L. 2018, CHAPTER 91, *approved August 15, 2018*
Assembly, No. 3652 (*First Reprint*)

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**

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 formulating long-range plans and programs for science, innovation,
2 and technology in New Jersey; and

3 (2) rename the commission as the New Jersey Commission on
4 Science, Innovation and Technology to recognize the role and the
5 importance of innovation developed at the State's institutions of
6 higher education and businesses to the economy of this State.
7 (cf: P.L.1985, c.102, s.1)]¹

8
9 ¹2. Section 1 of P.L.1985, c.102 (C.52:9X-1) is amended to read
10 as follows:

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

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

21 (2) the primary mission of the commission was to accelerate
22 economic development by applying science and technology
23 applications to industry;

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

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

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

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

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

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

42
43 3. Section 2 of P.L.1985, c.102 (C.52:9X-2) is amended to read
44 as follows:

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

1 **[a.]** "Advanced technology center" means outstanding programs
2 or departments at New Jersey's public and private higher education
3 institutions, which are provided substantial and concentrated
4 financial support to promote their development into national-level
5 bases for innovative technology research.

6 **[b.]** "Business incubation facilities" means the provision of
7 space and technical assistance to a targeted network of
8 developmental facilities, consisting of low-cost space, for short-
9 term occupancy, to new companies employing selected technologies
10 congruent with the strengths of the State's public and private
11 institutions of higher education.

12 **[c.]** "Commission" means the New Jersey Commission on
13 Science, Innovation and Technology established pursuant to section
14 3 of P.L.1985, c.102 (C.52:9X-3).

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

22 **[d.]** "Technology extension services" means programs to
23 accelerate the application and transfer of technological innovation
24 by the State's public and private institutions of higher education to
25 existing industry, specifically to work with the State's businesses to
26 adapt these innovations to the requirements of individual business
27 operations.

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

29

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

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

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

42

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

45 4. a. The commission shall consist of the following 12
46 members:

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

5 (2) two public members to be appointed by the Governor upon
6 the recommendation of the President of the Senate and two public
7 members to be appointed by the Governor upon the
8 recommendation of the Speaker of the General Assembly, **【of**
9 **whom no more than one of each group of two shall be of the same**
10 **political party; two members of the Senate who shall not be of the**
11 **same political party to be appointed by the President of the Senate;**
12 **two members of the General Assembly who shall not be of the same**
13 **political party to be appointed by the Speaker of the General**
14 **Assembly】** with each public member having a background in a field
15 of science, technology, or finance;

16 (3) the **【Chancellor】** Secretary of Higher Education, ex officio,
17 or **【his】** the secretary's duly authorized representative;

18 (4) the Commissioner of Education, ex officio, or **【his】** the
19 commissioner's duly authorized representative; **【the Commissioner**
20 **of Commerce and Economic Development, ex officio, or his duly**
21 **authorized representative; and a member of the Governor's staff,**
22 **designated by the Governor, ex officio, or his duly authorized**
23 **representative. In the selection of public members, a strong effort**
24 **shall be made to appoint women and minorities to the commission.**
25 **These 16 members shall have a right to vote on the various matters**
26 **considered by the commission. In addition, the commission shall**
27 **include】** and

28 (5) two presidents from the State's public and private research
29 institutions of higher education, who shall be appointed annually by
30 the Governor and who shall serve as **【nonvoting】** ex officio, non-
31 voting members.

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

37 (cf: P.L.1986, c.49, s.1)】¹

38

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

41 4. a. The commission shall consist of the following 17
42 members:

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

1 (2) two public members to be appointed by the Governor upon
2 the recommendation of the President of the Senate and two public
3 members to be appointed by the Governor upon the
4 recommendation of the Speaker of the General Assembly, **[of**
5 **whom no more than one of each group of two shall be of the same**
6 **political party]** with each public member having a background in a
7 field of science or technology, or in a business related to science
8 and technology;

9 (3) two members of the Senate, who shall not be of the same
10 political party, to be appointed by the President of the Senate **【;**
11 and who shall serve as ex officio, non-voting members, and two
12 members of the General Assembly, who shall not be of the same
13 political party, to be appointed by the Speaker of the General
14 Assembly and who shall as serve ex officio, non-voting members;

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

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

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

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

33 **b. In the selection of public members, a strong effort shall be**
34 **made to appoint women and minorities to the commission. The**
35 **commission members who are not members of the Senate or the**
36 **General Assembly and who are not presidents from the State's**
37 **public and private research institutions of higher education shall**
38 **have a right to vote on the various matters considered by the**
39 **commission.**

40 **c. The terms of office of any member of the commission that**
41 **served prior to the effective date of P.L. , c. (C.) (pending**
42 **before the Legislature as this bill) shall expire on June 30, 2018.**¹

43 (cf: P.L.1986, c.49, s.1)

44
45 6. Section 5 of P.L.1985, c.102 (C.52:9X-5) is amended to read
46 as follows:

1 5. a. The terms of the public members of the commission
2 appointed by the Governor shall be for five years or until their
3 successors are appointed, except that of the appointments first made
4 to the commission under **【this act】** P.L. , c. (C.) (pending
5 before the Legislature as this bill), two shall serve for three years or
6 until their successors are appointed, three shall serve for four years
7 or until their successors are appointed, and three shall serve for five
8 years or until their successors are appointed. **【Legislative members**
9 **shall serve for the terms of their office.】** Any vacancy shall be
10 filled in the same manner as the original appointment but only for
11 the balance of the unexpired term. The commission members shall
12 serve without compensation but shall be reimbursed for necessary
13 expenses incurred in the performance of their duties, within the
14 limits of funds appropriated or otherwise made available to the
15 commission for its purposes.

16 b. Each member appointed by the Governor may be removed
17 from office by the Governor, for cause, after a public hearing, and
18 may be suspended by the Governor pending the completion of the
19 hearing. Each member, before entering upon **【his】** the member's
20 duties, shall take and subscribe an oath to perform the duties of
21 **【his】** the office faithfully, impartially, and justly to the best of
22 **【his】** the member's ability. A record of these oaths shall be filed in
23 the office of the Secretary of State.
24 (cf: P.L.1985, c.102, s.5)

25
26 7. Section 6 of P.L.1985, c.102 (C.52:9X-6) is amended to read
27 as follows:

28 6. The Governor shall designate the **【chairman】** chair of the
29 commission from among the public members appointed by **【him】**
30 the Governor.
31 (cf: P.L.1985, c.102, s.6)

32
33 8. Section 7 of P.L.1985, c.102 (C.52:9X-7) is amended to read
34 as follows:

35 7. The commission shall appoint an executive director, who
36 shall serve at **【its】** the pleasure of the commission and who shall
37 receive **【such】** compensation as provided by law.
38 (cf: P.L.1985, c.102, s.7)

39
40 9. Section 8 of P.L.1985, c.102 (C.52:9X-8) is amended to read
41 as follows:

42 8. The executive director shall be responsible for the selection
43 of properly qualified staff members of the commission. Staff
44 members shall have strong backgrounds in science, innovation, and
45 technology as well as in economic development.
46 (cf: P.L.1985, c.102, s.8)

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

1 l. Identify and support future fields of science, innovation, and
2 technology in New Jersey that offer potential for application or
3 commercialization, or both, in New Jersey and help to find funding
4 sources;

5 m. Adopt rules and regulations pursuant to the "Administrative
6 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
7 the provisions of **【this act】** P.L.1985, c.102 (C.52:9X-1 et seq.),
8 consistent with the rules and regulations of the **【Commission on】**
9 Secretary of Higher Education;

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

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

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

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

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

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

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

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

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

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

43
44 11. Section 10 of P.L.1985, c.102 (C.52:9X-10) is amended to
45 read as follows:

46 10. a. The commission shall **【annually】** report to the Governor
47 and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the

1 Legislature on or before **February 15** one year after the effective
2 date of P.L. , c. (C.) (pending before the Legislature as this
3 bill) and annually thereafter. Each report shall set forth a complete
4 operating and financial statement covering the operations of the
5 commission and all advanced technology centers within its
6 jurisdiction. The financial records of the commission shall be
7 audited annually by the State Auditor.

8 b. Within one year of the enactment of P.L. , c. (C.)
9 (pending before the Legislature as this bill), and every third year
10 thereafter, the Innovation Council, appointed pursuant to subsection
11 i. of section 9 of P.L.1985, c.102 (C.52:9X-9), shall report to the
12 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
13 19.1), to the Legislature, on its recommendations on how this State
14 can better achieve technology transfer efforts between public and
15 private research institutions of higher education and industry,
16 including the transfer of information available from various federal
17 agencies.

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

19

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

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

33 b. Whenever, in any law, rule, regulation, order, contract,
34 document, judicial or administrative proceeding, or otherwise,
35 reference is made to the New Jersey Commission on Science and
36 Technology, the same shall mean and refer to the New Jersey
37 Commission on Science, Innovation and Technology in but not of
38 the Department of the Treasury.

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

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

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

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

5

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

7

8

9

10

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

ASSEMBLY, No. 3652

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MARCH 12, 2018

Sponsored by:

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman CRAIG J. COUGHLIN

District 19 (Middlesex)

Assemblyman CHRISTOPHER P. DEPHILLIPS

District 40 (Bergen, Essex, Morris and Passaic)

Assemblyman TIM EUSTACE

District 38 (Bergen and Passaic)

Co-Sponsored by:

Assemblywoman Jasey

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/8/2018)

A3652 ZWICKER, COUGHLIN

2

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 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.

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)

4

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

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

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

14 **【b.】** "Business incubation facilities" means the provision of
15 space and technical assistance to a targeted network of
16 developmental facilities, consisting of low-cost space, for short-
17 term occupancy, to new companies employing selected technologies
18 congruent with the strengths of the State's public and private
19 institutions of higher education.

20 **【c.】** "Commission" means the New Jersey Commission on
21 Science, Innovation and Technology established pursuant to section
22 3 of P.L.1985, c.102 (C.52:9X-3).

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

30 **【d.】** "Technology extension services" means programs to
31 accelerate the application and transfer of technological innovation
32 by the State's public and private institutions of higher education to
33 existing industry, specifically to work with the State's businesses to
34 adapt these innovations to the requirements of individual business
35 operations.

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

37

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

40 3. The New Jersey Commission on Science, Innovation and
41 Technology **【(hereinafter referred to as the "commission")】** is
42 created and established in the Executive Branch of the State
43 Government. For the purposes of complying with the provisions of
44 Article V, Section IV, paragraph 1 of the New Jersey Constitution,
45 the commission is allocated within the Department of **【Commerce**
46 **and Economic Development】** the Treasury, but notwithstanding this

1 allocation, the commission shall be independent of any supervision
2 or control by the department or by any board or officer thereof.

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

4

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

7 4. a. The commission shall consist of the following 12
8 members:

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

13 (2) two public members to be appointed by the Governor upon
14 the recommendation of the President of the Senate and two public
15 members to be appointed by the Governor upon the
16 recommendation of the Speaker of the General Assembly, **【of**
17 **whom no more than one of each group of two shall be of the same**
18 **political party; two members of the Senate who shall not be of the**
19 **same political party to be appointed by the President of the Senate;**
20 **two members of the General Assembly who shall not be of the same**
21 **political party to be appointed by the Speaker of the General**
22 **Assembly】** with each public member having a background in a field
23 of science, technology, or finance;

24 (3) the **【Chancellor】** Secretary of Higher Education, ex officio,
25 or **【his】** the secretary's duly authorized representative;

26 (4) the Commissioner of Education, ex officio, or **【his】** the
27 commissioner's duly authorized representative; **【the Commissioner**
28 **of Commerce and Economic Development, ex officio, or his duly**
29 **authorized representative; and a member of the Governor's staff,**
30 **designated by the Governor, ex officio, or his duly authorized**
31 **representative. In the selection of public members, a strong effort**
32 **shall be made to appoint women and minorities to the commission.**
33 **These 16 members shall have a right to vote on the various matters**
34 **considered by the commission. In addition, the commission shall**
35 **include】** and

36 (5) two presidents from the State's public and private research
37 institutions of higher education, who shall be appointed annually by
38 the Governor and who shall serve as **【nonvoting】** ex officio, non-
39 voting members.

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

45 (cf: P.L.1986, c.49, s.1)

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

3 5. a. The terms of the public members of the commission
4 appointed by the Governor shall be for five years or until their
5 successors are appointed, except that of the appointments first made
6 to the commission under **【this act】** P.L. , c. (C.) (pending
7 before the Legislature as this bill), two shall serve for three years or
8 until their successors are appointed, three shall serve for four years
9 or until their successors are appointed, and three shall serve for five
10 years or until their successors are appointed. **【Legislative members**
11 **shall serve for the terms of their office.】** Any vacancy shall be
12 filled in the same manner as the original appointment but only for
13 the balance of the unexpired term. The commission members shall
14 serve without compensation but shall be reimbursed for necessary
15 expenses incurred in the performance of their duties, within the
16 limits of funds appropriated or otherwise made available to the
17 commission for its purposes.

18 b. Each member appointed by the Governor may be removed
19 from office by the Governor, for cause, after a public hearing, and
20 may be suspended by the Governor pending the completion of the
21 hearing. Each member, before entering upon **【his】** the member's
22 duties, shall take and subscribe an oath to perform the duties of
23 **【his】** the office faithfully, impartially, and justly to the best of
24 **【his】** the member's ability. A record of these oaths shall be filed in
25 the office of the Secretary of State.

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

27

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

30 6. The Governor shall designate the **【chairman】** chair of the
31 commission from among the public members appointed by **【him】**
32 the Governor.

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

34

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

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

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

41

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

44 8. The executive director shall be responsible for the selection
45 of properly qualified staff members of the commission. Staff
46 members shall have strong backgrounds in science, innovation, and

1 technology as well as in economic development.

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

3

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

6 9. The commission shall:

7 a. Be responsible for the development and oversight of policies
8 and programs in science, innovation, and technology for New
9 Jersey;

10 b. Ensure that the programs in science, innovation, and
11 technology are adequately funded to achieve their stated goals;

12 c. Stimulate academic-industrial collaboration through such
13 mechanisms as advanced technology centers, innovation partnership
14 grants, business incubation facilities, and technology extension
15 services;

16 d. Plan and assist in the establishment of new advanced
17 technology centers, business incubation facilities, and technology
18 extension services and adopt rules and regulations regarding the
19 operation of these activities;

20 e. Coordinate activities of the advanced technology centers,
21 business incubation facilities, and technology extension services in
22 conjunction with designated public and private institutions of higher
23 education;

24 f. Recommend funding levels, determine eligible fields, and
25 supervise the process of making awards for innovation partnership
26 grants;

27 g. Continue to identify and to support research opportunities at
28 New Jersey academic institutions and other institutions that can
29 advance economic development and employment;

30 h. Encourage and coordinate activities to help entrepreneurs
31 and inventors;

32 i. **【Stimulate】** Appoint an Innovation Council from the
33 membership of the commission, as the commission deems
34 appropriate, which shall determine how to stimulate technology
35 transfer between public and private research institutions of higher
36 education 【institutions】 in this State and industry, including the
37 transfer of information available from various federal agencies, and
38 report, pursuant to subsection b. of section 10 of P.L.1985, c.102
39 (C.52:9X-10), on how this State can better achieve this effort;

40 j. Appoint a peer review committee, where warranted, for each
41 of the fields of technology, drawn from the academic, scientific,
42 and industrial communities to review all situations involving either
43 competitive applications for agency support or judgments on
44 complex scientific, innovation, or technological matters with the
45 stipulation that neither reviewers nor their affiliated institutions
46 shall be eligible as applicants;

47 k. Monitor changes in national and international economic
48 conditions which might justify a recommendation of a reorientation

- 1 of the State's science, innovation, and technology **【program】**
2 programs;
- 3 l. Identify and support future fields of science, innovation, and
4 technology in New Jersey that offer potential for application or
5 commercialization, or both, in New Jersey and help to find funding
6 sources;
- 7 m. Adopt rules and regulations pursuant to the "Administrative
8 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
9 the provisions of **【this act】** P.L.1985, c.102 (C.52:9X-1 et seq.),
10 consistent with the rules and regulations of the **【Commission on】**
11 Secretary of Higher Education;
- 12 n. Adopt, amend, and repeal bylaws for the regulation of its
13 affairs and the conduct of its business;
- 14 o. Adopt and have a seal and alter the same at its pleasure;
- 15 p. Have the authority to sue and be sued;
- 16 q. Have the authority to conduct meetings and public hearings
17 in connection with the purposes of **【this act】** P.L.1985, c.102
18 (C.52:9X-1 et seq.);
- 19 r. Have the authority to enter into contracts, public and private,
20 with a person upon those terms and conditions as the commission
21 determines to be reasonable and to effectuate the purposes of **【this**
22 **act】** P.L.1985, c.102 (C.52:9X-1 et seq.);
- 23 s. Employ consultants and specialists in science, innovation,
24 and technology and any other employees as may be required in the
25 judgment of the commission to effectuate the purposes of **【this act】**
26 P.L.1985, c.102 (C.52:9X-1 et seq.), and to fix and pay their
27 compensation from funds available therefor, all without regard to
28 the provisions of Title **【11】** 11A of the **【Revised】** New Jersey
29 Statutes;
- 30 t. Receive and disburse funds from non-State sources
31 including but not limited to federal funds;
- 32 u. Have the authority to receive a percentage of royalty
33 payments from any intangible property, as that term is defined in
34 section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science,
35 innovation, and technology company that received assistance from
36 the commission and which assistance led to the awarding of the
37 intangible property, as appropriate, except that three-fourths of the
38 amount of any royalty payments received by the commission shall
39 be remitted to the State Treasurer for deposit in the General Fund
40 pursuant to an agreement with the State Treasurer; and
- 41 v. Have the 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】** P.L.1985, c.102 (C.52:9X-1 et seq.).
44 (cf: P.L.2005, c.272, s.1)
- 45
- 46 11. Section 10 of P.L.1985, c.102 (C.52:9X-10) is amended to
47 read as follows:

1 10. a. The commission shall **【annually】** report to the Governor
2 and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
3 Legislature on or before **【February 15】** one year after the effective
4 date of P.L. , c. (C.) (pending before the Legislature as this
5 bill) and annually thereafter. Each report shall set forth a complete
6 operating and financial statement covering the operations of the
7 commission and all advanced technology centers within its
8 jurisdiction. The financial records of the commission shall be
9 audited annually by the State Auditor.

10 b. Within one year of the enactment of P.L. , c. (C.)
11 (pending before the Legislature as this bill), and every third year
12 thereafter, the Innovation Council, appointed pursuant to subsection
13 i. of section 9 of P.L.1985, c.102 (C.52:9X-9), shall report to the
14 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
15 19.1), to the Legislature, on its recommendations on how this State
16 can better achieve technology transfer efforts between public and
17 private research institutions of higher education and industry,
18 including the transfer of information available from various federal
19 agencies.

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

21
22 12. Section 25 of P.L.1998, c.44 (C.52:27C-85) is amended to
23 read as follows:

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

35 b. Whenever, in any law, rule, regulation, order, contract,
36 document, judicial or administrative proceeding, or otherwise,
37 reference is made to the New Jersey Commission on Science and
38 Technology, the same shall mean and refer to the New Jersey
39 Commission on Science, Innovation and Technology in but not of
40 the Department of the Treasury.

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

43 d. The New Jersey Commission on Science, Innovation and
44 Technology may, subject to the commission's approval, develop and
45 promulgate such rules and regulations in accordance with the
46 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
47 seq.) as are necessary to implement the provisions of this act and to

1 effectuate the purposes of the New Jersey Commission on Science
2 and Technology as provided by law.

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

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

7

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

9

10

11

STATEMENT

12

13 This bill re-establishes the former New Jersey Commission on
14 Science and Technology, which became non-operational in 2010,
15 and renames it the “New Jersey Commission on Science, Innovation
16 and Technology” (commission). The bill updates the law creating
17 the former commission, establishes the commission in, but not of,
18 the Department of the Treasury, and provides for new membership.

19 Under the bill, the 12 members of the commission to be
20 appointed are as follows: 1) four public members appointed by the
21 Governor, with each of these members having a background in the
22 field of science, technology, or finance; 2) two public members to
23 be appointed by the Governor upon the recommendation of the
24 President of the Senate and two public members to be appointed by
25 the Governor upon the recommendation of the Speaker of the
26 General Assembly, with each of these four members having a
27 background in the field of science, technology, or finance; 3) the
28 Secretary of Higher Education, ex officio; 4) the Commissioner of
29 Education, ex officio; and 5) two presidents of the State's public
30 and private research institutions of higher education, who shall be
31 appointed annually by the Governor and who shall serve as ex
32 officio, non-voting members.

33 In addition to the powers of the commission provided in statute,
34 the bill requires the commission to appoint an Innovation Council
35 from its membership, as the commission deems appropriate, which
36 is to determine how to stimulate technology transfer between public
37 and private research institutions of higher education and industry,
38 including the transfer of information available from various federal
39 agencies, and report, within one year of the effective date of the bill
40 and every three years thereafter, on how this State can better
41 achieve this effort. The bill adds to the commission’s duties the
42 identification and support for the 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.

ASSEMBLY SCIENCE, INNOVATION AND TECHNOLOGY
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3652

STATE OF NEW JERSEY

DATED: MARCH 12, 2018

The Assembly Science, Innovation and Technology Committee reports favorably Assembly Bill No. 3652.

As reported, this bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 12 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in the field of science, technology, or finance; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in the field of science, technology, or finance; 3) the Secretary of Higher Education, ex officio; 4) the Commissioner of Education, ex officio; and 5) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as ex officio, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry, including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission’s duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3652

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 17, 2018

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3652, with committee amendments.

As amended and reported, this bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 17 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in a field of science or technology, or in a business related to science and technology; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in a field of science or technology, or in a business related to science and technology; 3) two members of the Senate, who shall not be of the same political party, to be appointed by the President of the Senate and serve as ex officio, non-voting members, and two members of the General Assembly, who shall not be of the same political party, to be appointed by the Speaker of the General Assembly and serve as ex officio, non-voting members; 4) the Secretary of Higher Education, ex officio; 5) the Commissioner of Education, ex officio; 6) the Executive Director of the New Jersey Economic Development Authority (EDA), ex officio; and 7) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as ex officio, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry,

including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission's duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

COMMITTEE AMENDMENTS:

The committee amended the bill to increase the membership of the commission from 12 to 17 members by adding two members of the Senate, two members of the General Assembly, and the Executive Director of the EDA. The amendments remove the requirement of a background in a field of finance and add the requirement of a background in a business related to science and technology for a public member. The amendments also terminate the term of office of any former member of the commission on June 30, 2018 and make technical corrections.

FISCAL IMPACT:

The Office of Legislative Services concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support the New Jersey Commission on Science, Innovation, and Technology. In Fiscal Year 2010, the last year in which the New Jersey Commission and Technology was operational, the State provided \$409,000 for commission operations, including five State-funded positions. Actual operational expenditures totaled approximately \$402,000. The commission also received \$10.272 million in Fiscal Year 2010 for seven grant programs. Of that amount, \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3652

STATE OF NEW JERSEY

DATED: JUNE 14, 2018

The Senate Economic Growth Committee reports favorably Assembly Bill No. 3652 (1R).

As reported, this bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 17 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in a field of science or technology, or in a business related to science and technology; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in a field of science or technology, or in a business related to science and technology; 3) two members of the Senate, who shall not be of the same political party, to be appointed by the President of the Senate and serve as ex officio, non-voting members, and two members of the General Assembly, who shall not be of the same political party, to be appointed by the Speaker of the General Assembly and serve as ex officio, non-voting members; 4) the Secretary of Higher Education, ex officio; 5) the Commissioner of Education, ex officio; 6) the Executive Director of the New Jersey Economic Development Authority (EDA), ex officio; and 7) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as ex officio, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry,

including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission's duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

As reported, this bill is identical to Senate Bill No. 2329, which was amended and reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3652

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 3652 (1R).

This bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 17 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in a field of science or technology, or in a business related to science and technology; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in a field of science or technology, or in a business related to science and technology; 3) two members of the Senate, who shall not be of the same political party, to be appointed by the President of the Senate and serve as *ex officio*, non-voting members, and two members of the General Assembly, who shall not be of the same political party, to be appointed by the Speaker of the General Assembly and serve as *ex officio*, non-voting members; 4) the Secretary of Higher Education, *ex officio*; 5) the Commissioner of Education, *ex officio*; 6) the Executive Director of the New Jersey Economic Development Authority (EDA), *ex officio*; and 7) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as *ex officio*, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry, including the transfer of information available from various federal

agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission's duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

As reported, this bill is identical to Senate Bill No. 2329 (1R), as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support the New Jersey Commission on Science, Innovation, and Technology. In Fiscal Year 2010, the last year in which the New Jersey Commission and Technology was operational, the State provided \$409,000 for commission operations, including five State-funded positions. Actual operational expenditures totaled approximately \$402,000. The commission also received \$10.272 million in Fiscal Year 2010 for seven grant programs. Of that amount, \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3652

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JUNE 13, 2018

SUMMARY

- Synopsis:** Re-establishes former NJ Commission on Science and Technology as NJ Commission on Science, Innovation, and Technology.
- Type of Impact:** Indeterminate increase in State costs.
- Agencies Affected:** NJ Commission on Science, Innovation, and Technology

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		Indeterminate Increase	

- The Office of Legislative Services concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support the New Jersey Commission on Science, Innovation, and Technology.
- In Fiscal Year 2010, the last year in which the New Jersey Commission on Science and Technology was operational, the State provided \$409,000 for commission operations, including five State-funded positions. Actual operational expenditures totaled approximately \$402,000.
- The commission also received \$10.272 million in Fiscal Year 2010 for seven grant programs. Of that amount \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

BILL DESCRIPTION

The bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation, and Technology.” The bill updates the law creating the former commission,

establishes the commission in, but not of, the Department of the Treasury, and provides for new membership. The commission will have 17 members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions and industry, including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill also broadens the commission's responsibilities to include the identification and support of future fields of science, innovation, and technology in New Jersey that offer for potential for application, or commercialization or both.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support commission operations. In Fiscal Year 2010, the State provided approximately \$409,000 for commission operations and five State-funded positions; expenditures totaled approximately \$402,000. The commission also received \$10.272 million in Fiscal Year 2010 (a \$10 million Grants-in-Aid appropriation and \$272,000 in Fiscal Year 2009 carry forward funds) for seven grant programs. Of that amount \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

The Fiscal Year 2010 grant funding was distributed among the following programs: a) \$3.5 million for the Edison Innovation Research and Development Fund, which provided funding to New Jersey technology companies partnering with a New Jersey research university, company, or institution for research and development activities required for the commercialization of an identified technology; b) \$2.0 million to stem cell research to encourage the development of stem cell-based treatment options for patients; c) \$1.5 million for the New Jersey Business Incubator Network, which provides a professional business environment, administrative support, and networking opportunities for entrepreneurs through 13 centers located throughout the State; d) \$1.45 million for New Jersey Technology Fellowships, which provided salary funding for recent doctoral graduates of New Jersey universities to work in small New Jersey technology companies; e) \$800,000 for New Jersey Entrepreneur Fellowships, which provided salary funding for recent MBA graduates to work in small New Jersey technology companies; f) \$400,000 for the Small Business Innovative Research Bridge Grant Program, which provided grants to companies awaiting federal moneys to help bridge a funding gap; g) \$250,000 for the Incubator Seed Fund, which awarded grants to emerging technology businesses located in business incubators to help them commercialize technologies; and h) \$100,000 to the Small Business Innovation Research Program, under which the commission offered training sessions to help entrepreneurs successfully submit Small Business Innovation Research and Small Business Technology Transfer proposals to federal agencies.

Section: Revenue, Finance, and Appropriations

Analyst: Scott A. Brodsky
Lead Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2329

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MARCH 22, 2018

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Senator ROBERT W. SINGER

District 30 (Monmouth and Ocean)

Co-Sponsored by:

Senator Singleton

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/22/2018)

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 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 **further 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.

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)

4

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

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

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

14 **【b.】** "Business incubation facilities" means the provision of
15 space and technical assistance to a targeted network of
16 developmental facilities, consisting of low-cost space, for short-
17 term occupancy, to new companies employing selected technologies
18 congruent with the strengths of the State's public and private
19 institutions of higher education.

20 **【c.】** "Commission" means the New Jersey Commission on
21 Science, Innovation and Technology established pursuant to section
22 3 of P.L.1985, c.102 (C.52:9X-3).

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

30 **【d.】** "Technology extension services" means programs to
31 accelerate the application and transfer of technological innovation
32 by the State's public and private institutions of higher education to
33 existing industry, specifically to work with the State's businesses to
34 adapt these innovations to the requirements of individual business
35 operations.

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

37

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

40 3. The New Jersey Commission on Science, Innovation and
41 Technology **【(hereinafter referred to as the "commission")】** is
42 created and established in the Executive Branch of the State
43 Government. For the purposes of complying with the provisions of
44 Article V, Section IV, paragraph 1 of the New Jersey Constitution,
45 the commission is allocated within the Department of **【Commerce**
46 **and Economic Development】** the Treasury, but notwithstanding this

1 allocation, the commission shall be independent of any supervision
2 or control by the department or by any board or officer thereof.

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

4

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

7 4. a. The commission shall consist of the following 12
8 members:

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

13 (2) two public members to be appointed by the Governor upon
14 the recommendation of the President of the Senate and two public
15 members to be appointed by the Governor upon the
16 recommendation of the Speaker of the General Assembly, **【of**
17 **whom no more than one of each group of two shall be of the same**
18 **political party; two members of the Senate who shall not be of the**
19 **same political party to be appointed by the President of the Senate;**
20 **two members of the General Assembly who shall not be of the same**
21 **political party to be appointed by the Speaker of the General**
22 **Assembly】** with each public member having a background in a field
23 of science, technology, or finance;

24 (3) the **【Chancellor】** Secretary of Higher Education, ex officio,
25 or **【his】** the secretary's duly authorized representative;

26 (4) the Commissioner of Education, ex officio, or **【his】** the
27 commissioner's duly authorized representative; **【the Commissioner**
28 **of Commerce and Economic Development, ex officio, or his duly**
29 **authorized representative; and a member of the Governor's staff,**
30 **designated by the Governor, ex officio, or his duly authorized**
31 **representative. In the selection of public members, a strong effort**
32 **shall be made to appoint women and minorities to the commission.**
33 **These 16 members shall have a right to vote on the various matters**
34 **considered by the commission. In addition, the commission shall**
35 **include】** and

36 (5) two presidents from the State's public and private research
37 institutions of higher education, who shall be appointed annually by
38 the Governor and who shall serve as **【nonvoting】** ex officio, non-
39 voting members.

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

45 (cf: P.L.1986, c.49, s.1)

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

3 5. a. The terms of the public members of the commission
4 appointed by the Governor shall be for five years or until their
5 successors are appointed, except that of the appointments first made
6 to the commission under **【this act】** P.L. , c. (C.) (pending
7 before the Legislature as this bill), two shall serve for three years or
8 until their successors are appointed, three shall serve for four years
9 or until their successors are appointed, and three shall serve for five
10 years or until their successors are appointed. **【Legislative members**
11 **shall serve for the terms of their office.】** Any vacancy shall be
12 filled in the same manner as the original appointment but only for
13 the balance of the unexpired term. The commission members shall
14 serve without compensation but shall be reimbursed for necessary
15 expenses incurred in the performance of their duties, within the
16 limits of funds appropriated or otherwise made available to the
17 commission for its purposes.

18 b. Each member appointed by the Governor may be removed
19 from office by the Governor, for cause, after a public hearing, and
20 may be suspended by the Governor pending the completion of the
21 hearing. Each member, before entering upon **【his】** the member's
22 duties, shall take and subscribe an oath to perform the duties of
23 **【his】** the office faithfully, impartially, and justly to the best of
24 **【his】** the member's ability. A record of these oaths shall be filed in
25 the office of the Secretary of State.

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

27

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

30 6. The Governor shall designate the **【chairman】** chair of the
31 commission from among the public members appointed by **【him】**
32 the Governor.

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

34

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

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

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

41

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

44 8. The executive director shall be responsible for the selection
45 of properly qualified staff members of the commission. Staff
46 members shall have strong backgrounds in science, innovation, and

1 technology as well as in economic development.

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

3

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

6 9. The commission shall:

7 a. Be responsible for the development and oversight of policies
8 and programs in science, innovation, and technology for New
9 Jersey;

10 b. Ensure that the programs in science, innovation, and
11 technology are adequately funded to achieve their stated goals;

12 c. Stimulate academic-industrial collaboration through such
13 mechanisms as advanced technology centers, innovation partnership
14 grants, business incubation facilities, and technology extension
15 services;

16 d. Plan and assist in the establishment of new advanced
17 technology centers, business incubation facilities, and technology
18 extension services and adopt rules and regulations regarding the
19 operation of these activities;

20 e. Coordinate activities of the advanced technology centers,
21 business incubation facilities, and technology extension services in
22 conjunction with designated public and private institutions of higher
23 education;

24 f. Recommend funding levels, determine eligible fields, and
25 supervise the process of making awards for innovation partnership
26 grants;

27 g. Continue to identify and to support research opportunities at
28 New Jersey academic institutions and other institutions that can
29 advance economic development and employment;

30 h. Encourage and coordinate activities to help entrepreneurs
31 and inventors;

32 i. **【Stimulate】** Appoint an Innovation Council from the
33 membership of the commission, as the commission deems
34 appropriate, which shall determine how to stimulate technology
35 transfer between public and private research institutions of higher
36 education 【institutions】 in this State and industry, including the
37 transfer of information available from various federal agencies, and
38 report, pursuant to subsection b. of section 10 of P.L.1985, c.102
39 (C.52:9X-10), on how this State can better achieve this effort;

40 j. Appoint a peer review committee, where warranted, for each
41 of the fields of technology, drawn from the academic, scientific,
42 and industrial communities to review all situations involving either
43 competitive applications for agency support or judgments on
44 complex scientific, innovation, or technological matters with the
45 stipulation that neither reviewers nor their affiliated institutions
46 shall be eligible as applicants;

47 k. Monitor changes in national and international economic
48 conditions which might justify a recommendation of a reorientation

- 1 of the State's science, innovation, and technology **【program】**
2 programs;
- 3 l. Identify and support future fields of science, innovation, and
4 technology in New Jersey that offer potential for application or
5 commercialization, or both, in New Jersey and help to find funding
6 sources;
- 7 m. Adopt rules and regulations pursuant to the "Administrative
8 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
9 the provisions of **【this act】** P.L.1985, c.102 (C.52:9X-1 et seq.),
10 consistent with the rules and regulations of the **【Commission on】**
11 Secretary of Higher Education;
- 12 n. Adopt, amend, and repeal bylaws for the regulation of its
13 affairs and the conduct of its business;
- 14 o. Adopt and have a seal and alter the same at its pleasure;
- 15 p. Have the authority to sue and be sued;
- 16 q. Have the authority to conduct meetings and public hearings
17 in connection with the purposes of **【this act】** P.L.1985, c.102
18 (C.52:9X-1 et seq.);
- 19 r. Have the authority to enter into contracts, public and private,
20 with a person upon those terms and conditions as the commission
21 determines to be reasonable and to effectuate the purposes of **【this**
22 **act】** P.L.1985, c.102 (C.52:9X-1 et seq.);
- 23 s. Employ consultants and specialists in science, innovation,
24 and technology and any other employees as may be required in the
25 judgment of the commission to effectuate the purposes of **【this act】**
26 P.L.1985, c.102 (C.52:9X-1 et seq.), and to fix and pay their
27 compensation from funds available therefor, all without regard to
28 the provisions of Title **【11】** 11A of the **【Revised】** New Jersey
29 Statutes;
- 30 t. Receive and disburse funds from non-State sources
31 including but not limited to federal funds;
- 32 u. Have the authority to receive a percentage of royalty
33 payments from any intangible property, as that term is defined in
34 section 5 of P.L.2002, c.40 (C.54:10A-4.4), awarded to any science,
35 innovation, and technology company that received assistance from
36 the commission and which assistance led to the awarding of the
37 intangible property, as appropriate, except that three-fourths of the
38 amount of any royalty payments received by the commission shall
39 be remitted to the State Treasurer for deposit in the General Fund
40 pursuant to an agreement with the State Treasurer; and
- 41 v. Have the 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】** P.L.1985, c.102 (C.52:9X-1 et seq.).
44 (cf: P.L.2005, c.272, s.1)
- 45
- 46 11. Section 10 of P.L.1985, c.102 (C.52:9X-10) is amended to
47 read as follows:

1 10. a. The commission shall **【annually】** report to the Governor
2 and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
3 Legislature on or before **【February 15】** one year after the effective
4 date of P.L. , c. (C.) (pending before the Legislature as this
5 bill) and annually thereafter. Each report shall set forth a complete
6 operating and financial statement covering the operations of the
7 commission and all advanced technology centers within its
8 jurisdiction. The financial records of the commission shall be
9 audited annually by the State Auditor.

10 b. Within one year of the enactment of P.L. , c. (C.)
11 (pending before the Legislature as this bill), and every third year
12 thereafter, the Innovation Council, appointed pursuant to subsection
13 i. of section 9 of P.L.1985, c.102 (C.52:9X-9), shall report to the
14 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
15 19.1), to the Legislature, on its recommendations on how this State
16 can better achieve technology transfer efforts between public and
17 private research institutions of higher education and industry,
18 including the transfer of information available from various federal
19 agencies.

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

21
22 12. Section 25 of P.L.1998, c.44 (C.52:27C-85) is amended to
23 read as follows:

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

35 b. Whenever, in any law, rule, regulation, order, contract,
36 document, judicial or administrative proceeding, or otherwise,
37 reference is made to the New Jersey Commission on Science and
38 Technology, the same shall mean and refer to the New Jersey
39 Commission on Science, Innovation and Technology in but not of
40 the Department of the Treasury.

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

43 d. The New Jersey Commission on Science, Innovation and
44 Technology may, subject to the commission's approval, develop and
45 promulgate such rules and regulations in accordance with the
46 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
47 seq.) as are necessary to implement the provisions of this act and to

1 effectuate the purposes of the New Jersey Commission on Science
2 and Technology as provided by law.

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

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

7

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

9

10

11

STATEMENT

12

13 This bill re-establishes the former New Jersey Commission on
14 Science and Technology, which became non-operational in 2010,
15 and renames it the “New Jersey Commission on Science, Innovation
16 and Technology” (commission). The bill updates the law creating
17 the former commission, establishes the commission in, but not of,
18 the Department of the Treasury, and provides for new membership.

19 Under the bill, the 12 members of the commission to be
20 appointed are as follows: 1) four public members appointed by the
21 Governor, with each of these members having a background in the
22 field of science, technology, or finance; 2) two public members to
23 be appointed by the Governor upon the recommendation of the
24 President of the Senate and two public members to be appointed by
25 the Governor upon the recommendation of the Speaker of the
26 General Assembly, with each of these four members having a
27 background in the field of science, technology, or finance; 3) the
28 Secretary of Higher Education, ex officio; 4) the Commissioner of
29 Education, ex officio; and 5) two presidents of the State's public
30 and private research institutions of higher education, who shall be
31 appointed annually by the Governor and who shall serve as ex
32 officio, non-voting members.

33 In addition to the powers of the commission provided in statute,
34 the bill requires the commission to appoint an Innovation Council
35 from its membership, as the commission deems appropriate, which
36 is to determine how to stimulate technology transfer between public
37 and private research institutions of higher education and industry,
38 including the transfer of information available from various federal
39 agencies, and report, within one year of the effective date of the bill
40 and every three years thereafter, on how this State can better
41 achieve this effort. The bill adds to the commission’s duties the
42 identification and support for the 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.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 2329

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2018

The Senate Economic Growth Committee reports favorably Senate Bill No. 2329, with committee amendments.

As amended and reported, this bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 17 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in a field of science or technology, or in a business related to science and technology; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in a field of science or technology, or in a business related to science and technology; 3) two members of the Senate, who shall not be of the same political party, to be appointed by the President of the Senate and serve as *ex officio*, non-voting members, and two members of the General Assembly, who shall not be of the same political party, to be appointed by the Speaker of the General Assembly and serve as *ex officio*, non-voting members; 4) the Secretary of Higher Education, *ex officio*; 5) the Commissioner of Education, *ex officio*; 6) the Executive Director of the New Jersey Economic Development Authority (EDA), *ex officio*; and 7) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as *ex officio*, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry,

including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission's duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

The committee amended the bill to increase the membership of the commission from 12 to 17 members, adding two members of the Senate, two members of the General Assembly, and the Executive Director of the EDA. The amendments remove the requirement of a background in a field of finance and add the requirement of a background in a business related to science and technology for a public member. The amendments also terminate the term of office of any former member of the commission on June 30, 2018 and make technical corrections.

As amended and reported, this bill is identical to Assembly Bill No. 3652 (1R), which was reported by the committee on this date.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2329

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2329 (1R).

This bill re-establishes the former New Jersey Commission on Science and Technology, which became non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation and Technology” (commission). The bill updates the law creating the former commission, establishes the commission in, but not of, the Department of the Treasury, and provides for new membership.

Under the bill, the 17 members of the commission to be appointed are as follows: 1) four public members appointed by the Governor, with each of these members having a background in a field of science or technology, or in a business related to science and technology; 2) two public members to be appointed by the Governor upon the recommendation of the President of the Senate and two public members to be appointed by the Governor upon the recommendation of the Speaker of the General Assembly, with each of these four members having a background in a field of science or technology, or in a business related to science and technology; 3) two members of the Senate, who shall not be of the same political party, to be appointed by the President of the Senate and serve as *ex officio*, non-voting members, and two members of the General Assembly, who shall not be of the same political party, to be appointed by the Speaker of the General Assembly and serve as *ex officio*, non-voting members; 4) the Secretary of Higher Education, *ex officio*; 5) the Commissioner of Education, *ex officio*; 6) the Executive Director of the New Jersey Economic Development Authority (EDA), *ex officio*; and 7) two members who serve as the presidents of a public or private research institution of higher education in this State, who shall be appointed annually by the Governor and serve as *ex officio*, non-voting members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry, including the transfer of information available from various federal

agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill adds to the commission's duties the identification and support for the fields of science, innovation, and technology that offer potential for application or commercialization, or both, in New Jersey and helping to find funding sources.

As reported, this bill is identical to Assembly Bill No. 3652 (1R), as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support the New Jersey Commission on Science, Innovation, and Technology. In Fiscal Year 2010, the last year in which the New Jersey Commission and Technology was operational, the State provided \$409,000 for commission operations, including five State-funded positions. Actual operational expenditures totaled approximately \$402,000. The commission also received \$10.272 million in Fiscal Year 2010 for seven grant programs. Of that amount, \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2329

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JUNE 26, 2018

SUMMARY

- Synopsis:** Re-establishes former NJ Commission on Science and Technology as NJ Commission on Science, Innovation, and Technology.
- Type of Impact:** Indeterminate increase in State costs.
- Agencies Affected:** NJ Commission on Science, Innovation and Technology.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		Indeterminate Increase	

- The Office of Legislative Services concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support the New Jersey Commission on Science, Innovation, and Technology.
- In Fiscal Year 2010, the last year in which the New Jersey Commission of Science and Technology was operational, the State provided \$409,000 for commission operations. Including five State-funded positions. Actual operational expenditures totaled approximately 402,000.
- The commission also received \$10.272 million in Fiscal Year 2010 for seven grant programs. Of that amount, \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

BILL DESCRIPTION

The bill re-establishes the former New Jersey Commission on Science and Technology, which become non-operational in 2010, and renames it the “New Jersey Commission on Science, Innovation, and Technology.” The bill updates the law creating the former commission,

establishes the commission in, but not of, the Department of the Treasury, and provides for new membership. The commission will have 17 members.

In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership, as the commission deems appropriate, which is to determine how to stimulate technology transfer between public and private research institutions and industry, including the transfer of information available from various federal agencies, and report, within one year of the effective date of the bill and every three years thereafter, on how this State can better achieve this effort. The bill also broadens the commission's responsibilities to include the identification and support of future fields of science, innovation, and technology in New Jersey that offer potential for application, commercialization, or both.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that enactment of the bill will result in an indeterminate increase in State costs. The bill does not appropriate State funds to support commission operations. In Fiscal Year 2010, the State provided approximately \$409,000 for commission operations and five-State funded positions; expenditures totaled approximately \$402,000. The commission also received \$10.272 million in Fiscal Year 2010 (at \$10 million Grants-in-Aid appropriation and \$272,000 in carry forward funds) for seven grant programs. Of that amount \$6.683 million was expended and \$3.589 million lapsed to the General Fund at the end of the fiscal year.

The Fiscal Year 2010 grant funding was distributed among the following programs: a) \$3.5 million for the Edison Innovation Research and Development Fund, which provided funding to New Jersey technology companies partnering with a New Jersey research university, company, or institution for research and development activities required for the commercialization of an identified technology; b) \$2.0 million to stem cell research to encourage the development of stem cell-based treatment options for patients; c) \$1.5 million for the New Jersey Business Incubator Network, which provides a professional business environment, administrative support, and networking opportunities for entrepreneurs through 13 centers located throughout the State; d) \$1.45 million for New Jersey Technology Fellowships, which provided salary funding for recent doctoral graduates of New Jersey universities to work in small New Jersey technology companies; e) \$800,000 for New Jersey Entrepreneur Fellowships, which provided salary funding for recent MBA graduates to work in small New Jersey technology companies; f) \$400,000 for the Small Business Innovative Research Bridge Grant Program, which provided grants to companies awaiting federal moneys to help bridge a funding gap; g) \$250,000 for the Incubator Seed Fund, which awarded grants to emerging technology businesses located in business incubators to help them commercialize technologies; and h) \$100,000 to the Small Business Innovation Research Program, under which the commission offered training sessions to help entrepreneurs successfully submit Small Business Innovation Research and Small Business Technology Transfer proposals to federal agencies.

Section: Revenue, Finance, and Appropriations

*Analyst: Scott A. Brodsky
Lead Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).



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Newark, N.J.

Governor Phil Murphy Signs Legislation Re-Establishing Commission on Science, Innovation and Technology

08/15/2018

“Research with NJ” Database Showcasing New Jersey’s Scientific and Technological Expertise Also Launched

NORTH BRUNSWICK – Continuing his commitment to strengthen the Garden State’s innovation economy and better connect industry and academia, Governor Phil Murphy today signed Assembly Bill 3652, re-establishing the former New Jersey Commission on Science and Technology as the New Jersey Commission on Science, Innovation and Technology. The Governor signed the legislation at the Biotechnology Development Center (BDC) in North Brunswick and also unveiled the comprehensive scientific database Research with NJ.

“For eight years, New Jersey’s reputation as a hub for technology and innovation languished,” **said Governor Phil Murphy**. “Today, I’m pleased to sign legislation that re-establishes the New Jersey Commission on Science, Innovation and Technology to spur long-term planning, research and entrepreneurship in the Garden State. When coupled with the Research with NJ database, we now have two new tools to help jumpstart the state’s innovation economy.”

The former New Jersey Commission on Science and Technology was originally created in 1985 and became non-operational in 2010. The newly revitalized Commission will be established in, but not of, the Department of the Treasury.

Assembly Bill 3652 requires the Commission to appoint an Innovation Council from its membership. The Council will be charged with determining how to stimulate technology transfer between public and private research institutions of higher education and industry, including the transfer of information available from federal agencies.

“Now more than ever we need to support and promote science and technology in New Jersey with an emphasis on ‘innovation,’” **said Senator Paul Sarlo**, the chairman of the Senate Budget and Appropriations Committee. “We have great research universities, a strong high-tech sector, and businesses that can effectively capitalize on innovative research and development. A commission devoted to this effort will help to facilitate the work and bring new ideas to market. We want to be on the cutting edge with new technologies that offer new opportunities.”

“Reinstating the NJ Commission on Science and Technology and adding ‘Innovation’ to its name both emphasizes the rich history and the importance to NJ of innovation as an economic driver. It also provides a focal point for the work we have already begun this year of spurring the creation of high-quality 21st century jobs for all New Jerseyans,” **said Assemblyman Andrew Zwicker**, who is the chair of the Assembly Science, Innovation and Technology Committee. “The past work of the Commission accounted for economic growth, job creation and aid in the positioning of New Jersey as a global leader and I expect great things from this body of science and technology experts as we move forward.”

The Commission will be comprised of 17 members including the Secretary of Higher Education; the Commissioner of Education; and the CEO of the New Jersey Economic Development Authority (EDA).

Sponsors of the legislation include Assemblyman Andrew Zwicker, Speaker Craig Coughlin, Assemblyman Christopher DePhillips, former Assemblyman Tim Eustace, as well as Senator Paul Sarlo and Senator Robert Singer.

Governor Murphy was also joined by university leadership and officials from New Jersey's Office of the Secretary of Higher Education (OSHE) and the EDA to showcase the newly created Research with NJ database, which will provide access to the State's cutting-edge research assets, with the goal of strengthening collaboration between academia and industry.

Research with NJ is a free portal that showcases New Jersey's experts in science, technology, engineering and mathematics (STEM), including their professional backgrounds, publications, and achievements. The portal is structured and branded in such a way to encourage collaboration between entrepreneurs, businesses, and New Jersey's academic research institutions. The portal can be accessed at www.ResearchwithNJ.com.

"*The Research with NJ* initiative supports Governor Murphy's vision for a vibrant innovation economy by facilitating collaboration between the State's vast technology and life sciences sectors and the thousands of university researchers continuously advancing new discoveries," said **EDA CEO Tim Sullivan**. "Research with NJ serves as an economic development tool, as it provides a window into labs at our universities, allowing them to serve as a resource to industry, and creating opportunities for both companies and academics."

Research with NJ currently includes nearly 3,500 faculty profiles from five public and private universities — New Jersey Institute of Technology, Princeton University, Rowan University, Rutgers—the State University of New Jersey, and Stevens Institute of Technology. In addition, data from Montclair State University, which was designated as a research university in 2016, will now be integrated into the *Research with NJ* database.

"Collaboration between businesses and academic institutions will help to drive New Jersey's innovation economy by creating opportunities for our institutions of higher education to engage with industry partners on national and global levels," said **Secretary of Higher Education Dr. Zakiya Smith Ellis**. "Each university integrated into the database adds visibility into its own unique body of research and the potential for more industry opportunities. We are glad to be working with all of the state's research universities on this exciting endeavor, and we welcome Montclair State University and its researchers into the collaborative *Research with NJ* community."

This robust body of information allows New Jersey's entrepreneurs and commercial enterprises to readily find a university's research, experts, and facilities to help them build innovative new businesses and products based on the latest scientific and technological breakthroughs.

Research with NJ was developed under the leadership of an Advisory Board consisting of the participating research universities and industry representatives from the [New Jersey Business & Industry Association](#), [Choose New Jersey](#), [BioNJ](#), [the HealthCare Institute of New Jersey](#), [the R&D Council of New Jersey](#), and the [New Jersey Tech Council](#). The Advisory Board will provide oversight and recommendations to ensure the portal's sustainability and success.

What Universities and Industry Groups are saying about Research with NJ: <https://www.njeda.com/Press-Room/News-Articles/Press-Releases/New-Jersey-Launches-Research-Portal-to-Drive-Indus>

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