

111TH CONGRESS  
2D SESSION

# S. 3620

To require the Secretary of Commerce to conduct a study on the economic competitiveness and innovative capacity of the United States and to develop a national economic competitiveness strategy, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 20, 2010

Mr. WARNER (for himself, Ms. KLOBUCHAR, Mr. UDALL of New Mexico, and Mr. BEGICH) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To require the Secretary of Commerce to conduct a study on the economic competitiveness and innovative capacity of the United States and to develop a national economic competitiveness strategy, 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 “National Competitive-  
5       ness and Innovation Strategy Act of 2010”.

1 **SEC. 2. FINDINGS AND SENSE OF CONGRESS.**

2 (a) FINDINGS.—Congress makes the following find-  
3 ings:

4 (1) The United States has not undertaken a na-  
5 tional economic competitiveness strategy since 1978.

6 (2) Major economic competitors of the United  
7 States are engaged in nationally coordinated efforts  
8 to improve their own competitiveness.

9 (3) The world economy is at a turning point in  
10 the face of economic challenges, energy constraints,  
11 infrastructure, and manufacturing sector changes.

12 (4) The United States needs to position itself to  
13 take advantage of the turning point described in  
14 paragraph (3) to ensure the continued economic suc-  
15 cess of the United States for the next 50 years.

16 (b) SENSE OF CONGRESS.—It is the sense of Con-  
17 gress that the United States should engage the private  
18 sector in order to maximize Government efforts to improve  
19 national competitiveness and further innovation within  
20 specific economic sectors in order to reassert leadership  
21 in key sectors and to improve the quality of, and increase  
22 the quantity of, high-value jobs in the United States.

1 **SEC. 3. STUDY ON ECONOMIC COMPETITIVENESS AND IN-**  
2 **NOVATIVE CAPACITY OF UNITED STATES AND**  
3 **DEVELOPMENT OF NATIONAL ECONOMIC**  
4 **COMPETITIVENESS STRATEGY.**

5 (a) STUDY.—

6 (1) IN GENERAL.—Not later than 1 year after  
7 the date of the enactment of this Act, the Secretary  
8 of Commerce shall complete a comprehensive study  
9 of the economic competitiveness and innovative ca-  
10 pacity of the United States.

11 (2) MATTERS COVERED.—The study required  
12 by paragraph (1) shall include the following:

13 (A) An analysis of the United States econ-  
14 omy and innovation infrastructure.

15 (B) An assessment of the following:

16 (i) The current competitive and inno-  
17 vation performance of the United States  
18 economy relative to other countries that  
19 compete economically with the United  
20 States.

21 (ii) Economic competitiveness and do-  
22 mestic innovation in the current business  
23 climate, including tax and Federal regu-  
24 latory policy.

25 (iii) The business climate of the  
26 United States and those of other countries

1 that compete economically with the United  
2 States.

3 (iv) Regional issues that influence the  
4 economic competitiveness and innovation  
5 capacity of the United States, including—

6 (I) the roles of State and local  
7 governments and institutions of high-  
8 er education; and

9 (II) regional factors that con-  
10 tribute positively to innovation.

11 (v) The effectiveness of the Federal  
12 Government in supporting and promoting  
13 economic competitiveness and innovation,  
14 including any duplicative efforts of, or  
15 gaps in coverage between, Federal agencies  
16 and departments.

17 (vi) Barriers to competitiveness in  
18 newly emerging business or technology sec-  
19 tors, factors influencing underperforming  
20 economic sectors, unique issues facing  
21 small and medium enterprises, and bar-  
22 riers to the development and evolution of  
23 start-ups, firms, and industries.

24 (vii) The effects of domestic and  
25 international trade policy on the competi-

1           tiveness of the United States and the  
2           United States economy.

3           (viii) United States export promotion  
4           and export finance programs relative to ex-  
5           port promotion and export finance pro-  
6           grams of other countries that compete eco-  
7           nomically with the United States, including  
8           Canada, France, Germany, Italy, Japan,  
9           Korea, and the United Kingdom, with not-  
10          ing of export promotion and export finance  
11          programs carried out by such countries  
12          that are not analogous to any programs  
13          carried out by the United States.

14          (ix) The effectiveness of current poli-  
15          cies and programs affecting exports, in-  
16          cluding an assessment of Federal trade re-  
17          strictions and State and Federal export  
18          promotion activities.

19          (x) The effectiveness of the Federal  
20          Government and federally funded research  
21          and development centers in supporting and  
22          promoting technology commercialization  
23          and technology transfer.

24          (xi) Domestic and international intel-  
25          lectual property policies and practices.

(xii) Manufacturing capacity, logistics, and supply chain dynamics of major export sectors, including access to a skilled workforce, physical infrastructure, and broadband network infrastructure.

(xiii) Federal and State policies relating to science, technology, and education and other relevant Federal and State policies designed to promote commercial innovation, including immigration policies.

(C) Development of recommendations on the following:

(i) How the United States should invest in human capital.

(ii) How the United States should facilitate entrepreneurship and innovation.

(iii) How best to develop opportunities for locally and regionally driven innovation by providing Federal support.

(iv) How best to strengthen the economic infrastructure and industrial base of the United States.

(v) How to improve the international competitiveness of the United States.

(3) CONSULTATION.—

(A) IN GENERAL.—The study required by paragraph (1) shall be conducted in consultation with the National Economic Council of the Office of Policy Development, such Federal agencies as the Secretary considers appropriate, and the Innovation Advisory Board established under subparagraph (B). The Secretary shall also establish a process for obtaining comments from the public.

(B) INNOVATION ADVISORY BOARD.—

(i) IN GENERAL.—The Secretary shall establish an Innovation Advisory Board for purposes of obtaining advice with respect to the conduct of the study required by paragraph (1).

(ii) COMPOSITION.—The Advisory Board established under clause (i) shall be comprised of 15 members, appointed by the Secretary—

(I) who shall represent all major industry sectors;

(II) a majority of whom should be from private industry, including large and small firms, representing advanced technology sectors and more

1 traditional sectors that use tech-  
2 nology; and

3 (III) who may include economic  
4 or innovation policy experts, State and  
5 local government officials active in  
6 technology-based economic develop-  
7 ment, and representatives from higher  
8 education.

9 (iii) EXEMPTION FROM FACa.—The  
10 Federal Advisory Committee Act (5 U.S.C.  
11 App.) shall not apply to the advisory board  
12 established under clause (i).

13 (b) STRATEGY.—

14 (1) IN GENERAL.—Not later than 1 year after  
15 the completion of the study required by subsection  
16 (a), the Secretary shall develop, based on the study  
17 required by subsection (a)(1), a national 10-year  
18 strategy to strengthen the innovative and competi-  
19 tive capacity of the Federal Government, State and  
20 local governments, United States institutions of  
21 higher education, and the private sector of the  
22 United States.

23 (2) ELEMENTS.—The strategy required by  
24 paragraph (1) shall include the following:



1 (A) Actions to be taken by individual Fed-  
2 eral agencies and departments to improve com-  
3 petitiveness.

4 (B) Proposed legislative actions for consid-  
5 eration by Congress.

6 (C) Annual goals and milestones for the  
7 10-year period of the strategy.

8 (D) A plan for monitoring the progress of  
9 the Federal Government with respect to improv-  
10 ing conditions for innovation and the competi-  
11 tiveness of the United States.

12 (c) REPORT.—

13 (1) IN GENERAL.—Upon the completion of the  
14 strategy required by subsection (b), the Secretary of  
15 Commerce shall submit to Congress and the Presi-  
16 dent a report on the study conducted under sub-  
17 section (a) and the strategy developed under sub-  
18 section (b).

19 (2) ELEMENTS.—The report required by para-  
20 graph (1) shall include the following:

21 (A) The findings of the Secretary with re-  
22 spect to the study conducted under subsection  
23 (a).

- 1 (B) The strategy required by subsection
- 2 (b).

