



January 2, 2019

Dr. Walter G. Copan

Under Secretary of Commerce for Standards and Technology  
and Director of NIST  
Gaithersburg, Maryland 20899

Dear Dr. Copan:

On behalf of the Maryland Life Sciences Advisory Board Federal Laboratory Commercialization Task Force, we would like to thank you and your team at NIST for producing the NIST 'Green Paper' *Return on Investment Initiative for Unleashing American Innovation*.

The Task Force previously submitted testimony and extensive comments to NIST, and we are pleased to see many of these comments reflected in the Green Paper, and we would like to take this opportunity to re-emphasize several points that are highlighted in the paper:

**Federal Researcher Entrepreneurial Workforce:**

Reforming conflict of interest rules are critically important for civil service researchers working in government owned and operated laboratories, such as NIH. Creating new conflict of interest rules for federal researchers, similar to those employed at research universities, is vital where conflicts are managed by disinterested parties supervising the research units, with frequent and transparent reporting and approval guidelines. Current federal conflict of interest statutes do not easily accommodate the role of a federal researcher working on an entrepreneurial project, which is allowed by other federal statutes. This may require federal statutory reform, as has been the experience for public research universities at the state level in the U.S

Additionally, to ensure that federal research jobs remain attractive to younger researchers, ensuring these entrepreneurially minded researchers have defined pathways to experiment with assignments or entrepreneurial leave is necessary. Use of Intergovernmental Personnel Act (IPA) assignments where a federal researcher might be appointed to a research university to work on a commercial project is one vehicle. The Department of Energy has an entrepreneurial leave policy for researchers at Sandia Labs where researchers are allowed up to three years leave time to work on entrepreneurial projects, with a guarantee that the position will be open during the time period.

**Federal Lab Private Sector Engagement:**

Given the number of government owned-government operated federal laboratories in the Greater Washington region, it is critical to ensure that additional flexibility be granted. These might include expanded Other Transactions

Authority (OTA) and expanded Enhanced Use Lease Authority (ELA) and other authorities that are currently limited to specific federal agencies, but might be given broader application across all agencies to unleash more innovation.

We are pleased that use of Congressionally chartered foundations are called out as one possible vehicle to provide needed regulatory flexibility, and our Task Force stands ready to provide assistance and advice.

**Flexibility in Use of Federal R and D Funds by Federal Recipients**

We continue to be interested in new approaches to recipients of federal funding such as ability of researchers to employ federal funds towards patent costs and other reforms, including removing restrictions on intellectual property negotiations where corporate funded research is performed in facilities funded with tax-exempt bonds at universities.

Thank you for the opportunity to provide further feedback. As mentioned earlier, the Task Force is ready to work on refinement of these policies and ideas with the NIST Team and other groups interested in this important topic.

Sincerely yours,

The Maryland Governor's Life Science Advisory Board

**Jay Perman, Chairman**

President, University of Maryland, Baltimore