

CHAPTER 91

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

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

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

Title amended.

AN ACT creating a New Jersey Commission on Science, Innovation and Technology in the Department of the Treasury and supplementing Title 52 of the Revised Statutes.

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

C.52:9X-1 Findings, declarations, determinations.

1. a. The Legislature finds and declares that:

- (1) during its existence, the New Jersey Commission on Science and Technology encouraged the development of scientific and technological programs, stimulated academic-industrial cooperation, and coordinated activities of technological centers and business facilities;

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

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

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

- b. The Legislature therefore determines that it is necessary and desirable to:

- (1) re-establish the commission as a qualified body to exercise oversight for the responsibility of implementing, evaluating, and formulating long-range plans and programs for science, innovation, and technology in New Jersey; and

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

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

C.52:9X-2 Definitions.

2. For purposes of P.L.1985, c.102 (C.52:9X-1 et seq.):

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

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

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

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

"Technology extension services" means programs to accelerate the application and transfer of technological innovation by the State's public and private institutions of higher education to existing industry, specifically to work with the State's businesses to adapt these innovations to the requirements of individual business operations.

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

C.52:9X-3 Commission on Science, Innovation and Technology.

3. The New Jersey Commission on Science, Innovation and Technology is created and established in the Executive Branch of the State Government. For the purposes of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the commission is allocated within the Department of the Treasury, but notwithstanding this allocation, the commission shall be independent of any supervision or control by the department or by any board or officer thereof.

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

C.52:9X-4 Membership.

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

(1) four public members to be appointed by the Governor, with each public member 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 public member 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 who shall 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 who shall as serve ex officio, non-voting members;

(4) the Secretary of Higher Education, ex officio, or the secretary's duly authorized representative;

(5) the Commissioner of Education, ex officio, or the commissioner's duly authorized representative;

(6) the Executive Director of the New Jersey Economic Development Authority, ex officio, or the executive director's duly authorized representative; and

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

b. In the selection of public members, a strong effort shall be made to appoint women and minorities to the commission. The commission members who are not members of the

Senate or the General Assembly and who are not presidents from the State's public and private research institutions of higher education shall have a right to vote on the various matters considered by the commission.

c. The terms of office of any member of the commission that served prior to the effective date of P.L.2018, c.91 shall expire on June 30, 2018.

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

C.52:9X-5 Terms; removal, suspension.

5. a. The terms of the public members of the commission appointed by the Governor shall be for five years or until their successors are appointed, except that of the appointments first made to the commission under P.L.2018, c.91, two shall serve for three years or until their successors are appointed, three shall serve for four years or until their successors are appointed, and three shall serve for five years or until their successors are appointed. Any vacancy shall be filled in the same manner as the original appointment but only for the balance of the unexpired term. The commission members shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties, within the limits of funds appropriated or otherwise made available to the commission for its purposes.

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

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

C.52:9X-6 Chair.

6. The Governor shall designate the chair of the commission from among the public members appointed by the Governor.

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

C.52:9X-7 Executive director.

7. The commission shall appoint an executive director, who shall serve at the pleasure of the commission and who shall receive compensation as provided by law.

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

C.52:9X-8 Staff.

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

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

C.52:9X-9 Duties of commission.

9. The commission shall:
 - a. Be responsible for the development and oversight of policies and programs in science, innovation, and technology for New Jersey;
 - b. Ensure that the programs in science, innovation, and technology are adequately funded to achieve their stated goals;
 - c. Stimulate academic-industrial collaboration through such mechanisms as advanced technology centers, innovation partnership grants, business incubation facilities, and technology extension services;
 - d. Plan and assist in the establishment of new advanced technology centers, business incubation facilities, and technology extension services and adopt rules and regulations regarding the operation of these activities;
 - e. Coordinate activities of the advanced technology centers, business incubation facilities, and technology extension services in conjunction with designated public and private institutions of higher education;
 - f. Recommend funding levels, determine eligible fields, and supervise the process of making awards for innovation partnership grants;
 - g. Continue to identify and to support research opportunities at New Jersey academic institutions and other institutions that can advance economic development and employment;
 - h. Encourage and coordinate activities to help entrepreneurs and inventors;
 - i. Appoint an Innovation Council from the membership of the commission, as the commission deems appropriate, which shall determine how to stimulate technology transfer between public and private research institutions of higher education in this State and industry, including the transfer of information available from various federal agencies, and report, pursuant to subsection b. of section 10 of P.L.1985, c.102 (C.52:9X-10), on how this State can better achieve this effort;
 - j. Appoint a peer review committee, where warranted, for each of the fields of technology, drawn from the academic, scientific, and industrial communities to review all situations involving either competitive applications for agency support or judgments on complex scientific, innovation, or technological matters with the stipulation that neither reviewers nor their affiliated institutions shall be eligible as applicants;
 - k. Monitor changes in national and international economic conditions which might justify a recommendation of a reorientation of the State's science, innovation, and technology programs;
 - l. Identify and support future fields of science, innovation, and technology in New Jersey that offer potential for application or commercialization, or both, in New Jersey and help to find funding sources;
 - m. Adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the provisions of P.L.1985, c.102 (C.52:9X-1 et seq.), consistent with the rules and regulations of the Secretary of Higher Education;
 - n. Adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business;
 - o. Adopt and have a seal and alter the same at its pleasure;
 - p. Have the authority to sue and be sued;
 - q. Have the authority to conduct meetings and public hearings in connection with the purposes of P.L.1985, c.102 (C.52:9X-1 et seq.);

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

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

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

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

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

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

C.52:9X-10 Annual reports, Innovation Council report.

10. a. The commission shall report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature on or before one year after the effective date of P.L.2018, c.91 and annually thereafter. Each report shall set forth a complete operating and financial statement covering the operations of the commission and all advanced technology centers within its jurisdiction. The financial records of the commission shall be audited annually by the State Auditor.

b. Within one year of the enactment of P.L.2018, c.91, and every third year thereafter, the Innovation Council, appointed pursuant to subsection i. of section 9 of P.L.1985, c.102 (C.52:9X-9), shall report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, on its recommendations on how this State can better achieve technology transfer efforts between public and private research institutions of higher education and industry, including the transfer of information available from various federal agencies.

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

C.52:27C-85 Status of New Jersey Commission on Science, Innovation and Technology.

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

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

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

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

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

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

Approved August 15, 2018.