

SCIENCE PRIZE COMPETITIONS ACT

MAY 19, 2015.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SMITH of Texas, from the Committee on Science, Space, and Technology, submitted the following

R E P O R T

[To accompany H.R. 1162]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science, Space, and Technology, to whom was referred the bill (H.R. 1162) to make technical changes to provisions authorizing prize competitions under the Stevenson-Wydler Technology Innovation Act of 1980, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

CONTENTS

Committee Statement and Views .....	Page 3
Section-by-Section .....	4
Explanation of Amendments .....	4
Committee Consideration .....	5
Application of Law to the Legislative Branch .....	5
Statement of Oversight Findings and Recommendations of the Committee .....	5
Statement of General Performance Goals and Objectives .....	5
Duplication of Federal Programs .....	5
Disclosure of Directed Rule Makings .....	5
Federal Advisory Committee Act .....	6
Unfunded Mandate Statement .....	6
Earmark Identification .....	6
Committee Estimate .....	6
Budget Authority and Congressional Budget Office Cost Estimate .....	6
Changes in Existing Law Made by the Bill as Reported .....	7

The amendment is as follows:  
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.  
This Act may be cited as the “Science Prize Competitions Act”.

**SEC. 2. AMENDMENTS TO PRIZE COMPETITIONS.**

Section 24 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3719) is amended—

- (1) in subsection (c)—
  - (A) by inserting “competition” after “section, a prize”;
  - (B) by inserting “types” after “following”; and
  - (C) in paragraph (4), by striking “prizes” and inserting “prize competitions”;
- (2) in subsection (f)—
  - (A) by striking “in the Federal Register” and inserting “on a publicly accessible Government website, such as [www.challenge.gov](http://www.challenge.gov),”; and
  - (B) in paragraph (4), by striking “prize” and inserting “cash prize purse”;
- (3) in subsection (g), by striking “prize” and inserting “cash prize purse”;
- (4) in subsection (h), by inserting “prize” before “competition” both places it appears;
- (5) in subsection (i)—
  - (A) in paragraph (1)(B), by inserting “prize” before “competition”;
  - (B) in paragraph (2)(A), by inserting “prize” before “competition” both places it appears;
  - (C) by redesignating paragraph (3) as paragraph (4); and
  - (D) by inserting after paragraph (2) the following new paragraph:
 

“(3) **WAIVER.**—An agency may waive the requirement under paragraph (2). The annual report under subsection (p) shall include a list of such waivers granted during the preceding fiscal year, along with a detailed explanation of the reasons for granting the waivers.”;
- (6) in subsection (k)—
  - (A) in paragraph (2)(A), by inserting “prize” before “competition”; and
  - (B) in paragraph (3), by inserting “prize” before “competitions” both places it appears;
- (7) in subsection (l), by striking all after “may enter into” and inserting “a grant, contract, cooperative agreement, or other agreement with a private sector for-profit or nonprofit entity to administer the prize competition, subject to the provisions of this section.”;
- (8) in subsection (m)—
  - (A) by amending paragraph (1) to read as follows:
 

“(1) **IN GENERAL.**—Support for a prize competition under this section, including financial support for the design and administration of a prize competition or funds for a cash prize purse, may consist of Federal appropriated funds and funds provided by private sector for-profit and nonprofit entities. The head of an agency may accept funds from other Federal agencies, private sector for-profit entities, and nonprofit entities to support such prize competitions. The head of an agency may not give any special consideration to any private sector for-profit or nonprofit entity in return for a donation.”;
  - (B) in paragraph (2), by striking “prize awards” and inserting “cash prize purses”;
  - (C) in paragraph (3)(A)—
    - (i) by striking “No prize” and inserting “No prize competition”; and
    - (ii) by striking “the prize” and inserting “the cash prize purse”;
  - (D) in paragraph (3)(B), by striking “a prize” and inserting “a cash prize purse”;
  - (E) in paragraph (3)(B)(i), by inserting “competition” after “prize”;
  - (F) in paragraph (4)(A), by striking “a prize” and inserting “a cash prize purse”; and
  - (G) in paragraph (4)(B), by striking “cash prizes” and inserting “cash prize purses”;
- (9) in subsection (n), by inserting “for both for-profit and nonprofit entities,” after “contract vehicle”;
- (10) in subsection (o)(1), by striking “or providing a prize” and insert “a prize competition or providing a cash prize purse”; and
- (11) in subsection (p)(2)—
  - (A) in subparagraph (C), by striking “cash prizes” both places it occurs and inserting “cash prize purses”; and
  - (B) by adding at the end the following new subparagraph:
 

“(G) **PLAN.**—A description of crosscutting topical areas and agency-specific mission needs that may be the strongest opportunities for prize competitions during the upcoming 2 fiscal years.”.

## COMMITTEE STATEMENT AND VIEWS

## PURPOSE AND SUMMARY

H.R. 1162, the *Science Prize Competitions Act*, is sponsored by Representative Don Beyer (D–VA–08), Ranking Member of the Oversight Subcommittee of the House Science, Space, and Technology Committee. The purpose of the bill is to make technical changes to provisions authorizing prize competitions under the Stevenson-Wydler Innovation Act of 1980.

## BACKGROUND AND NEED FOR LEGISLATION

Prizes have an established record of spurring innovation in the private and philanthropic sectors. In March 2010, the Office of Management and Budget (OMB) issued a formal policy framework<sup>1</sup> to guide agency leaders in using prizes to advance their core missions. The memo stated, under the right circumstances, prizes may allow the government to further a federal agency’s mission by attracting more interest and attention to a defined program, activity, or issue of concern; stimulate private sector investment that is many times greater than the cash value of the prize; and capture the public imagination and change the public’s perception of what is possible.<sup>2</sup>

In September 2010, the Administration launched Challenge.gov,<sup>3</sup> a one-stop website where entrepreneurs and “citizen solvers” can find public-sector prizes. On January 4, 2011, the President signed into law P.L. 111–358, the America COMPETES Reauthorization Act. Section 105 of the Act added “Prize Competitions” to the Stevenson-Wydler Technology Innovation Act of 1980 to provide agencies with authority to conduct prize competitions in order to spur innovation, solve tough problems, and advance their core mission.<sup>4</sup> This prize competition authority does not affect any existing prize competition authority already provided by any other law.

## LEGISLATIVE HISTORY

In the 113th Congress, Rep. Larry Bucshon (R–IN–08) introduced H.R. 4186, the Frontiers in Innovation, Research, Science, and Technology (FIRST) Act of 2014. Section 307 of that bill included language almost identical to H.R. 1162. The FIRST Act was marked up by the Research and Technology Subcommittee of the House Science, Space, and Technology Committee on March 13, 2014. It was reported, as amended, to the full Committee by voice vote. H.R. 4186 was subsequently reported by the full Committee by voice vote on May 28, 2014.

## COMMITTEE VIEWS

Scientific prize challenges play an important role in spurring innovation, and the Federal government and private sector are crucial to sustaining these challenges. The America COMPETES Reauthorization Act of 2010 (P.L. 111–358) granted all federal agencies broad authority to conduct prize competitions, and provided

<sup>1</sup>[http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda\\_2010/m10-11.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m10-11.pdf).

<sup>2</sup>[http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda\\_2010/m10-11.pdf](http://www.whitehouse.gov/sites/default/files/omb/assets/memoranda_2010/m10-11.pdf).

<sup>3</sup><http://www.challenge.gov/list/>.

<sup>4</sup>[http://www.whitehouse.gov/sites/default/files/microsites/ostp/competes\\_prizesreport\\_fy13\\_final.pdf](http://www.whitehouse.gov/sites/default/files/microsites/ostp/competes_prizesreport_fy13_final.pdf).

the Office of Science and Technology Policy (OSTP) the responsibility to lay the policy and legal framework for agencies to take advantage of the prize authority.

The Committee is encouraged by OSTP's May 2014 report for FY 2013 prize activity which noted the number of prizes conducted was 41, a significant increase from the 27 prizes conducted in FY 2012. The Committee urges agencies to consider how any given prize competition fits into a broader agency innovation strategy when determining when and how to use the prize authority. The amendment introduced by Rep. Bill Johnson (described below) is in keeping with the overarching objective of H.R. 1162, which is to encourage more federal-private prize competitions, especially prizes to spur breakthrough technologies leading to economic growth and the creation of new jobs.

#### SECTION-BY-SECTION

##### *Section 1. Short title*

Science Prize Competitions Act.

##### *Section 2. Amendments to prize competitions*

This section makes changes to provisions authorizing prize competitions under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3719).

This section inserts the term “prize competition” for “prize” where appropriate, and specifies “cash prize purse” instead of “prize” where appropriate.

This section directs agency heads to publish notices of prize competitions on a publicly accessible government website, such as *www.challenge.gov*, instead of in the Federal Register.

This section provides agencies with the option to waive the requirement for participants in a prize competition to obtain liability insurance or demonstrate financial responsibility. A list of all waivers, including a detailed explanation for the waivers, will be included in an annual report on prize competitions from OSTP to Congress.

This section provides for the head of an agency to be able to enter into a grant, contract, cooperative agreement or other agreement with a private sector for-profit or nonprofit entity to administer the prize competition.

This section ensures private sector for-profit and nonprofit entities may provide funds for the design and administration of a prize competition or for a cash prize purse. Such funds may also consist of Federal appropriated funds. Additionally, the head of an agency may accept funds from other Federal agencies. The head of an agency may not give any special consideration to a private sector for-profit or nonprofit entity in return for a donation.

#### EXPLANATION OF AMENDMENTS

An amendment offered by Representative Bill Johnson (R-OH-06), Vice-Chairman of the Oversight Subcommittee of the House Science, Space, and Technology Committee, was adopted by voice vote and is incorporated in the base text of H.R. 1162. The amendment requires the OSTP Director to include in the annual report to Congress a plan identifying crosscutting areas and agency-spe-

cific needs for future prize competitions during the upcoming two fiscal years.

The amendment is in keeping with the overarching objective of H.R. 1162 to encourage agencies to strategically utilize prize competitions.

#### COMMITTEE CONSIDERATION

On March 4, 2015, the Committee met in open session and ordered reported favorably the bill, H.R. 1162, as amended, by voice vote, a quorum being present.

#### APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill makes technical changes to provisions authorizing prize competitions under the Stevenson-Wydler Innovation Act of 1980. As such this bill does not relate to employment or access to public services and accommodations.

#### STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are to encourage more federal-private prize competitions, especially prizes to spur breakthrough technologies leading to economic growth and the creation of new jobs.

#### DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 1162 establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

#### DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting H.R. 1162 does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

#### FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

## UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

H.R. 1162 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

## COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 1162. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

## BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 1162 from the Director of Congressional Budget Office:

MARCH 20, 2015.

Hon. LAMAR SMITH,  
*Chairman, Committee on Science, Space, and Technology,*  
*House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1162, the Science Prize Competitions Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Marin Burnett.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

*H.R. 1162—Science Prize Competitions Act*

Under current law, heads of federal agencies may hold prize competitions as an incentive for scientific and technological innovation. H.R. 1162 would clarify that agencies may partner with both non-profit and for-profit entities in the private sector to support the competitions and require that notification of the competitions be publicly available on a government website.

The bill also would allow agencies that sponsor prize competitions to waive a requirement that participants in such competitions obtain liability insurance to protect the government against claims by third party entities, making the federal government potentially responsible for paying the cost of successful claims. Because those claims would probably be paid from the Treasury's Judgment Fund (a permanent, indefinite appropriation for claims and judgments against the United States), enacting the bill could affect direct spending; therefore, pay-as-you-go procedures apply. However, based on information from some agencies that conduct competitions, CBO anticipates that any such cases would be rare and that any effect on direct spending would be insignificant.

H.R. 1162 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

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

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

### STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

\* \* \* \* \*

#### SEC. 24. PRIZE COMPETITIONS.

(a) DEFINITIONS.—In this section:

(1) AGENCY.—The term “agency” means a Federal agency.

(2) DIRECTOR.—The term “Director” means the Director of the Office of Science and Technology Policy.

(3) FEDERAL AGENCY.—The term “Federal agency” has the meaning given under section 4, except that term shall not include any agency of the legislative branch of the Federal Government.

(4) HEAD OF AN AGENCY.—The term “head of an agency” means the head of a Federal agency.

(b) IN GENERAL.—Each head of an agency, or the heads of multiple agencies in cooperation, may carry out a program to award prizes competitively to stimulate innovation that has the potential to advance the mission of the respective agency.

(c) PRIZES.—For purposes of this section, a prize *competition* may be one or more of the following *types*:

(1) A point solution prize that rewards and spurs the development of solutions for a particular, well-defined problem.

(2) An exposition prize that helps identify and promote a broad range of ideas and practices that may not otherwise attract attention, facilitating further development of the idea or practice by third parties.

(3) Participation prizes that create value during and after the competition by encouraging contestants to change their behavior or develop new skills that may have beneficial effects during and after the competition.

(4) Such other types of **[prizes]** *prize competitions* as each head of an agency considers appropriate to stimulate innovation that has the potential to advance the mission of the respective agency.

(d) TOPICS.—In selecting topics for prize competitions, the head of an agency shall consult widely both within and outside the Federal Government, and may empanel advisory committees.

(e) ADVERTISING.—The head of an agency shall widely advertise each prize competition to encourage broad participation.

(f) REQUIREMENTS AND REGISTRATION.—For each prize competition, the head of an agency shall publish a notice **[in the Federal Register]** *on a publicly accessible Government website, such as [www.challenge.gov](http://www.challenge.gov)*, announcing—

(1) the subject of the competition;

(2) the rules for being eligible to participate in the competition;

(3) the process for participants to register for the competition;

(4) the amount of the **[prize]** *cash prize purse*; and

(5) the basis on which a winner will be selected.

(g) ELIGIBILITY.—To be eligible to win a **[prize]** *cash prize purse* under this section, an individual or entity—

(1) shall have registered to participate in the competition under any rules promulgated by the head of an agency under subsection (f);

(2) shall have complied with all the requirements under this section;

(3) in the case of a private entity, shall be incorporated in and maintain a primary place of business in the United States, and in the case of an individual, whether participating singly or in a group, shall be a citizen or permanent resident of the United States; and

(4) may not be a Federal entity or Federal employee acting within the scope of their employment.

(h) CONSULTATION WITH FEDERAL EMPLOYEES.—An individual or entity shall not be deemed ineligible under subsection (g) because the individual or entity used Federal facilities or consulted with Federal employees during a *prize* competition if the facilities and employees are made available to all individuals and entities participating in the *prize* competition on an equitable basis.

(i) LIABILITY.—

(1) IN GENERAL.—

(A) DEFINITION.—In this paragraph, the term “related entity” means a contractor or subcontractor at any tier, and a supplier, user, customer, cooperating party, grantee, investigator, or detailee.

(B) LIABILITY.—Registered participants shall be required to agree to assume any and all risks and waive claims against the Federal Government and its related entities, except in the case of willful misconduct, for any injury, death, damage, or loss of property, revenue, or profits,



whether direct, indirect, or consequential, arising from their participation in a *prize* competition, whether the injury, death, damage, or loss arises through negligence or otherwise.

(2) INSURANCE.—Participants shall be required to obtain liability insurance or demonstrate financial responsibility, in amounts determined by the head of an agency, for claims by—

(A) a third party for death, bodily injury, or property damage, or loss resulting from an activity carried out in connection with participation in a *prize* competition, with the Federal Government named as an additional insured under the registered participant's insurance policy and registered participants agreeing to indemnify the Federal Government against third party claims for damages arising from or related to *prize* competition activities; and

(B) the Federal Government for damage or loss to Government property resulting from such an activity.

(3) WAIVER.—*An agency may waive the requirement under paragraph (2). The annual report under subsection (p) shall include a list of such waivers granted during the preceding fiscal year, along with a detailed explanation of the reasons for granting the waivers.*

[(3)] (4) EXCEPTION.—The head of an agency may not require a participant to waive claims against the administering entity arising out of the unauthorized use or disclosure by the agency of the intellectual property, trade secrets, or confidential business information of the participant.

(j) INTELLECTUAL PROPERTY.—

(1) PROHIBITION ON THE GOVERNMENT ACQUIRING INTELLECTUAL PROPERTY RIGHTS.—The Federal Government may not gain an interest in intellectual property developed by a participant in a competition without the written consent of the participant.

(2) LICENSES.—The Federal Government may negotiate a license for the use of intellectual property developed by a participant for a competition.

(k) JUDGES.—

(1) IN GENERAL.—For each competition, the head of an agency, either directly or through an agreement under subsection (l), shall appoint one or more qualified judges to select the winner or winners of the prize competition on the basis described under subsection (f). Judges for each competition may include individuals from outside the agency, including from the private sector.

(2) RESTRICTIONS.—A judge may not—

(A) have personal or financial interests in, or be an employee, officer, director, or agent of any entity that is a registered participant in a *prize* competition; or

(B) have a familial or financial relationship with an individual who is a registered participant.

(3) GUIDELINES.—The heads of agencies who carry out *prize* competitions under this section shall develop guidelines to ensure that the judges appointed for such *prize* competitions are fairly balanced and operate in a transparent manner.

(4) EXEMPTION FROM FACa.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to any committee, board, commission, panel, task force, or similar entity, created solely for the purpose of judging prize competitions under this section.

(1) ADMINISTERING THE COMPETITION.—The head of an agency may enter into [an agreement with a private, nonprofit entity to administer a prize competition, subject to the provisions of this section.] *a grant, contract, cooperative agreement, or other agreement with a private sector for-profit or nonprofit entity to administer the prize competition, subject to the provisions of this section.*

(m) FUNDING.—

[(1) IN GENERAL.—Support for a prize competition under this section, including financial support for the design and administration of a prize or funds for a monetary prize purse, may consist of Federal appropriated funds and funds provided by the private sector for such cash prizes. The head of an agency may accept funds from other Federal agencies to support such competitions. The head of an agency may not give any special consideration to any private sector entity in return for a donation.]

*(1) IN GENERAL.—Support for a prize competition under this section, including financial support for the design and administration of a prize competition or funds for a cash prize purse, may consist of Federal appropriated funds and funds provided by private sector for-profit and nonprofit entities. The head of an agency may accept funds from other Federal agencies, private sector for-profit entities, and nonprofit entities to support such prize competitions. The head of an agency may not give any special consideration to any private sector for-profit or nonprofit entity in return for a donation.*

(2) AVAILABILITY OF FUNDS.—Notwithstanding any other provision of law, funds appropriated for [prize awards] *cash prize purses* under this section shall remain available until expended. No provision in this section permits obligation or payment of funds in violation of section 1341 of title 31, United States Code.

(3) AMOUNT OF PRIZE.—

(A) ANNOUNCEMENT.— [No prize] *No prize competition* may be announced under subsection (f) until all the funds needed to pay out the announced amount of [the prize] *the cash prize purse* have been appropriated or committed in writing by a private source.

(B) INCREASE IN AMOUNT.—The head of an agency may increase the amount of [a prize] *a cash prize purse* after an initial announcement is made under subsection (f) only if—

(i) notice of the increase is provided in the same manner as the initial notice of the prize *competition*; and

(ii) the funds needed to pay out the announced amount of the increase have been appropriated or committed in writing by a private source.

(4) LIMITATION ON AMOUNT.—

(A) NOTICE TO CONGRESS.—No prize competition under this section may offer [a prize] *a cash prize purse* in an amount greater than \$50,000,000 unless 30 days have elapsed after written notice has been transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives.

(B) APPROVAL OF HEAD OF AGENCY.—No prize competition under this section may result in the award of more than \$1,000,000 in [cash prizes] *cash prize purses* without the approval of the head of an agency.

(n) GENERAL SERVICE ADMINISTRATION ASSISTANCE.—Not later than 180 days after the date of the enactment of the America COMPETES Reauthorization Act of 2010, the General Services Administration shall provide government wide services to share best practices and assist agencies in developing guidelines for issuing prize competitions. The General Services Administration shall develop a contract vehicle *for both for-profit and nonprofit entities*, to provide agencies access to relevant products and services, including technical assistance in structuring and conducting prize competitions to take maximum benefit of the marketplace as they identify and pursue prize competitions to further the policy objectives of the Federal Government.

(o) COMPLIANCE WITH EXISTING LAW.—

(1) IN GENERAL.—The Federal Government shall not, by virtue of offering [or providing a prize] *a prize competition or providing a cash prize purse* under this section, be responsible for compliance by registered participants in a prize competition with Federal law, including licensing, export control, and non-proliferation laws, and related regulations.

(2) OTHER PRIZE AUTHORITY.—Nothing in this section affects the prize authority authorized by any other provision of law.

(p) ANNUAL REPORT.—

(1) IN GENERAL.—Not later than March 1 of each year, the Director shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives a report on the activities carried out during the preceding fiscal year under the authority in subsection (b).

(2) INFORMATION INCLUDED.—The report for a fiscal year under this subsection shall include, for each prize competition under subsection (b), the following:

(A) PROPOSED GOALS.—A description of the proposed goals of each prize competition.

(B) PREFERABLE METHOD.—An analysis of why the utilization of the authority in subsection (b) was the preferable method of achieving the goals described in subparagraph (A) as opposed to other authorities available to the agency, such as contracts, grants, and cooperative agreements.

(C) AMOUNT OF CASH PRIZES.—The total amount of [cash prizes] *cash prize purses* awarded for each prize competition, including a description of amount of private funds contributed to the program, the sources of such funds, and the manner in which the amounts of [cash prizes] *cash prize purses* awarded and claimed were allocated among

the accounts of the agency for recording as obligations and expenditures.

(D) SOLICITATIONS AND EVALUATION OF SUBMISSIONS.—The methods used for the solicitation and evaluation of submissions under each prize competition, together with an assessment of the effectiveness of such methods and lessons learned for future prize competitions.

(E) RESOURCES.—A description of the resources, including personnel and funding, used in the execution of each prize competition together with a detailed description of the activities for which such resources were used and an accounting of how funding for execution was allocated among the accounts of the agency for recording as obligations and expenditures.

(F) RESULTS.—A description of how each prize competition advanced the mission of the agency concerned.

(G) *PLAN.—A description of crosscutting topical areas and agency-specific mission needs that may be the strongest opportunities for prize competitions during the upcoming 2 fiscal years.*

\* \* \* \* \*

