

that, to the maximum extent he determines to be practicable, the amount of the funds provided by the Federal Government under a partnership does not exceed the total amount provided by non-Federal Government participants in that partnership.”

Subsec. (e). Pub. L. 103-160, §1317(c), struck out “, except that procedures other than competitive procedures may be used in any case in which an exception set out in section 2304(c) of this title applies” after “partnerships”.

DUAL-USE SCIENCE AND TECHNOLOGY PROGRAM

Pub. L. 105-85, div. A, title II, §203, Nov. 18, 1997, 111 Stat. 1655, as amended by Pub. L. 106-65, div. A, title IX, §911(a)(1), Oct. 5, 1999, 113 Stat. 717; Pub. L. 115-232, div. A, title VIII, §811(h), Aug. 13, 2018, 132 Stat. 1846, provided that:

“(a) FUNDING 1998.—Of the amounts authorized to be appropriated by section 201 [111 Stat. 1655], \$75,000,000 is authorized for dual-use projects.

“(b) GOALS.—(1) Subject to paragraph (3), it shall be the objective of the Secretary of each military department to obligate for dual-use projects in each fiscal year referred to in paragraph (2), out of the total amount authorized to be appropriated for such fiscal year for the applied research programs of the military department, the percent of such amount that is specified for that fiscal year in paragraph (2).

“(2) The objectives for fiscal years under paragraph (1) are as follows:

“(A) For fiscal year 1998, 5 percent.

“(B) For fiscal year 1999, 7 percent.

“(C) For fiscal year 2000, 10 percent.

“(D) For fiscal year 2001, 15 percent.

“(3) The Secretary of Defense may establish for a military department for a fiscal year an objective different from the objective set forth in paragraph (2) if the Secretary—

“(A) determines that compelling national security considerations require the establishment of the different objective; and

“(B) notifies Congress of the determination and the reasons for the determination.

“(c) Repealed. Pub. L. 115-232, div. A, title VIII, §811(h), Aug. 13, 2018, 132 Stat. 1846.]

“(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—The total amount of funds provided by a military department for a dual-use project entered into by the Secretary of that department shall not exceed 50 percent of the total cost of the project. In the case of a dual-use project initiated after the date of the enactment of this Act [Nov. 18, 1997], the Secretary may consider in-kind contributions by non-Federal participants only to the extent such contributions constitute 50 percent or less of the share of the project costs by such participants.

“(e) USE OF COMPETITIVE PROCEDURES.—Funds obligated for a dual-use project may be counted toward meeting an objective under subsection (a) only if the funds are obligated for a contract, grant, cooperative agreement, or other transaction that was entered into through the use of competitive procedures.

“(f) REPORT.—(1) Not later than March 1 of each of 1998, 1999, and 2000, the Secretary of Defense shall submit a report to the congressional defense committees [Committees on Armed Services and Appropriations of Senate and House of Representatives] on the progress made by the Department of Defense in meeting the objectives set forth in subsection (b) during the preceding fiscal year.

“(2) The report for a fiscal year shall contain, at a minimum, the following:

“(A) The aggregate value of all contracts, grants, cooperative agreements, or other transactions entered into during the fiscal year for which funding is counted toward meeting an objective under this section, expressed in relationship to the total amount appropriated for the applied research programs in the Department of Defense for that fiscal year.

“(B) For each military department, the value of all contracts, grants, cooperative agreements, or other

transactions entered into during the fiscal year for which funding is counted toward meeting an objective under this section, expressed in relationship to the total amount appropriated for the applied research program of the military department for that fiscal year.

“(C) A summary of the cost-sharing arrangements in dual-use projects that were initiated during the fiscal year and are counted toward reaching an objective under this section.

“(D) A description of the regulations, directives, or other procedures that have been issued by the Secretary of Defense or the Secretary of a military department to increase the percentage of the total value of the dual-use projects undertaken to meet or exceed an objective under this section.

“(E) Any recommended legislation to facilitate achievement of objectives under this section.

“(g) COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE.—(1) The Secretary of Defense shall establish a Commercial Operations and Support Savings Initiative (in this subsection referred to as the ‘Initiative’) to develop commercial products and processes that the military departments can incorporate into operational military systems to reduce costs of operations and support.

“(2) Of the amounts authorized to be appropriated by section 201, \$50,000,000 is authorized for the Initiative.

“(3) Projects and participants in the Initiative shall be selected through the use of competitive procedures.

“(4) The budget submitted to Congress by the President for fiscal year 1999 and each fiscal year thereafter pursuant to section 1105(a) of title 31, United States Code, shall set forth separately the funding request for the Initiative.

“(h) REPEAL OF SUPERSEDED AUTHORITY.—[Repealed section 203 of Pub. L. 104-201, 110 Stat. 2451.]

“(i) DEFINITIONS.—In this section:

“(1) The term ‘applied research program’ means a program of a military department which is funded under the 6.2 Research, Development, Test and Evaluation account of that department.

“(2) The term ‘dual-use project’ means a project under a program of a military department or a defense agency under which research or development of a dual-use technology is carried out and the costs of which are shared by the Department of Defense and non-Government entities.”

APPLICATION OF 1993 AMENDMENTS TO EXISTING TECHNOLOGY REINVESTMENT PROJECTS

Pub. L. 103-160, div. A, title XIII, §1315(g), Nov. 30, 1993, 107 Stat. 1789, provided that in the case of projects funded under section 2511, 2512, 2513, 2523, or 2524 of this title with funds appropriated for a fiscal year beginning before Oct. 1, 1993, the amendments made by section 1315 of Pub. L. 103-160 would not alter the financial commitment requirements in effect on Nov. 30, 1993, for the non-Federal Government participants in the project.

§§ 2512, 2513. Repealed. Pub. L. 104-106, div. A, title X, § 1081(f), Feb. 10, 1996, 110 Stat. 454]

Section 2512, added Pub. L. 102-484, div. D, title XLII, § 4222(a), Oct. 23, 1992, 106 Stat. 2679; amended Pub. L. 103-160, div. A, title XIII, §1315(b), Nov. 30, 1993, 107 Stat. 1787; Pub. L. 103-337, div. A, title XI, §1115(b), Oct. 5, 1994, 108 Stat. 2868, related to commercial-military integration partnerships.

A prior section 2512, added Pub. L. 101-510, div. A, title VIII, §823(a)(3), Nov. 5, 1990, 104 Stat. 1600, related to responsibility of Secretary of Defense to provide management and planning, prior to repeal by Pub. L. 102-484, § 4202(a).

Section 2513, added Pub. L. 102-190, div. A, title VIII, § 821(a), Dec. 5, 1991, 105 Stat. 1428, § 2524; renumbered § 2513 and amended Pub. L. 102-484, div. D, title XLII, § 4223(a)-(f), Oct. 23, 1992, 106 Stat. 2681; Pub. L. 103-35, title II, §201(d)(3), (e)(1), May 31, 1993, 107 Stat. 99; Pub.

L. 103-160, div. A, title XI, §1182(g)(2), title XIII, §§1315(c), 1316, Nov. 30, 1993, 107 Stat. 1774, 1787, 1789; Pub. L. 103-337, div. A, title XI, §1115(c), Oct. 5, 1994, 108 Stat. 2868, related to regional technology alliances assistance program.

A prior section 2513, added Pub. L. 101-510, div. A, title VIII, §823(a)(3), Nov. 5, 1990, 104 Stat. 1601; amended Pub. L. 102-190, div. A, title II, §203(c), Dec. 5, 1991, 105 Stat. 1314, required annual National Defense Manufacturing Technology Plan, prior to repeal by Pub. L. 102-484, §4202(a).

§ 2514. Encouragement of technology transfer

(a) ENCOURAGEMENT OF TRANSFER REQUIRED.—The Secretary of Defense shall encourage, to the extent consistent with national security objectives, the transfer of technology between laboratories and research centers of the Department of Defense and other Federal agencies, State and local governments, colleges and universities, and private persons in cases that are likely to result in accomplishing the objectives set forth in section 2501(a) of this title.

(b) EXAMINATION AND IMPLEMENTATION OF METHODS TO ENCOURAGE TRANSFER.—The Secretary shall examine and implement methods, in addition to the encouragement referred to in subsection (a) and the program described in subsection (c), that are consistent with national security objectives and will enable Department of Defense personnel to promote technology transfer.

(c) PROGRAM TO ENCOURAGE DIVERSIFICATION OF DEFENSE LABORATORIES.—(1) The Secretary of Defense shall establish and implement a program to be known as the Federal Defense Laboratory Diversification Program (hereinafter in this subsection referred to as the “Program”). The purpose of the Program shall be to encourage greater cooperation in research and production activities carried out by defense laboratories and by private industry of the United States in order to enhance and improve the products of such research and production activities.

(2) Under the Program, the defense laboratories, in coordination with the Office of Technology Transfer in the Office of the Secretary of Defense, shall carry out cooperative activities with private industry in order to promote (by the use or exchange of patents, licenses, cooperative research and development agreements and other cooperative agreements, and the use of symposia, meetings, and other similar mechanisms) the transfer of defense or dual-use technologies from the defense laboratories to private industry, and the development and application of such technologies by the defense laboratories and private industry, for the purpose of the commercial utilization of such technologies by private industry.

(3) The Secretary of Defense shall develop and annually update a plan for each defense laboratory that participates in the Program under which plan the laboratory shall carry out cooperative activities with private industry to promote the transfers described in subsection (b).

(4) In this subsection, the term “defense laboratory” means any laboratory owned or operated by the Department of Defense that carries out research in fiscal year 1993 in an amount in excess of \$50,000,000.

(Added Pub. L. 102-484, div. D, title XLII, §4224(a), Oct. 23, 1992, 106 Stat. 2682; amended Pub. L. 104-201, div. A, title VIII, §829(f), Sept. 23, 1996, 110 Stat. 2614.)

PRIOR PROVISIONS

A prior section 2514, added Pub. L. 101-510, div. A, title VIII, §823(a)(3), Nov. 5, 1990, 104 Stat. 1601, directed Secretary of Defense to enhance research relating to manufacturing technology, prior to repeal by Pub. L. 102-484, §4202(a).

Provisions similar to those in subsections (a) and (b) of this section were contained in section 2363 of this title prior to repeal by Pub. L. 102-484, §§4224(c), 4271(a)(2).

AMENDMENTS

1996—Subsec. (c)(5). Pub. L. 104-201 struck out par. (5) which read as follows: “The Secretary shall coordinate the Program with the National Defense Technology and Industrial Base Council.”

NATIONAL ACTION PLAN ON ADVANCED SUPERCONDUCTIVITY RESEARCH AND DEVELOPMENT

Superconductivity research and development activities by Secretary of Defense and by Defense Advanced Research Projects Agency, see section 5207 of Title 15, Commerce and Trade.

PILOT PROGRAM TO IMPROVE INCENTIVES FOR TECHNOLOGY TRANSFER FROM DEPARTMENT OF DEFENSE LABORATORIES

Pub. L. 115-91, div. A, title II, §233, Dec. 12, 2017, 131 Stat. 1339, provided that:

“(a) IN GENERAL.—The Secretary of Defense shall establish a pilot program to assess the feasibility and advisability of distributing royalties and other payments as described in this section. Under the pilot program, except as provided in subsections (b) and (d), any royalties or other payments received by a Federal agency from the licensing and assignment of inventions under agreements entered into by Department of Defense laboratories, and from the licensing of inventions of Department of Defense laboratories, shall be retained by the laboratory which produced the invention and shall be disposed of as follows:

“(1)(A) The laboratory director shall pay each year the first \$2,000, and thereafter at least 20 percent, of the royalties or other payments, other than payments of patent costs as delineated by a license or assignment agreement, to the inventor or coinventors, if the inventor’s or coinventor’s rights are directly assigned to the United States.

“(B) A laboratory director may provide appropriate incentives, from royalties or other payments, to laboratory employees who are not an inventor of such inventions but who substantially increased the technical value of the inventions.

“(C) The laboratory shall retain the royalties and other payments received from an invention until the laboratory makes payments to employees of a laboratory under subparagraph (A) or (B).

“(2) The balance of the royalties or other payments shall be transferred by the agency to its laboratories, with the majority share of the royalties or other payments from any invention going to the laboratory where the invention occurred. The royalties or other payments so transferred to any laboratory may be used or obligated by that laboratory during the fiscal year in which they are received or during the 2 succeeding fiscal years—

“(A) to reward scientific, engineering, and technical employees of the laboratory, including developers of sensitive or classified technology, regardless of whether the technology has commercial applications;

“(B) to further scientific exchange among the laboratories of the agency;

“(C) for education and training of employees consistent with the research and development missions