

- 74-8106. Centers of excellence, establishment authorized, types, functions; basic research fund, applied research and development fund, technology transfer fund, creation, sources, uses; centers of excellence committee; awards of funding, requirements; establishment of new centers, approval; support of existing centers; commercialized research; report.** (a) The purpose of this section is to authorize the establishment of three types of centers of excellence at educational institutions: Centers of excellence for basic research, centers of excellence for applied research and development, and centers of excellence for technology transfer.
- (b) Centers of excellence for basic research will primarily undertake ongoing basic research with a particular focus that will have long-run potential for commercial development. The centers should build on institutional strengths and be in areas of research where the educational institution has achieved or has true promise of attaining a standard of excellence as recognized by national and international peers.
- (1) The Kansas technology enterprise basic research fund is hereby created to which shall be credited any state funds specifically so designated. The fund is not to be used for applied research, technology transfer, technical assistance or training except as it is incidental to the basic research intended to be benefited by this section.
- (2) The department of commerce may use the Kansas technology enterprise basic research fund to carry out the purposes of K.S.A. 74-8102, and amendments thereto, by awarding funds to establish new centers of excellence for basic research or to increase funding to such already established centers of excellence so long as those centers are determined to be primarily carrying out basic research and to meet the standards of excellence required by this section and K.S.A. 74-8102, and amendments thereto. Awards of funds shall be made on a competitive basis, and all proposals for new centers of excellence shall be subject to external peer review on the basis of scientific merit which meet national standards of excellence and subsequent potential for commercial application.
- (c) Centers of excellence for applied research and development will primarily undertake applied research and development with a particular focus that will have long-run potential for commercial development. The centers should build on institutional strengths and be in areas of research where the educational institution has achieved or has true promise of attaining a standard of excellence in applied research and development.
- (1) The Kansas technology enterprise applied research and development fund is hereby created to which shall be credited any state funds specifically so designated. The fund is not to be used for basic research, technology transfer, technical assistance or training except as it is incidental to the applied research and development intended to be benefited by this section.
- (2) The department of commerce may use the Kansas technology enterprise applied research and development fund to carry out the purposes of this act by awarding funds to establish new centers of excellence for applied research and development or to increase funding to such already established centers of excellence so long as those centers are determined to be carrying out primarily applied research and development, and to be meeting the standards of excellence required by this act. Awards of funds shall be made on a competitive basis, and all proposals for new centers of excellence shall be subject to external peer review on the basis of scientific merit which meets national standards of excellence and subsequent potential for commercial application.
- (d) Centers of excellence for technology transfer will primarily undertake ongoing transfer of technology from educational institutions to Kansas business.
- (1) The Kansas technology enterprise technology transfer fund is hereby created to which shall be credited any state funds specifically so designated. The fund is not to be used for basic research, applied research and development, technical assistance or training except as it is incidental to the technology transfer intended to be benefited by this section.
- (2) The department of commerce may use the Kansas technology enterprise technology transfer fund to carry out the purposes of K.S.A. 74-8102, and amendments thereto, by awarding funds to establish new centers of technology transfer or to increase funding to such already established centers of excellence so long as those centers are determined to be carrying out primarily technology transfer.
- (3) Awards of funds shall be made on a competitive basis and all proposals for new centers of excellence shall be subject to external peer review on the basis of merit which meets national standards of excellence and potential for increasing the competitiveness of Kansas business.
- (e) The department of commerce shall award funding to centers of excellence in accordance with subsections (g) and (h).
- (f) In carrying out its functions under this section, the board of regents is directed to create a centers of excellence committee to assist in evaluating the establishment of new centers of excellence and in evaluating increases in funding for already established centers of excellence. The membership of the centers of excellence committee may include employees of the department of commerce, and other persons drawn from sources other than the department of commerce who are recognized by their peers for outstanding knowledge and leadership in their fields.
- (g) The department of commerce shall award funding for new centers and increased funding for established centers only after:
- (1) Developing, adopting and publishing the criteria it shall use when evaluating centers of excellence;
 - (2) developing a level of core funding for each center of excellence; and
 - (3) receiving the recommendation of the centers of excellence committee which will review proposals for new or established centers of excellence containing:
 - (A) Documentation that not less than 50% of the center's funding above the established level of core funding will be matched by sources other than the department of commerce; machinery or equipment may be considered as part of the matching funds, but must be accompanied by a statement that the center of excellence has received the machinery or equipment, it is state of the art; and either:
 - (i) Verifying that the machinery or equipment is donated and has only been used in testing to insure quality control, or used by a wholesaler or retailer for demonstration purposes only; or
 - (ii) detailing the price paid by the center of excellence, with an invoice showing the amount paid for the equipment;
 - (B) a description of a potential for future benefit to industry;
 - (C) an itemized operations budget; and
 - (D) other information that may be required by the department of commerce.
- (h) The department of commerce shall approve proposals to establish new centers of excellence after the department of commerce finds, based upon the proposal submitted, external peer reviews, and such additional investigation as the staff of the department of commerce shall make that:
- (1) The proposed center of excellence has the potential to stimulate economic growth by bringing together educational institutions and businesses in partnerships to focus on basic research, applied research and development, and technology transfer;
 - (2) the center has the long-run potential for benefit to existing and new businesses through innovation and development of new technology; and
 - (3) approval of the proposal will not create or foster unnecessary duplication of programs, particularly at the graduate level of instruction.
- (i) Each existing Kansas center of excellence is eligible for annual support from the department of commerce according to the same terms and conditions as provided in this section for new centers except that an external peer review to determine under what provision of this section and by what terms continuing funding is appropriate shall be conducted annually during the first three years after the center of excellence is established and shall be conducted biennially thereafter. In the years between external peer reviews conducted on a biennial basis, the department of commerce shall conduct internal reviews to determine under what provision of this statute and under what terms continuing funding is appropriate.
- (j) The department of commerce may require any educational institution where a center of excellence is located to oversee the operation of such center of excellence.
- (k) The secretary of commerce shall annually transmit to the governor and the legislature a report, based on information received from the board of regents, describing the funding and expenditures of each center of excellence for the preceding year, including the purposes for which such expenditures were made.

History: L. 1986, ch. 284, § 6; L. 1987, ch. 318, § 1; L. 1990, ch. 290, § 1; L. 2011, ch. 104, § 19; L. 2012, ch. 65, § 17; July 1.