

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 22, 2015

H.R. 1158

Department of Energy Laboratory Modernization and Technology Transfer Act of 2015

As ordered reported by the House Committee on Science, Space, and Technology on March 4, 2015

H.R. 1158 would authorize the Department of Energy and the directors of its national laboratories to enter into agreements to increase collaboration with non-federal entities for research and technology exchange projects. The legislation would authorize the directors to continue to engage in Agreements for Commercializing Technology (ACT), a pilot program that allows private entities to partner with participating national laboratories for research and development. It also would authorize them to enter into certain agreements valued at less than \$1 million prior to approval by the Department of Energy. The bill would require the Secretary of Energy and Comptroller General to submit reports to the Congress respectively on nuclear energy innovation and the result of new partnerships created by the legislation.

Under current law, the agreements affected by the legislation require the directors of national laboratories to obtain insurance for any contract that creates a partnership with a third-party. In certain situations, directors may be reimbursed by the federal government for the cost of liabilities to third parties that are not covered by insurance. Implementing the legislation would likely increase the number of partnerships with national laboratories, thereby increasing DOE's potential reimbursement payments to lab directors.

In the past those reimbursements have been made with funds from the Department of Energy's existing appropriations, thus, CBO estimates that implementing the bill could increase discretionary spending. However, based on information about the size and probability of such payments in the past CBO estimates that any additional costs under the bill would be insignificant. Enacting H.R. 1158 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1158 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit public universities participating in federal technology commercialization programs.

The CBO staff contact for this estimate is Marin Burnett. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.