

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 396

By: Bergstrom

AS INTRODUCED

An Act relating to applied research funds; amending 74 O.S. 2021, Section 5060.19, which relates to uses of monies from the Research Support Revolving Fund; requiring certain binding commitment before approval of certain research proposals; specifying required information included in the commitment; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2021, Section 5060.19, is amended to read as follows:

Section 5060.19. A. The Center may use monies from the Research Support Revolving Fund to carry out the purposes of this act by awarding competitive applied research funds, through professional service contracts or otherwise, to institutions of higher education, nonprofit research foundations and private enterprises of special importance to the Oklahoma economy. The Center may use the fund to provide funding for the programs and purposes specified in subsection ~~D~~ E of this section.

1 B. The board shall award funding or professional service
2 contracts only after:

3 1. Developing, adopting, and publishing the criteria it shall
4 use when evaluating research proposals; and

5 2. Reviewing applied research proposals which present:

6 a. documentation, if the proposal is from an institution
7 of higher education or nonprofit research
8 institutions, that not less than fifty percent (50%)
9 of the total direct cost of the proposed project will
10 be provided by sources other than the Center and other
11 than state-appropriated money; machinery or equipment
12 may be considered as part of the matching funds for
13 the research, but must be accompanied by a statement:

14 (1) that the institution of higher education or
15 nonprofit research institution has received the
16 machinery or equipment and that it is appropriate
17 and useful to the program under review, and
18 either

19 (2) verifying that the equipment or machinery is
20 donated and has only been used in testing to
21 ensure quality control, or used by a wholesaler
22 or retailer for demonstration purposes only and
23 verifying the fair market value of the machinery
24 or equipment on the date of the gift, or

(3) detailing the price paid by the institution of higher education or nonprofit research institution, with an invoice showing the amount paid for the machinery or equipment~~+~~L

b. documentation, if the proposal is from a private enterprise, that not less than fifty percent (50%) of the total direct cost of the proposed project will be provided by sources other than the Center and other than state-appropriated money. No portion of the fifty percent (50%) may be provided by in-kind services performed by the enterprise~~+~~L

c. a description of the potential commercial application of and the industrial sectors that will likely benefit from the applied research project and the potential to enhance employment opportunities in Oklahoma~~+~~L

d. an itemized research budget, time line and research methodology~~+~~L

e. a recommendation from the sponsoring institution of higher education, nonprofit research institution or business enterprise~~+~~L and

f. other information that may be required by the board.

C. The board may approve ~~such~~ the applied research proposals after the board finds, based upon the proposal submitted, external

1 peer review and such additional investigation as the staff of the
2 Center shall make and incorporate in its minutes, that:

3 1. The proposed project is research that leads to innovation,
4 new knowledge or technology and is not training or technical
5 assistance for business firms;

6 2. The project has a reasonable probability to enhance
7 employment opportunities within Oklahoma; and

8 3. The project is technically sound and will produce a
9 measurable result.

10 D. Before approving an applied research proposal, the Board
11 shall obtain a binding commitment from any nonprofit research
12 foundation or private enterprise that would receive funds pursuant
13 to an approval to provide information on an annual basis for the
14 duration of funding and the following year, which shall include but
15 not be limited to the following:

16 1. Employment levels for the year preceding the award and each
17 subsequent year;

18 2. Any additional funds raised as a direct result of the award;

19 3. Payroll data resulting from the research;

20 4. Gross sales or revenue as a direct result of the research;

21 and

22 5. Relevant industry sector information, as determined by the
23 Board.

1 E. The Center is directed to develop a small business
2 innovation research (SBIR) matching support program which meets the
3 highest current standards for state matching support to federal SBIR
4 program grants. The Center shall also develop and implement a
5 program to financially support the preparation of SBIR grant
6 proposals by Oklahoma entities. The Center may also develop and
7 implement programs to encourage Oklahoma firms to participate in
8 other federal research and development programs including, but not
9 limited to, the Small Business Technology Transfer (SBTT) program.

10 ~~E.~~ F. Any commercialized research that results from Center
11 funding of applied research shall be subject to negotiations and
12 policies pursuant to the provisions of this act.

13 SECTION 2. This act shall become effective November 1, 2023.

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