

Union Calendar No. 446

113TH CONGRESS
2^D SESSION

H. R. 2996

[Report No. 113–599, Part I]

To require the Secretary of Commerce to establish the Network for Manufacturing Innovation and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2013

Mr. REED (for himself and Mr. KENNEDY) introduced the following bill; which was referred to the Committee on Science, Space, and Technology, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

SEPTEMBER 15, 2014

Additional sponsors: Mr. LIPINSKI, Mr. COLLINS of New York, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GIBSON, Mr. AMODEI, Mr. DINGELL, Mr. HUNTER, Mr. RYAN of Ohio, Mr. NOLAN, Mr. CICILLINE, Mr. MCGOVERN, Ms. ESTY, Ms. KELLY of Illinois, Mrs. BROOKS of Indiana, Mr. JOHNSON of Ohio, Mr. GRAVES of Missouri, Mr. SCHNEIDER, Ms. DUCKWORTH, Mr. MICHAUD, Mr. HONDA, Mr. KIND, Mr. LONG, Mr. STUTZMAN, Mr. YOHO, Mr. ROONEY, Mr. JOYCE, Mr. COLE, Mr. VELA, Mr. KILDEE, Ms. TSONGAS, Ms. SEWELL of Alabama, Mr. CROWLEY, Mr. LARSON of Connecticut, Mr. CONNOLLY, Mr. CAPUANO, Mr. NEAL, Mr. TIERNEY, Mr. KEATING, Mr. VARGAS, Mr. CARNEY, Mr. SOUTHERLAND, Mr. TIBERI, Mr. STIVERS, Mrs. BLACK, Mr. RENACCI, Mr. RODNEY DAVIS of Illinois, Mr. GRIFFIN of Arkansas, Mr. KELLY of Pennsylvania, Mr. MESSER, Mr. MARCHANT, Mr. LUETKEMEYER, Mr. BENTIVOLIO, Mrs. WAGNER, Mr. LATTA, Mr. SMITH of Missouri, Mr. LEVIN, Mr. WHITFIELD, Mr. LANGEVIN, Mr. WENSTRUP, Mr. CÁRDENAS, Mr. TURNER, Mr. FOSTER, Mr. KING of New York, Mr. GENE GREEN of Texas, Mr. COOK, Mr. RANGEL, Mr. CHABOT, Mr. STOCKMAN, Mr. JONES, Mr. KILMER, Mr. O’ROURKE, Mr. YARMUTH, Mrs. HARTZLER, Mr. LOEBSACK, Mr. KINZINGER of Illinois, Mr. SWALWELL of California, Mr. WOLF, Ms. CLARK of Massachusetts, Mr. HULTGREN, Ms. DELAURO, Mr. THOMPSON of Pennsylvania, Mrs.

BUSTOS, Mr. BOUSTANY, Ms. KUSTER, Mr. GIBBS, Mr. SCHOCK, Mr. ENYART, Mr. LYNCH, Mr. MULLIN, Mr. MURPHY of Florida, Mr. FLORES, Ms. MICHELLE LUJAN GRISHAM of New Mexico, Mrs. MCMORRIS RODGERS, Mr. PETERS of California, Mr. GARY G. MILLER of California, Mr. MAFFEI, Mr. TONKO, Mr. MCKINLEY, and Ms. BONAMICI

SEPTEMBER 15, 2014

Reported from the Committee on Science, Space, and Technology with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

SEPTEMBER 15, 2014

The Committee on Appropriations discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on August 2, 2013]

A BILL

To require the Secretary of Commerce to establish the Network for Manufacturing Innovation and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Revitalize American*
5 *Manufacturing and Innovation Act of 2014”.*

6 **SEC. 2. FINDINGS.**

7 *Congress finds the following:*

8 (1) *In 2012, manufacturers contributed \$2.03*
9 *trillion to the economy, or 1/8 of United States Gross*
10 *Domestic Product.*

11 (2) *For every \$1.00 spent in manufacturing, an-*
12 *other \$1.32 is added to the economy, the highest mul-*
13 *tiplier effect of any economic sector.*

14 (3) *Manufacturing supports an estimated*
15 *17,400,000 jobs in the United States—about 1 in 6*
16 *private-sector jobs. More than 12,000,000 Americans*
17 *(or 9 percent of the workforce) are employed directly*
18 *in manufacturing.*

19 (4) *In 2012, the average manufacturing worker*
20 *in the United States earned \$77,505 annually, in-*
21 *cluding pay and benefits. The average worker in all*
22 *industries earned \$62,063.*

23 (5) *Taken alone, manufacturing in the United*
24 *States would be the 8th largest economy in the world.*

1 (6) *Manufacturers in the United States perform*
2 *two-thirds of all private-sector research and develop-*
3 *ment in the United States, driving more innovation*
4 *than any other sector.*

5 **SEC. 3. ESTABLISHMENT OF NETWORK FOR MANUFAC-**
6 **TURING INNOVATION.**

7 *The National Institute of Standards and Technology*
8 *Act (15 U.S.C. 271 et seq.) is amended—*

9 (1) *by redesignating section 34 as section 35;*
10 *and*

11 (2) *by inserting after section 33 (15 U.S.C.*
12 *278r) the following:*

13 **“SEC. 34. NETWORK FOR MANUFACTURING INNOVATION.**

14 **“(a) ESTABLISHMENT OF NETWORK FOR MANUFAC-**
15 **TURING INNOVATION PROGRAM.—**

16 **“(1) IN GENERAL.—***The Secretary shall establish*
17 *within the Institute a program to be known as the*
18 *‘Network for Manufacturing Innovation Program’ (re-*
19 *ferred to in this section as the ‘Program’).*

20 **“(2) PURPOSES OF PROGRAM.—***The purposes of*
21 *the Program are—*

22 **“(A) to improve the competitiveness of**
23 *United States manufacturing and to increase the*
24 *production of goods manufactured predomi-*
25 *nantly within the United States;*

1 “(B) to stimulate United States leadership
2 in advanced manufacturing research, innovation,
3 and technology;

4 “(C) to facilitate the transition of innova-
5 tive technologies into scalable, cost-effective, and
6 high-performing manufacturing capabilities;

7 “(D) to facilitate access by manufacturing
8 enterprises to capital-intensive infrastructure,
9 including high-performance electronics and com-
10 puting, and the supply chains that enable these
11 technologies;

12 “(E) to accelerate the development of an ad-
13 vanced manufacturing workforce;

14 “(F) to facilitate peer exchange of and the
15 documentation of best practices in addressing
16 advanced manufacturing challenges;

17 “(G) to leverage non-Federal sources of sup-
18 port to promote a stable and sustainable business
19 model without the need for long-term Federal
20 funding; and

21 “(H) to create and preserve jobs.

22 “(3) SUPPORT.—The Secretary, acting through
23 the Director, shall carry out the purposes set forth in
24 paragraph (2) by supporting—

1 “(A) *the Network for Manufacturing Inno-*
2 *vation established under subsection (b); and*

3 “(B) *the establishment of centers for manu-*
4 *facturing innovation.*

5 “(4) *DIRECTOR.—The Secretary shall carry out*
6 *the Program through the Director.*

7 “(b) *ESTABLISHMENT OF NETWORK FOR MANUFAC-*
8 *TURING INNOVATION.—*

9 “(1) *IN GENERAL.—As part of the Program, the*
10 *Secretary shall establish a network of centers for man-*
11 *ufacturing innovation.*

12 “(2) *DESIGNATION.—The network established*
13 *under paragraph (1) shall be known as the ‘Network*
14 *for Manufacturing Innovation’ (referred to in this*
15 *section as the ‘Network’).*

16 “(c) *CENTERS FOR MANUFACTURING INNOVATION.—*

17 “(1) *IN GENERAL.—For purposes of this section,*
18 *a ‘center for manufacturing innovation’ is a center*
19 *that—*

20 “(A) *has been established by a person or*
21 *group of persons to address challenges in ad-*
22 *vanced manufacturing and to assist manufactur-*
23 *ers in retaining or expanding industrial produc-*
24 *tion and jobs in the United States;*

1 “(B) has a predominant focus on a manu-
2 facturing process, novel material, enabling tech-
3 nology, supply chain integration methodology, or
4 another relevant aspect of advanced manufac-
5 turing, such as nanotechnology applications, ad-
6 vanced ceramics, photonics and optics, compos-
7 ites, biobased and advanced materials, flexible
8 hybrid technologies, and tool development for
9 microelectronics;

10 “(C) as determined by the Secretary, has
11 the potential—

12 “(i) to improve the competitiveness of
13 United States manufacturing, including key
14 advanced manufacturing technologies such
15 as nanotechnology, advanced ceramics,
16 photonics and optics, composites, biobased
17 and advanced materials, flexible hybrid
18 technologies, and tool development for
19 microelectronics;

20 “(ii) to accelerate non-Federal invest-
21 ment in advanced manufacturing produc-
22 tion capacity in the United States; or

23 “(iii) to enable the commercial appli-
24 cation of new technologies or industry-wide
25 manufacturing processes; and

1 “(D) includes active participation among
2 representatives from multiple industrial entities,
3 research universities, community colleges, and
4 such other entities as the Secretary considers ap-
5 propriate, which may include industry-led con-
6 sortia, career and technical education schools,
7 Federal laboratories, State, local, and tribal gov-
8 ernments, businesses, educational institutions,
9 and nonprofit organizations.

10 “(2) *ACTIVITIES*.—Activities of a center for man-
11 ufacturing innovation may include the following:

12 “(A) Research, development, and dem-
13 onstration projects, including proof-of-concept
14 development and prototyping, to reduce the cost,
15 time, and risk of commercializing new tech-
16 nologies and improvements in existing tech-
17 nologies, processes, products, and research and
18 development of materials to solve precompetitive
19 industrial problems with economic or national
20 security implications.

21 “(B) Development and implementation of
22 education, training, and workforce recruitment
23 courses, materials, and programs.

24 “(C) Development of innovative methodolo-
25 gies and practices for supply chain integration

1 *and introduction of new technologies into supply*
2 *chains.*

3 “(D) *Outreach and engagement with small*
4 *and medium-sized manufacturing enterprises,*
5 *including women and minority owned manufac-*
6 *turing enterprises, in addition to large manufac-*
7 *turing enterprises.*

8 “(E) *Such other activities as the Secretary,*
9 *in consultation with Federal departments and*
10 *agencies whose missions contribute to or are af-*
11 *ected by advanced manufacturing, considers*
12 *consistent with the purposes described in sub-*
13 *section (a)(2).*

14 “(3) *ADDITIONAL CENTERS FOR MANUFACTURING*
15 *INNOVATION.—*

16 “(A) *IN GENERAL.—The National Additive*
17 *Manufacturing Innovation Institute and other*
18 *manufacturing centers formally recognized as*
19 *manufacturing innovation centers pursuant to*
20 *Federal law or executive actions, or under pend-*
21 *ing interagency review for such recognition as of*
22 *the date of enactment of the Revitalize American*
23 *Manufacturing and Innovation Act of 2014,*
24 *shall be considered centers for manufacturing in-*

1 *novation, but such centers shall not receive any*
2 *financial assistance under subsection (d).*

3 “(B) *NETWORK PARTICIPATION.*—*A manu-*
4 *facturing center that is substantially similar to*
5 *those established under this subsection but that*
6 *does not receive financial assistance under sub-*
7 *section (d) may, upon request of the center, be*
8 *recognized as a center for manufacturing innova-*
9 *tion by the Secretary for purposes of participa-*
10 *tion in the Network.*

11 “(d) *FINANCIAL ASSISTANCE TO ESTABLISH AND SUP-*
12 *PORT CENTERS FOR MANUFACTURING INNOVATION.*—

13 “(1) *IN GENERAL.*—*In carrying out the Pro-*
14 *gram, the Secretary shall award financial assistance*
15 *to a person or group of persons to assist the organiza-*
16 *tion in planning, establishing, or supporting a center*
17 *for manufacturing innovation.*

18 “(2) *APPLICATION.*—*A person or group of per-*
19 *sons seeking financial assistance under paragraph (1)*
20 *shall submit to the Secretary an application therefor*
21 *at such time, in such manner, and containing such*
22 *information as the Secretary may require. The appli-*
23 *cation shall, at a minimum, describe the specific*
24 *sources and amounts of non-Federal financial support*
25 *for the center on the date financial assistance is*

1 sought, as well as the anticipated sources and
2 amounts of non-Federal financial support during the
3 period for which the center could be eligible for con-
4 tinued Federal financial assistance under this section.

5 “(3) *OPEN PROCESS.*—In soliciting applications
6 for financial assistance under paragraph (1), the Sec-
7 retary shall ensure an open process that will allow for
8 the consideration of all applications relevant to ad-
9 vanced manufacturing regardless of technology area.

10 “(4) *SELECTION.*—

11 “(A) *COMPETITIVE, MERIT REVIEW.*—In
12 awarding financial assistance under paragraph
13 (1), the Secretary shall use a competitive, merit
14 review process that includes peer review by a di-
15 verse group of individuals with relevant expertise
16 from both the private and public sectors.

17 “(B) *PARTICIPATION IN PROCESS.*—

18 “(i) *IN GENERAL.*—No political ap-
19 pointee may participate on a peer review
20 panel. The Secretary shall implement a con-
21 flict of interest policy that ensures public
22 transparency and accountability, and re-
23 quires full disclosure of any real or poten-
24 tial conflicts of interest on the parts of indi-

1 *viduals that participate in the merit selec-*
2 *tion process.*

3 “(ii) *DEFINITION.—For purposes of*
4 *this subparagraph, the term ‘political ap-*
5 *pointee’ means any individual who—*

6 *“(I) is employed in a position de-*
7 *scribed under sections 5312 through*
8 *5316 of title 5, United States Code,*
9 *(relating to the Executive Schedule);*

10 *“(II) is a limited term appointee,*
11 *limited emergency appointee, or non-*
12 *career appointee in the Senior Execu-*
13 *tive Service, as defined under para-*
14 *graphs (5), (6), and (7), respectively, of*
15 *section 3132(a) of title 5, United*
16 *States Code; or*

17 *“(III) is employed in a position*
18 *in the executive branch of the Govern-*
19 *ment of a confidential or policy-deter-*
20 *mining character under schedule C of*
21 *subpart C of part 213 of title 5 of the*
22 *Code of Federal Regulations.*

23 *“(C) PERFORMANCE MEASUREMENT, TRANS-*
24 *PARENCY, AND ACCOUNTABILITY.—For each*

1 *award of financial assistance under paragraph*
2 *(1), the Secretary shall—*

3 *“(i) make publicly available at the*
4 *time of the award a description of the bases*
5 *for the award, including an explanation of*
6 *the relative merits of the winning applicant*
7 *as compared to other applications received,*
8 *if applicable; and*

9 *“(ii) develop and implement metrics-*
10 *based performance measures to assess the ef-*
11 *fectiveness of the activities funded.*

12 *“(D) COLLABORATION.—In awarding fi-*
13 *ancial assistance under paragraph (1), the Sec-*
14 *retary shall, acting through the National Pro-*
15 *gram Office established under subsection (f)(1),*
16 *collaborate with Federal departments and agen-*
17 *cies whose missions contribute to or are affected*
18 *by advanced manufacturing.*

19 *“(E) CONSIDERATIONS.—In selecting a per-*
20 *son who submitted an application under para-*
21 *graph (2) for an award of financial assistance*
22 *under paragraph (1), the Secretary shall con-*
23 *sider, at a minimum, the following:*

24 *“(i) The potential of the center for*
25 *manufacturing innovation to advance do-*

1 *mestic manufacturing and the likelihood of*
2 *economic impact, including the creation or*
3 *preservation of jobs, in the predominant*
4 *focus areas of the center for manufacturing*
5 *innovation.*

6 “(ii) *The commitment of continued fi-*
7 *nancial support, advice, participation, and*
8 *other contributions from non-Federal*
9 *sources, to provide leverage and resources to*
10 *promote a stable and sustainable business*
11 *model without the need for long-term Fed-*
12 *eral funding.*

13 “(iii) *Whether the financial support*
14 *provided to the center for manufacturing*
15 *innovation from non-Federal sources sig-*
16 *nificantly exceeds the requested Federal fi-*
17 *nancial assistance.*

18 “(iv) *How the center for manufac-*
19 *turing innovation will increase the non-*
20 *Federal investment in advanced manufac-*
21 *turing research in the United States.*

22 “(v) *How the center for manufacturing*
23 *innovation will engage with small and me-*
24 *dium-sized manufacturing enterprises, to*
25 *improve the capacity of such enterprises to*

1 *commercialize new processes and tech-*
2 *nologies.*

3 “(vi) *How the center for manufac-*
4 *turing innovation will carry out edu-*
5 *cational and workforce activities that meet*
6 *industrial needs related to the predominant*
7 *focus areas of the center.*

8 “(vii) *How the center for manufac-*
9 *turing innovation will advance economic*
10 *competitiveness and generate substantial*
11 *benefits to the Nation that extend beyond*
12 *the direct return to participants in the Pro-*
13 *gram.*

14 “(viii) *Whether the predominant focus*
15 *of the center for manufacturing innovation*
16 *is a manufacturing process, novel material,*
17 *enabling technology, supply chain integra-*
18 *tion methodology, or other relevant aspect of*
19 *advanced manufacturing that has not al-*
20 *ready been commercialized, marketed, dis-*
21 *tributed, or sold by another entity.*

22 “(ix) *How the center for manufac-*
23 *turing innovation will strengthen and lever-*
24 *age the assets of a region.*

1 “(x) *How the center for manufacturing*
2 *will encourage the education and training*
3 *of veterans and individuals with disabili-*
4 *ties.*

5 “(5) *LIMITATIONS ON AWARDS.—*

6 “(A) *IN GENERAL.—No award of financial*
7 *assistance may be made under paragraph (1) to*
8 *a center of manufacturing innovation after the*
9 *7-year period beginning on the date on which the*
10 *Secretary first awards financial assistance to*
11 *that center under that paragraph.*

12 “(B) *MATCHING FUNDS AND PREF-*
13 *ERENCES.—The total Federal financial assist-*
14 *ance awarded to a center of manufacturing inno-*
15 *vation, including the financial assistance under*
16 *paragraph (1), in a given year shall not exceed*
17 *50 percent of the total funding of the center in*
18 *that year, except that the Secretary may make*
19 *an exception in the case of large capital facilities*
20 *or equipment purchases. The Secretary shall give*
21 *weighted preference to applicants seeking less*
22 *than the maximum Federal share of funds al-*
23 *lowed under this paragraph.*

24 “(C) *FUNDING DECREASE.—The amount of*
25 *financial assistance provided to a center of man-*

1 *ufacturing innovation under paragraph (1) shall*
2 *decrease after the second year of funding for the*
3 *center, and shall continue to decrease thereafter*
4 *in each year in which financial assistance is*
5 *provided, unless the Secretary determines that—*

6 *“(i) the center is otherwise meeting its*
7 *stated goals and metrics under this section;*

8 *“(ii) unforeseen circumstances have al-*
9 *tered the center’s anticipated funding; and*

10 *“(iii) the center can identify future*
11 *non-Federal funding sources that would*
12 *warrant a temporary exemption from the*
13 *limitations established in this subpara-*
14 *graph.*

15 *“(e) FUNDING.—*

16 *“(1) GENERAL RULE.—Except as provided in*
17 *paragraph (2), no funds are authorized to be appro-*
18 *priated by the Revitalize American Manufacturing*
19 *and Innovation Act of 2014 for carrying out this sec-*
20 *tion.*

21 *“(2) AUTHORITY.—*

22 *“(A) NIST INDUSTRIAL TECHNICAL SERV-*
23 *ICES ACCOUNT.—The Secretary may use not to*
24 *exceed \$5,000,000 for each of the fiscal years*
25 *2015 through 2024 to carry out this section from*

1 *amounts appropriated to the Institute for Indus-*
2 *trial Technical Services.*

3 “(B) *ENERGY EFFICIENCY AND RENEWABLE*
4 *ENERGY ACCOUNT.—The Secretary of Energy*
5 *may transfer to the Institute not to exceed*
6 *\$250,000,000 for the period encompassing fiscal*
7 *years 2015 through 2024 for the Secretary to*
8 *carry out this section from amounts appro-*
9 *priated for advanced manufacturing research*
10 *and development within the Energy Efficiency*
11 *and Renewable Energy account for the Depart-*
12 *ment of Energy.*

13 “(f) *NATIONAL PROGRAM OFFICE.—*

14 “(1) *ESTABLISHMENT.—The Secretary shall es-*
15 *tablish, within the Institute, the National Office of the*
16 *Network for Manufacturing Innovation Program (re-*
17 *ferred to in this section as the ‘National Program Of-*
18 *fice’), which shall oversee and carry out the Program.*

19 “(2) *FUNCTIONS.—The functions of the National*
20 *Program Office are—*

21 “(A) *to oversee the planning, management,*
22 *and coordination of the Program;*

23 “(B) *to enter into memorandums of under-*
24 *standing with Federal departments and agencies*
25 *whose missions contribute to or are affected by*

1 *advanced manufacturing, to carry out the pur-*
2 *poses described in subsection (a)(2);*

3 *“(C) to develop, not later than 1 year after*
4 *the date of enactment of the Revitalize American*
5 *Manufacturing and Innovation Act of 2014, and*
6 *update not less frequently than once every 3*
7 *years thereafter, a strategic plan to guide the*
8 *Program;*

9 *“(D) to establish such procedures, processes,*
10 *and criteria as may be necessary and appro-*
11 *priate to maximize cooperation and coordinate*
12 *the activities of the Program with programs and*
13 *activities of other Federal departments and agen-*
14 *cies whose missions contribute to or are affected*
15 *by advanced manufacturing;*

16 *“(E) to establish a clearinghouse of public*
17 *information related to the activities of the Pro-*
18 *gram; and*

19 *“(F) to act as a convener of the Network.*

20 *“(3) RECOMMENDATIONS.—In developing and*
21 *updating the strategic plan under paragraph (2)(C),*
22 *the Secretary shall solicit recommendations and ad-*
23 *vice from a wide range of stakeholders, including in-*
24 *dustry, small and medium-sized manufacturing enter-*
25 *prises, research universities, community colleges, and*

1 *other relevant organizations and institutions on an*
2 *ongoing basis.*

3 “(4) *REPORT TO CONGRESS.*—*Upon completion,*
4 *the Secretary shall transmit the strategic plan re-*
5 *quired under paragraph (2)(C) to the Committee on*
6 *Commerce, Science, and Transportation of the Senate*
7 *and the Committee on Science, Space, and Technology*
8 *of the House of Representatives.*

9 “(5) *HOLLINGS MANUFACTURING EXTENSION*
10 *PARTNERSHIP.*—*The Secretary shall ensure that the*
11 *National Program Office incorporates the Hollings*
12 *Manufacturing Extension Partnership into Program*
13 *planning to ensure that the results of the Program*
14 *reach small and medium-sized entities.*

15 “(6) *DETAILEES.*—*Any Federal Government em-*
16 *ployee may be detailed to the National Program Of-*
17 *fice without reimbursement. Such detail shall be with-*
18 *out interruption or loss of civil service status or*
19 *privilege.*

20 “(g) *REPORTING AND AUDITING.*—

21 “(1) *ANNUAL REPORTS TO THE SECRETARY.*—

22 “(A) *IN GENERAL.*—*The Secretary shall re-*
23 *quire each recipient of financial assistance under*
24 *subsection (d)(1) to annually submit a report to*
25 *the Secretary that describes the finances and per-*

1 *formance of the center for manufacturing inno-*
2 *vation for which such assistance was awarded.*

3 “(B) *ELEMENTS.*—*Each report submitted*
4 *under subparagraph (A) shall include—*

5 “(i) *an accounting of expenditures of*
6 *amounts awarded to the recipient under*
7 *subsection (d)(1); and*

8 “(ii) *consistent with the metrics-based*
9 *performance measures developed and imple-*
10 *mented by the Secretary under this section,*
11 *a description of the performance of the cen-*
12 *ter for manufacturing innovation with re-*
13 *spect to—*

14 “(I) *its goals, plans, financial*
15 *support, and accomplishments; and*

16 “(II) *how the center for manufac-*
17 *turing innovation has furthered the*
18 *purposes described in subsection (a)(2).*

19 “(2) *ANNUAL REPORTS TO CONGRESS.*—

20 “(A) *IN GENERAL.*—*Not less frequently than*
21 *once each year until December 31, 2024, the Sec-*
22 *retary shall submit a report to Congress that de-*
23 *scribes the performance of the Program during*
24 *the most recent 1-year period.*

1 “(B) *ELEMENTS.*—*Each report submitted*
2 *under subparagraph (A) shall include, for the pe-*
3 *riod covered by the report—*

4 “(i) *a summary and assessment of the*
5 *reports received by the Secretary under*
6 *paragraph (1);*

7 “(ii) *an accounting of the funds ex-*
8 *pended by the Secretary under the Program,*
9 *including any temporary exemptions grant-*
10 *ed from the requirements of subsection*
11 *(d)(5)(C);*

12 “(iii) *an assessment of the participa-*
13 *tion in, and contributions to, the Network*
14 *by any centers for manufacturing innova-*
15 *tion not receiving financial assistance*
16 *under subsection (d)(1); and*

17 “(iv) *an assessment of the Program*
18 *with respect to meeting the purposes de-*
19 *scribed in subsection (a)(2).*

20 “(3) *ASSESSMENTS BY GAO.*—

21 “(A) *ASSESSMENTS.*—*Not less frequently*
22 *than once every 2 years, the Comptroller General*
23 *shall submit to Congress an assessment of the op-*
24 *eration of the Program during the most recent 2-*
25 *year period.*

1 “(B) *FINAL ASSESSMENT.*—*Not later than*
2 *December 31, 2024, the Comptroller General*
3 *shall submit to Congress a final report regarding*
4 *the overall success of the Program.*

5 “(C) *ELEMENTS.*—*Each assessment sub-*
6 *mitted under subparagraph (A) or (B) shall in-*
7 *clude, for the period covered by the report—*

8 “(i) *a review of the management, co-*
9 *ordination, and industry utility of the Pro-*
10 *gram;*

11 “(ii) *an assessment of the extent to*
12 *which the Program has furthered the pur-*
13 *poses described in subsection (a)(2);*

14 “(iii) *such recommendations for legis-*
15 *lative and administrative action as the*
16 *Comptroller General considers appropriate*
17 *to improve the Program; and*

18 “(iv) *an assessment as to whether any*
19 *prior recommendations for improvement*
20 *made by the Comptroller General have been*
21 *implemented or adopted.*

22 “(h) *ADDITIONAL AUTHORITIES.*—

23 “(1) *APPOINTMENT OF PERSONNEL AND CON-*
24 *TRACTS.*—*The Secretary may appoint such personnel*
25 *and enter into such contracts, financial assistance*

1 *agreements, and other agreements as the Secretary*
2 *considers necessary or appropriate to carry out the*
3 *Program, including support for research and develop-*
4 *ment activities involving a center for manufacturing*
5 *innovation.*

6 *“(2) TRANSFER OF FUNDS.—The Secretary may*
7 *transfer to other Federal agencies such sums as the*
8 *Secretary considers necessary or appropriate to carry*
9 *out the Program. No funds so transferred may be used*
10 *to reimburse or otherwise pay for the costs of finan-*
11 *cial assistance incurred or commitments of financial*
12 *assistance made prior to the date of enactment of the*
13 *Revitalize American Manufacturing and Innovation*
14 *Act of 2014.*

15 *“(3) AUTHORITY OF OTHER AGENCIES.—In the*
16 *event that the Secretary exercises the authority to*
17 *transfer funds to another agency under paragraph*
18 *(2), such agency may accept such funds to award and*
19 *administer, under the same conditions and con-*
20 *straints applicable to the Secretary, all aspects of fi-*
21 *nancial assistance awards under this section.*

22 *“(4) USE OF RESOURCES.—In furtherance of the*
23 *purposes of the Program, the Secretary may use, with*
24 *the consent of a covered entity and with or without*

1 (1) *in subsection (a), by adding at the end the*
2 *following: “In furtherance of the Committee’s work,*
3 *the Committee shall consult with the National Eco-*
4 *nomical Council.”;*

5 (2) *in subsection (b), by striking paragraph (7)*
6 *and inserting the following:*

7 “*(7) develop and update a national strategic*
8 *plan for advanced manufacturing in accordance with*
9 *subsection (c).”;* and

10 (3) *by striking subsection (c) and inserting the*
11 *following:*

12 “*(c) NATIONAL STRATEGIC PLAN FOR ADVANCED MAN-*
13 *UFACTURING.—*

14 “*(1) IN GENERAL.—The President shall submit*
15 *to Congress, and publish on an Internet website that*
16 *is accessible to the public, the strategic plan developed*
17 *under paragraph (2).*

18 “*(2) DEVELOPMENT.—The Committee shall de-*
19 *velop, and update as required under paragraph (4),*
20 *in coordination with the National Economic Council,*
21 *a strategic plan to improve Government coordination*
22 *and provide long-term guidance for Federal programs*
23 *and activities in support of United States manufac-*
24 *turing competitiveness, including advanced manufac-*
25 *turing research and development.*

1 “(3) CONTENTS.—The strategic plan described in
2 paragraph (2) shall—

3 “(A) specify and prioritize near-term and
4 long-term objectives, including research and de-
5 velopment objectives, the anticipated time frame
6 for achieving the objectives, and the metrics for
7 use in assessing progress toward the objectives;

8 “(B) describe the progress made in achiev-
9 ing the objectives from prior strategic plans, in-
10 cluding a discussion of why specific objectives
11 were not met;

12 “(C) specify the role, including the pro-
13 grams and activities, of each relevant Federal
14 agency in meeting the objectives of the strategic
15 plan;

16 “(D) describe how the Federal agencies and
17 Federally funded research and development cen-
18 ters supporting advanced manufacturing re-
19 search and development will foster the transfer of
20 research and development results into new man-
21 ufacturing technologies and United States-based
22 manufacturing of new products and processes for
23 the benefit of society to ensure national, energy,
24 and economic security;

1 “(E) describe how such Federal agencies
2 and centers will strengthen all levels of manufac-
3 turing education and training programs to en-
4 sure an adequate, well-trained workforce;

5 “(F) describe how such Federal agencies
6 and centers will assist small and medium-sized
7 manufacturers in developing and implementing
8 new products and processes;

9 “(G) analyze factors that impact innovation
10 and competitiveness for United States advanced
11 manufacturing, including—

12 “(i) technology transfer and commer-
13 cialization activities;

14 “(ii) the adequacy of the national secu-
15 rity industrial base;

16 “(iii) the capabilities of the domestic
17 manufacturing workforce;

18 “(iv) export opportunities and trade
19 policies;

20 “(v) financing, investment, and tax-
21 ation policies and practices;

22 “(vi) emerging technologies and mar-
23 kets;

1 “(vii) advanced manufacturing re-
2 search and development undertaken by com-
3 peting nations; and

4 “(viii) the capabilities of the manufac-
5 turing workforce of competing nations; and

6 “(H) elicit and consider the recommenda-
7 tions of a wide range of stakeholders, including
8 representatives from diverse manufacturing com-
9 panies, academia, and other relevant organiza-
10 tions and institutions.

11 “(4) *UPDATES.*—Not later than May 1, 2018,
12 and not less frequently than once every 4 years there-
13 after, the President shall submit to Congress, and
14 publish on an Internet website that is accessible to the
15 public, an update of the strategic plan submitted
16 under paragraph (1). Such updates shall be developed
17 in accordance with the procedures set forth under this
18 subsection.

19 “(5) *REQUIREMENT TO CONSIDER STRATEGY IN*
20 *THE BUDGET.*—In preparing the budget for a fiscal
21 year under section 1105(a) of title 31, United States
22 Code, the President shall include information regard-
23 ing the consistency of the budget with the goals and
24 recommendations included in the strategic plan devel-

1 *oped under this subsection applying to that fiscal*
2 *year.*

3 *“(6) AMP STEERING COMMITTEE INPUT.—The*
4 *Advanced Manufacturing Partnership Steering Com-*
5 *mittee of the President’s Council of Advisors on*
6 *Science and Technology shall provide input, perspec-*
7 *tive, and recommendations to assist in the develop-*
8 *ment and updates of the strategic plan under this*
9 *subsection.”.*

10 **SEC. 5. REGIONAL INNOVATION PROGRAM.**

11 *Section 27 of the Stevenson-Wydler Technology Inno-*
12 *vation Act of 1980 (15 U.S.C. 3722) is amended to read*
13 *as follows:*

14 **“SEC. 27. REGIONAL INNOVATION PROGRAM.**

15 *“(a) ESTABLISHMENT.—The Secretary shall establish*
16 *a regional innovation program to encourage and support*
17 *the development of regional innovation strategies, including*
18 *regional innovation clusters.*

19 *“(b) CLUSTER GRANTS.—*

20 *“(1) IN GENERAL.—As part of the program es-*
21 *tablished under subsection (a), the Secretary may*
22 *award grants on a competitive basis to eligible recipi-*
23 *ents for activities relating to the formation and devel-*
24 *opment of regional innovation clusters.*

1 “(2) *PERMISSIBLE ACTIVITIES.*—Grants awarded
2 under this subsection may be used for activities deter-
3 mined appropriate by the Secretary, including the
4 following:

5 “(A) *Feasibility studies.*

6 “(B) *Planning activities.*

7 “(C) *Technical assistance.*

8 “(D) *Developing or strengthening commu-
9 nication and collaboration between and among
10 participants of a regional innovation cluster.*

11 “(E) *Attracting additional participants to
12 a regional innovation cluster.*

13 “(F) *Facilitating market development of
14 products and services developed by a regional in-
15 novation cluster, including through demonstra-
16 tion, deployment, technology transfer, and com-
17 mercialization activities.*

18 “(G) *Developing relationships between a re-
19 gional innovation cluster and entities or clusters
20 in other regions.*

21 “(H) *Interacting with the public and State
22 and local governments to meet the goals of the
23 cluster.*

24 “(3) *ELIGIBLE RECIPIENT DEFINED.*—In this
25 subsection, the term ‘eligible recipient’ means—

1 “(A) a State;

2 “(B) an Indian tribe;

3 “(C) a city or other political subdivision of
4 a State;

5 “(D) an entity that—

6 “(i) is a nonprofit organization, an in-
7 stitution of higher education, a public-pri-
8 vate partnership, a science or research park,
9 a Federal laboratory, or an economic devel-
10 opment organization or similar entity; and

11 “(ii) has an application that is sup-
12 ported by a State or a political subdivision
13 of a State; or

14 “(E) a consortium of any of the entities de-
15 scribed in subparagraphs (A) through (D).

16 “(4) APPLICATION.—

17 “(A) IN GENERAL.—An eligible recipient
18 shall submit an application to the Secretary at
19 such time, in such manner, and containing such
20 information and assurances as the Secretary
21 may require.

22 “(B) COMPONENTS.—The application shall
23 include, at a minimum, a description of the re-
24 gional innovation cluster supported by the pro-
25 posed activity, including a description of—

1 “(i) whether the regional innovation
2 cluster is supported by the private sector,
3 State and local governments, and other rel-
4 evant stakeholders;

5 “(ii) how the existing participants in
6 the regional innovation cluster will encour-
7 age and solicit participation by all types of
8 entities that might benefit from participa-
9 tion, including newly formed entities and
10 those rival existing participants;

11 “(iii) the extent to which the regional
12 innovation cluster is likely to stimulate in-
13 novation and have a positive impact on re-
14 gional economic growth and development;

15 “(iv) whether the participants in the
16 regional innovation cluster have access to,
17 or contribute to, a well-trained workforce;

18 “(v) whether the participants in the re-
19 gional innovation cluster are capable of at-
20 tracting additional funds from non-Federal
21 sources; and

22 “(vi) the likelihood that the partici-
23 pants in the regional innovation cluster will
24 be able to sustain activities once grant

1 *funds under this subsection have been ex-*
2 *pended.*

3 “(C) *SPECIAL CONSIDERATION.*—*The Sec-*
4 *retary shall give special consideration to appli-*
5 *cations from regions that contain communities*
6 *negatively impacted by trade.*

7 “(5) *SPECIAL CONSIDERATION.*—*The Secretary*
8 *shall give special consideration to an eligible recipient*
9 *who agrees to collaborate with local workforce invest-*
10 *ment area boards.*

11 “(6) *COST SHARE.*—*The Secretary may not pro-*
12 *vide more than 50 percent of the total cost of any ac-*
13 *tivity funded under this subsection.*

14 “(7) *OUTREACH TO RURAL COMMUNITIES.*—*The*
15 *Secretary shall conduct outreach to public and pri-*
16 *vate sector entities in rural communities to encourage*
17 *those entities to participate in regional innovation*
18 *cluster activities under this subsection.*

19 “(8) *FUNDING.*—*The Secretary may accept funds*
20 *from other Federal agencies to support grants and ac-*
21 *tivities under this subsection.*

22 “(c) *REGIONAL INNOVATION RESEARCH AND INFORMA-*
23 *TION PROGRAM.*—

24 “(1) *IN GENERAL.*—*As part of the program es-*
25 *tablished under subsection (a), the Secretary shall es-*

1 *establish a regional innovation research and informa-*
2 *tion program—*

3 “(A) to gather, analyze, and disseminate in-

4 *formation on best practices for regional innova-*
5 *tion strategies (including regional innovation*
6 *clusters), including information relating to how*
7 *innovation, productivity, and economic develop-*
8 *ment can be maximized through such strategies;*

9 “(B) to provide technical assistance, includ-

10 *ing through the development of technical assist-*
11 *ance guides, for the development and implemen-*
12 *tation of regional innovation strategies (includ-*
13 *ing regional innovation clusters);*

14 “(C) to support the development of relevant

15 *metrics and measurement standards to evaluate*
16 *regional innovation strategies (including re-*
17 *gional innovation clusters), including the extent*
18 *to which such strategies stimulate innovation,*
19 *productivity, and economic development; and*

20 “(D) to collect and make available data on

21 *regional innovation cluster activity in the*
22 *United States, including data on—*

23 “(i) the size, specialization, and com-

24 *petitiveness of regional innovation clusters;*

1 “(ii) the regional domestic product
2 contribution, total jobs and earnings by key
3 occupations, establishment size, nature of
4 specialization, patents, Federal research
5 and development spending, and other rel-
6 evant information for regional innovation
7 clusters; and

8 “(iii) supply chain product and service
9 flows within and between regional innova-
10 tion clusters.

11 “(2) RESEARCH GRANTS.—The Secretary may
12 award research grants on a competitive basis to sup-
13 port and further the goals of the program established
14 under this subsection.

15 “(3) DISSEMINATION OF INFORMATION.—Data
16 and analysis compiled by the Secretary under the
17 program established in this subsection shall be made
18 available to other Federal agencies, State and local
19 governments, and nonprofit and for-profit entities.

20 “(4) REGIONAL INNOVATION GRANT PROGRAM.—
21 The Secretary shall incorporate data and analysis re-
22 lating to any grant under subsection (b) into the pro-
23 gram established under this subsection.

24 “(d) INTERAGENCY COORDINATION.—

1 “(1) *IN GENERAL.*—*To the maximum extent*
2 *practicable, the Secretary shall ensure that the activi-*
3 *ties carried out under this section are coordinated*
4 *with, and do not duplicate the efforts of, other pro-*
5 *grams at the Department of Commerce or other Fed-*
6 *eral agencies.*

7 “(2) *COLLABORATION.*—

8 “(A) *IN GENERAL.*—*The Secretary shall ex-*
9 *plore and pursue collaboration with other Fed-*
10 *eral agencies, including through multiagency*
11 *funding opportunities, on regional innovation*
12 *strategies.*

13 “(B) *SMALL BUSINESSES.*—*The Secretary*
14 *shall ensure that such collaboration with Federal*
15 *agencies prioritizes the needs and challenges of*
16 *small businesses.*

17 “(e) *EVALUATION.*—

18 “(1) *IN GENERAL.*—*Not later than 3 years after*
19 *the date of enactment of the Revitalize American*
20 *Manufacturing and Innovation Act of 2014, the Sec-*
21 *retary shall enter into a contract with an inde-*
22 *pendent entity, such as the National Academy of*
23 *Sciences, to conduct an evaluation of the program es-*
24 *tablished under subsection (a).*

1 “(2) *REQUIREMENTS.*—*The evaluation shall in-*
2 *clude—*

3 “(A) *whether the program is achieving its*
4 *goals;*

5 “(B) *any recommendations for how the pro-*
6 *gram may be improved; and*

7 “(C) *a recommendation as to whether the*
8 *program should be continued or terminated.*

9 “(f) *DEFINITIONS.*—*In this section:*

10 “(1) *REGIONAL INNOVATION CLUSTER.*—*The*
11 *term ‘regional innovation cluster’ means a geographi-*
12 *cally bounded network of similar, synergistic, or com-*
13 *plementary entities that—*

14 “(A) *are engaged in or with a particular*
15 *industry sector and its related sectors;*

16 “(B) *have active channels for business*
17 *transactions and communication;*

18 “(C) *share specialized infrastructure, labor*
19 *markets, and services; and*

20 “(D) *leverage the region’s unique competi-*
21 *tive strengths to stimulate innovation and create*
22 *jobs.*

23 “(2) *STATE.*—*The term ‘State’ means one of the*
24 *several States, the District of Columbia, the Common-*
25 *wealth of Puerto Rico, the Virgin Islands, Guam,*

1 *American Samoa, the Commonwealth of the Northern*
2 *Mariana Islands, or any other territory or possession*
3 *of the United States.*

4 “(g) *FUNDING.*—

5 “(1) *GENERAL RULE.*—*Except as provided in*
6 *paragraph (2), no funds are authorized to be appro-*
7 *priated by the Revitalize American Manufacturing*
8 *and Innovation Act of 2014 for carrying out this sec-*
9 *tion.*

10 “(2) *AUTHORITY.*—*The Secretary may use not to*
11 *exceed \$10,000,000 for each of the fiscal years 2015*
12 *through 2019 to carry out this section from amounts*
13 *appropriated for economic development assistance*
14 *programs.”.*

Union Calendar No. 446

113TH CONGRESS
2^D SESSION

H. R. 2996

[Report No. 113-599, Part I]

A BILL

To require the Secretary of Commerce to establish the Network for Manufacturing Innovation and for other purposes.

SEPTEMBER 15, 2014

Reported from the Committee on Science, Space, and
Technology with an amendment

SEPTEMBER 15, 2014

The Committee on Appropriations discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed