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HOUSE BILL NO. 3171

Offered January 19, 2007

A BILL to amend the Code of Virginia by adding a section numbered 2.2-2240.1, relating to grants paid to the Virginia Economic Development Partnership Authority for use by public benefit research institutes and the creation of a nonprofit, nonstock corporation to administer the payment of such grants.

Patrons—Landes, Callahan, Lohr and Saxman; Senators: Hanger and Obenshain

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 2.2-2240.1 as follows:**

§ 2.2-2240.1. Grants paid to the Authority to promote research, development, and commercialization of products.

A. The General Assembly may appropriate grants to the Authority for use by a nonprofit, public benefit research institute that (i) conducts research and development for government agencies, commercial businesses, foundations, and other organizations and (ii) commercializes technology.

B. The Authority is hereby authorized to create a nonprofit, nonstock corporation to receive such grants and to oversee the administration of the payment of the grants. As a condition to the payment of any grants to the Authority under this section, the General Assembly may require that such nonprofit, nonstock corporation be created.

C. Notwithstanding the provisions of § 2.2-2240, the Board of Directors of the nonprofit, nonstock corporation shall consist of seven voting members as follows: (i) the president of the University of Virginia, or his designee, (ii) the president of Virginia Commonwealth University, or his designee, (iii) the president of Virginia Polytechnic Institute and State University, or his designee, (iv) the president of James Madison University, or his designee, (v) the president (or the designee of such president) of Christopher Newport University, the University of Mary Washington, Radford University, Virginia State University, Norfolk State University, or Longwood University, as appointed by the Governor, with appointments to this position rotated equally among such universities, and (vi) two citizen members who shall have substantial experience in research and development in the fields of pharmaceuticals, engineering, energy, and similar sciences, appointed by the Governor. Citizen members appointed by the Governor shall serve for four-year terms, but no citizen member shall serve for more than two full successive terms. The presidents of the University of Virginia, Virginia Commonwealth University, and Virginia Polytechnic Institute and State University shall serve ex officio. A vacancy for a citizen member shall be filled by the Governor for the unexpired term.

D. The Board is authorized to make grant payments only to those nonprofit, public benefit research institutes described in subsection A that have entered into a Memorandum of Agreement (MOA) with the Board. The MOA shall, at a minimum, (i) require the research institution to perform research, development, and commercialization activities that improve society and facilitate economic growth; (ii) require research to be conducted collaboratively with Virginia public and private institutions and that such collaborative research benefit the capabilities, facilities, and staff of all organizations involved; (iii) require the Board to work with the research institute to develop protocols for the commercialization efforts of the institute, including protocols addressing intellectual property rights; (iv) require the Board develop key milestones for the research institute, which shall include but not be limited to milestones relating to job creation, research institute reinvestment goals, research proposals submissions, and royalties, and to annually evaluate the Commonwealth's investment in the research institute by reporting on the institute's progress in meeting such milestones; and (v) establish relationships and expectations between the research institutes and Virginia colleges and universities, including opportunities for principal investigators to serve as adjunct faculty and the creation of internships for students and postdoctoral appointees.

E. The maximum amount of grants awarded by the Board shall not exceed a total of \$22 million through June 30, 2013.

F. The Board of any nonprofit, nonstock corporation created under this section shall be established in the executive branch of state government. The records, meetings, and activities of the corporation, its Board members, and employees that are deemed confidential or proprietary shall be exempt from disclosure under the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

INTRODUCED

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