IMPACT for Energy Act
*A bipartisan and bicameral bill establishing a foundation to drive private-public partnerships in the energy sector and commercialize 21st century energy technologies*

**Background**
Research and development is essential for driving innovation and accounts for nearly 7% of real GDP growth\(^1\). However, recent declines in research funding severely jeopardizes U.S. economic competitiveness. For example, from 2008 to 2013, venture capital funding in energy startups declined by 60% and resulted in a 68% decline in startups. Unlike other sectors, the energy sector has several unique challenges to innovation including requiring high capital needs, having long development times, overcoming incumbent technologies, and operating within a shifting regulatory environment.

Addressing these challenges will require partnerships with government, industry, startups, and funding organizations. A foundation would serve as the ideal framework to organize, connect, and lead such a diverse group of partners. Foundations at the National Institutes of Health, the Centers for Disease Control and Prevention, and the U.S. Department of Agriculture have all demonstrated that they can raise tens of millions of private sector dollars towards cutting-edge research and innovation. These foundations complement and enhance the agency’s mission and enable new functions and services.

Now is the time to set forth such a foundation in the interest of the DOE and energy sector research commercialization.

**The IMPACT for Energy Act**
This bill will establish a nonprofit foundation that will engage with the private sector to raise funds that support the creation, development, and commercialization of innovative technologies that address tomorrow’s energy challenges. Functions of the foundation will include—

- **Increasing access to private sector funding.** As a 501(c)(3), the Foundation will have the flexibility to engage with various private sector sources for funds and attract new non-traditional partners.
- **Accelerating commercialization.** The Foundation will facilitate public-private partnerships to commercialize research and technology as well as administer prize competitions that engage the private sector to invest in commercial solutions to big problems.
- **Convening thought-leaders.** The Foundation will organize events, briefings, and symposia to create a neutral space for partners to share ideas and engage the public.
- **Training tomorrow's workforce.** The Foundation will support education and training of new researchers in energy through awards, grants, and fellowships.


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“The creation of a DOE Foundation will strengthen our R&D system by leveraging additional funding sources as well as new public private partnership models to accelerate the commercialization of new technology into the market.”

-Jetta Wong
Former Director of Technology Transitions, Department of Energy
The Energy Landscape

- **Rising foreign competition.** Over the last decade, federal funding for R&D has declined as a percentage of GDP while competitors like China have dramatically ramped up their own R&D funding, which is set to outpace the U.S. by 2026².

- **Strong source of jobs.** The traditional energy sector employs over 4.2 million workers and saw 5% job growth in 2016, compared to around 2% nationally. New energy markets like energy efficiency accounted for 2.2 million jobs have seen even faster job growth at 7%.

- **Complex industry challenges.** Viable energy solutions involve multiple partners in government, industry and academia. The pace and scale of these projects require partnerships between public and private entities to navigate all stages of the innovation pipeline.

- **Increasing global collaboration.** Several global initiatives are driving countries around the world to increase R&D spending in clean energy. This is complemented by private sector investments, like the Breakthrough Energy Coalition, which has announced $1 billion in patient venture funding.

Based on a Proven Model

Foundation for the NIH: Raised $1+ billion since its inception in 1990. Leveraged $55 million in private funding over 5 years for Cancer Moonshot.

NREL & Wells Fargo Foundation: 5-year, $10 million grant from the Wells Fargo Foundation to help develop energy efficient technologies for commercial buildings.

Endorsements

- Bipartisan Policy Center
- Alliance to Save Energy
- The Science Center
- Information Technology and Innovation Foundation (ITIF)
- Association of Public and Land-Grant Universities (APLU)
- Third Way

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**Additional Cosponsors:** Reps. Hultgren (R-IL), Lipinski (D-IL), Reed (R-NY), Swalwell (D-CA)

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Supportive quotes for the IMPACT for Energy Act

"APLU applauds Senators Coons and Graham and Congressmen Luján and Wilson for introducing the IMPACT for Energy Act. This bill would help accelerate the transfer of ground breaking technologies from university labs to market, helping the U.S. maintain its leadership as the global innovation leader."
Peter McPherson, President of the Association of Public and Land-grant Universities

"Establishing this Foundation builds a much-needed pipeline for public-private partnerships to invest in energy research and technologies. AAU thanks Senators Coons and Graham, and Representatives Luján and Wilson, for developing this innovative and bipartisan solution to address the unique needs of the energy sector."
Mary Sue Coleman, President, Association of American Universities

“I applaud Senators Coons and Graham and Congressmen Luján and Wilson for spearheading this effort that will enable more DOE-funded research to reach the marketplace and help the entrepreneurs in the energy sector at the Science Center (and elsewhere) bring their exciting technologies to market.”
Stephen S. Tang, Ph.D., MBA, President and CEO of the University City Science Center in Philadelphia

“Federal investment and support are vital for the energy innovation we need to tackle climate change and reassert US leadership in the global energy market. The IMPACT for Energy Act will enable private-public partnerships to more quickly deploy cutting edge clean energy technologies, it will build on existing best-practices already in place at the Department of Energy, and it will facilitate workforce development. We hope this bipartisan, bicameral bill will be quickly enacted.”
Josh Freed, Vice President for Clean Energy, Third Way

“The clean energy foundation proposed by Senators Coons and Graham and Representatives Luján and Wilson is an innovative and cost-effective way to drive important investments in energy research and development. Earlier this year, BPC’s American Energy Innovation Council recommended a similar approach to foster public and private collaboration to accelerate energy innovation. I am pleased to see members of Congress working together to advance this important and creative idea.”
Jason Grumet, President, Bipartisan Policy Center

“With this bill, Senators Coons and Graham and Representatives Luján and Wilson are taking a forward-looking approach to keeping the U.S. competitive in energy technologies. The Energy Department has a record of success in researching energy efficiency technologies that are adopted by the private sector, and this bill would expand the Department’s ability to deliver bigger benefits for companies and the public. The proposed IMPACT for Energy Foundation would spur the next wave of energy efficiency progress and that’s why we enthusiastically support this bill.”
Kateri Callahan, President of the Alliance to Save Energy
“This bipartisan legislation would create a foundation that would help accelerate the commercialization of innovative new technologies in the energy sector and would facilitate public-private partnerships to do so, said Steve Hauser, CEO, the GridWise Alliance. The GridWise Alliance has always advocated for such public-private partnerships to accelerate the changes taking place across the utility industry,” said Steve Hauser, CEO. “The electricity grid is so critical to both local and national economic vitality that it deserves full attention from both the public and private sectors.”

Steven Hauser, CEO, GridWise

“The IMPACT for Energy Act would accelerate energy innovation and increase the return that the nation receives from its investments in federal science and technology”

David M. Hart, Senior Fellow, Energy Innovation Policy, Information Technology and Innovation Foundation

"The United States has benefited greatly from federally funded R&D, but we are in a new era where science alone cannot meet the great challenges of our time. The creation of a DOE Foundation will strengthen our R&D system by leveraging additional funding sources as well as new public private partnership models to accelerate the commercialization of new technology into the market."

Jetta Wong, Former Director of Technology Transitions, Department of Energy
May 15, 2018

The Honorable Ben Ray Luján
U.S. House of Representatives
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Washington, DC 20515

The Honorable Randy Hultgren
U.S. House of Representatives
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The Honorable Tom Reed
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The Honorable Daniel Lipinski
U.S. House of Representatives
2346 Rayburn HOB
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The Honorable Eric Swalwell
U.S. House of Representatives
129 Canon HOB
Washington, DC 20515

The Honorable Joe Wilson
U.S. House of Representatives
1436 Longworth HOB
Washington, DC 20515

Dear Representatives Luján, Hultgren, Lipinski, Reed, Swalwell and Wilson:

The undersigned organizations are happy to express our support for H.R. 4700 – the IMPACT for Energy Act – and its companion bill, S. 2257.

We welcome your bipartisan and bicameral effort to establish the IMPACT for Energy Foundation, a nonprofit foundation that will channel private-sector investments to help support the creation, development and commercialization of next generation energy technologies at the Department of Energy (DOE). We also appreciate your leadership in introducing this legislation, which would help capitalize on the federal government’s investments in clean energy research and development by attracting private sector investment and partnership, as well as philanthropic donations.

Modeled after the successful Foundation for the National Institutes of Health (FNIH), the IMPACT for Energy Foundation would be a new source of supplemental funding for DOE. Since its creation in 1996, FNIH has raised more than $1 billion dollars for the agency. Additionally, the Veterans Administration, Food and Drug Administration, the Centers for Disease Control and Prevention, and the Department of Defense also receive support from foundations that were established by Congress. We agree that it is time for DOE to have a foundation of its own.

Given today’s complex energy challenges, viable solutions often require multiple partners in both the public and private sectors. We appreciate this bill’s aim to enhance collaboration and partnerships between researchers from the federal government, universities, industry and nonprofit organizations.

No longer the undisputed world leader in innovation, your IMPACT for Energy Act comes at a time when the U.S. must renew its commitment to global leadership in science and technology. By providing a new potential funding stream for research and improving relationships between the public and private sectors, your legislation will help accelerate innovation, strengthen the U.S. economy and bolster our global competitiveness.

Thank you for your leadership and dedication to improving America’s scientific enterprise.

Sincerely,

American Chemical Society
American Physical Society
American Society for Engineering Education
Association of American Universities
Association of Public & Land-grant Universities
Michigan Technological University
The State University of New York System

The University of South Carolina
Society for Industrial and Applied Mathematics
Stony Brook University
University of California System
University of Delaware
University of New Mexico