113TH CONGRESS
2D SESSION

H. R. 2996

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 16, 2014
Received

AN ACT

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Revitalize American Manufacturing and Innovation Act of 2014".

SEC. 2. FINDINGS.

Congress finds the following:

(1) In 2012, manufacturers contributed $2.03 trillion to the economy, or ⅛ of United States Gross Domestic Product.

(2) For every $1.00 spent in manufacturing, another $1.32 is added to the economy, the highest multiplier effect of any economic sector.

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

(4) In 2012, the average manufacturing worker in the United States earned $77,505 annually, including pay and benefits. The average worker in all industries earned $62,063.

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

(6) Manufacturers in the United States perform two-thirds of all private-sector research and develop-

ment in the United States, driving more innovation than any other sector.

SEC. 3. ESTABLISHMENT OF NETWORK FOR MANUFACTURING INNOVATION.

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

(1) by redesignating section 34 as section 35; and

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

"SEC. 34. NETWORK FOR MANUFACTURING INNOVATION.

"(a) ESTABLISHMENT OF NETWORK FOR MANUFACTURING INNOVATION PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish within the Institute a program to be known as the 'Network for Manufacturing Innovation Program' (referred to in this section as the 'Program').

"(2) PURPOSES OF PROGRAM.—The purposes of the Program are—

"(A) to improve the competitiveness of United States manufacturing and to increase the production of goods manufactured predominantly within the United States;

"(B) to stimulate United States leadership in advanced manufacturing research, innovation, and technology;

"(C) to facilitate the transition of innovative technologies into scalable, cost-effective, and high-performing manufacturing capabilities;

"(D) to facilitate access by manufacturing enterprises to capital-intensive infrastructure, including high-performance electronics and computing, and the supply chains that enable these technologies;

"(E) to accelerate the development of an advanced manufacturing workforce;

"(F) to facilitate peer exchange of and the documentation of best practices in addressing advanced manufacturing challenges;

"(G) to leverage non-Federal sources of support to promote a stable and sustainable business model without the need for long-term Federal funding; and

"(H) to create and preserve jobs.

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

"(A) the Network for Manufacturing Innovation established under subsection (b); and

"(B) the establishment of centers for manufacturing innovation.

"(4) DIRECTOR.—The Secretary shall carry out the Program through the Director.

"(b) ESTABLISHMENT OF NETWORK FOR MANUFACTURING INNOVATION.—

"(1) IN GENERAL.—As part of the Program, the Secretary shall establish a network of centers for manufacturing innovation.

"(2) DESIGNATION.—The network established under paragraph (1) shall be known as the 'Network for Manufacturing Innovation' (referred to in this section as the 'Network').

"(c) CENTERS FOR MANUFACTURING INNOVATION.—

"(1) IN GENERAL.—For purposes of this section, a 'center for manufacturing innovation' is a center that—

"(A) has been established by a person or group of persons to address challenges in advanced manufacturing and to assist manufacturers in retaining or expanding industrial production and jobs in the United States;

"(B) has a predominant focus on a manufacturing process, novel material, enabling technology, supply chain integration methodology, or another relevant aspect of advanced manufacturing, such as nanotechnology applications, advanced ceramics, photonics and optics, composites, biobased and advanced materials, flexible hybrid technologies, and tool development for microelectronics;

"(C) as determined by the Secretary, has the potential—

"(i) to improve the competitiveness of United States manufacturing, including key advanced manufacturing technologies such as nanotechnology, advanced ceramics, photonics and optics, composites, biobased and advanced materials, flexible hybrid technologies, and tool development for microelectronics;

"(ii) to accelerate non-Federal investment in advanced manufacturing production capacity in the United States; or

"(iii) to enable the commercial application of new technologies or industry-wide manufacturing processes; and

"(D) includes active participation among representatives from multiple industrial entities, research universities, community colleges, and such other entities as the Secretary considers appropriate, which may include industry-led consortia, career and technical education schools, Federal laboratories, State, local, and tribal governments, businesses, educational institutions, and nonprofit organizations.

"(2) ACTIVITIES.—Activities of a center for manufacturing innovation may include the following:

"(A) Research, development, and demonstration projects, including proof-of-concept development and prototyping, to reduce the cost, time, and risk of commercializing new technologies and improvements in existing technologies, processes, products, and research and development of materials to solve precompetitive industrial problems with economic or national security implications.

"(B) Development and implementation of education, training, and workforce recruitment courses, materials, and programs.

"(C) Development of innovative methodologies and practices for supply chain integration and introduction of new technologies into supply chains.

“(D) Outreach and engagement with small and medium-sized manufacturing enterprises, including women and minority owned manufacturing enterprises, in addition to large manufacturing enterprises.

“(E) Such other activities as the Secretary, in consultation with Federal departments and agencies whose missions contribute to or are affected by advanced manufacturing, considers consistent with the purposes described in subsection (a)(2).

“(3) ADDITIONAL CENTERS FOR MANUFACTURING INNOVATION.—

“(A) IN GENERAL.—The National Additive Manufacturing Innovation Institute and other manufacturing centers formally recognized as manufacturing innovation centers pursuant to Federal law or executive actions, or under pending interagency review for such recognition as of the date of enactment of the Revitalize American Manufacturing and Innovation Act of 2014, shall be considered centers for manufacturing innovation, but such centers shall not receive any financial assistance under subsection (d).

"(B) NETWORK PARTICIPATION.—A manufacturing center that is substantially similar to those established under this subsection but that does not receive financial assistance under subsection (d) may, upon request of the center, be recognized as a center for manufacturing innovation by the Secretary for purposes of participation in the Network.

"(d) FINANCIAL ASSISTANCE TO ESTABLISH AND SUPPORT CENTERS FOR MANUFACTURING INNOVATION.—

"(1) IN GENERAL.—In carrying out the Program, the Secretary shall award financial assistance to a person or group of persons to assist the organization in planning, establishing, or supporting a center for manufacturing innovation.

"(2) APPLICATION.—A person or group of persons seeking financial assistance under paragraph (1) shall submit to the Secretary an application therefor at such time, in such manner, and containing such information as the Secretary may require. The application shall, at a minimum, describe the specific sources and amounts of non-Federal financial support for the center on the date financial assistance is sought, as well as the anticipated sources and amounts of non-Federal financial support during the period for which the center could be eligible for continued Federal financial assistance under this section.

"(3) OPEN PROCESS.—In soliciting applications for financial assistance under paragraph (1), the Secretary shall ensure an open process that will allow for the consideration of all applications relevant to advanced manufacturing regardless of technology area.

"(4) SELECTION.—

"(A) COMPETITIVE, MERIT REVIEW.—In awarding financial assistance under paragraph (1), the Secretary shall use a competitive, merit review process that includes peer review by a diverse group of individuals with relevant expertise from both the private and public sectors.

"(B) PARTICIPATION IN PROCESS.—

"(i) IN GENERAL.—No political appointee may participate on a peer review panel. The Secretary shall implement a conflict of interest policy that ensures public transparency and accountability, and requires full disclosure of any real or potential conflicts of interest on the parts of individuals that participate in the merit selection process.

"(ii) DEFINITION.—For purposes of this subparagraph, the term 'political appointee' means any individual who—

"(I) is employed in a position described under sections 5312 through 5316 of title 5, United States Code, (relating to the Executive Schedule);

"(II) is a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service, as defined under paragraphs (5), (6), and (7), respectively, of section 3132(a) of title 5, United States Code; or

"(III) is employed in a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations.

"(C) Performance measurement, transparency, and accountability.—For each award of financial assistance under paragraph (1), the Secretary shall—

"(i) make publicly available at the time of the award a description of the bases for the award, including an explanation of the relative merits of the winning applicant as compared to other applications received, if applicable; and

"(ii) develop and implement metrics-based performance measures to assess the effectiveness of the activities funded.

"(D) Collaboration.—In awarding financial assistance under paragraph (1), the Secretary shall, acting through the National Program Office established under subsection (f)(1), collaborate with Federal departments and agencies whose missions contribute to or are affected by advanced manufacturing.

"(E) Considerations.—In selecting a person who submitted an application under paragraph (2) for an award of financial assistance under paragraph (1), the Secretary shall consider, at a minimum, the following:

"(i) The potential of the center for manufacturing innovation to advance domestic manufacturing and the likelihood of economic impact, including the creation or preservation of jobs, in the predominant focus areas of the center for manufacturing innovation.

"(ii) The commitment of continued financial support, advice, participation, and other contributions from non-Federal sources, to provide leverage and resources to promote a stable and sustainable business model without the need for long-term Federal funding.

"(iii) Whether the financial support provided to the center for manufacturing innovation from non-Federal sources significantly exceeds the requested Federal financial assistance.

"(iv) How the center for manufacturing innovation will increase the non-Federal investment in advanced manufacturing research in the United States.

"(v) How the center for manufacturing innovation will engage with small and medium-sized manufacturing enterprises, to improve the capacity of such enterprises to commercialize new processes and technologies.

"(vi) How the center for manufacturing innovation will carry out educational and workforce activities that meet industrial needs related to the predominant focus areas of the center.

"(vii) How the center for manufacturing innovation will advance economic competitiveness and generate substantial benefits to the Nation that extend beyond the direct return to participants in the Program.

"(viii) Whether the predominant focus of the center for manufacturing innovation is a manufacturing process, novel material, enabling technology, supply chain integration methodology, or other relevant aspect of advanced manufacturing that has not already been commercialized, marketed, distributed, or sold by another entity.

"(ix) How the center for manufacturing innovation will strengthen and leverage the assets of a region.

"(x) How the center for manufacturing will encourage the education and training of veterans and individuals with disabilities.

"(5) LIMITATIONS ON AWARDS.—

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

"(B) MATCHING FUNDS AND PREFERENCES.—The total Federal financial assistance awarded to a center of manufacturing innovation, including the financial assistance under paragraph (1), in a given year shall not exceed 50 percent of the total funding of the center in that year, except that the Secretary may make an exception in the case of large capital facilities or equipment purchases. The Secretary shall give weighted preference to applicants seeking less than the maximum Federal share of funds allowed under this paragraph.

"(C) FUNDING DECREASE.—The amount of financial assistance provided to a center of manufacturing innovation under paragraph (1) shall decrease after the second year of funding for the center, and shall continue to decrease thereafter in each year in which financial assistance is provided, unless the Secretary determines that—

"(i) the center is otherwise meeting its stated goals and metrics under this section;

"(ii) unforeseen circumstances have altered the center's anticipated funding; and

"(iii) the center can identify future non-Federal funding sources that would warrant a temporary exemption from the limitations established in this subparagraph.

"(e) FUNDING.—

"(1) GENERAL RULE.—Except as provided in paragraph (2), no funds are authorized to be appropriated by the Revitalize American Manufacturing and Innovation Act of 2014 for carrying out this section.

"(2) AUTHORITY.—

"(A) NIST INDUSTRIAL TECHNICAL SERVICES ACCOUNT.—To the extent provided for in advance by appropriations Acts, the Secretary may use not to exceed $5,000,000 for each of the fiscal years 2015 through 2024 to carry out this section from amounts appropriated to the Institute for Industrial Technical Services.

"(B) ENERGY EFFICIENCY AND RENEWABLE ENERGY ACCOUNT.—To the extent provided for in advance by appropriations Acts, the Secretary of Energy may transfer to the Institute not to exceed $250,000,000 for the period encompassing fiscal years 2015 through 2024 for the Secretary to carry out this section from amounts appropriated for advanced manufacturing research and development within the Energy Efficiency and Renewable Energy account for the Department of Energy.

"(f) NATIONAL PROGRAM OFFICE.—

"(1) ESTABLISHMENT.—The Secretary shall establish, within the Institute, the National Office of the Network for Manufacturing Innovation Program (referred to in this section as the 'National Program Office'), which shall oversee and carry out the Program.

"(2) FUNCTIONS.—The functions of the National Program Office are—

"(A) to oversee the planning, management, and coordination of the Program;

"(B) to enter into memorandums of understanding with Federal departments and agencies whose missions contribute to or are affected by advanced manufacturing, to carry out the purposes described in subsection (a)(2);

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

"(D) to establish such procedures, processes, and criteria as may be necessary and appropriate to maximize cooperation and coordinate the activities of the Program with programs and activities of other Federal departments and agencies whose missions contribute to or are affected by advanced manufacturing;

"(E) to establish a clearinghouse of public information related to the activities of the Program; and

"(F) to act as a convener of the Network.

"(3) RECOMMENDATIONS.—In developing and updating the strategic plan under paragraph (2)(C), the Secretary shall solicit recommendations and advice from a wide range of stakeholders, including industry, small and medium-sized manufacturing enterprises, research universities, community colleges, and other relevant organizations and institutions on an ongoing basis.

"(4) REPORT TO CONGRESS.—Upon completion, the Secretary shall transmit the strategic plan required under paragraph (2)(C) to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives.

"(5) HOLLINGS MANUFACTURING EXTENSION PARTNERSHIP.—The Secretary shall ensure that the National Program Office incorporates the Hollings Manufacturing Extension Partnership into Program planning to ensure that the results of the Program reach small and medium-sized entities.

"(6) DETAILEES.—Any Federal Government employee may be detailed to the National Program Office without reimbursement. Such detail shall be without interruption or loss of civil service status or privilege.

"(g) REPORTING AND AUDITING.—

"(1) ANNUAL REPORTS TO THE SECRETARY.—

"(A) IN GENERAL.—The Secretary shall require each recipient of financial assistance under subsection (d)(1) to annually submit a report to the Secretary that describes the finances and performance of the center for manufacturing innovation for which such assistance was awarded.

"(B) ELEMENTS.—Each report submitted under subparagraph (A) shall include—

"(i) an accounting of expenditures of amounts awarded to the recipient under subsection (d)(1); and

"(ii) consistent with the metrics-based performance measures developed and implemented by the Secretary under this section, a description of the performance of the center for manufacturing innovation with respect to—

"(I) its goals, plans, financial support, and accomplishments; and

"(II) how the center for manufacturing innovation has furthered the purposes described in subsection (a)(2).

"(2) ANNUAL REPORTS TO CONGRESS.—

"(A) IN GENERAL.—Not less frequently than once each year until December 31, 2024, the Secretary shall submit a report to Congress that describes the performance of the Program during the most recent 1-year period.

"(B) ELEMENTS.—Each report submitted under subparagraph (A) shall include, for the period covered by the report—

"(i) a summary and assessment of the reports received by the Secretary under paragraph (1);

"(ii) an accounting of the funds expended by the Secretary under the Program, including any temporary exemptions granted from the requirements of subsection (d)(5)(C);

"(iii) an assessment of the participation in, and contributions to, the Network by any centers for manufacturing innovation not receiving financial assistance under subsection (d)(1); and

"(iv) an assessment of the Program with respect to meeting the purposes described in subsection (a)(2).

"(3) ASSESSMENTS BY GAO.—

"(A) ASSESSMENTS.—Not less frequently than once every 2 years, the Comptroller General shall submit to Congress an assessment of the operation of the Program during the most recent 2-year period.

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

"(C) ELEMENTS.—Each assessment submitted under subparagraph (A) or (B) shall include, for the period covered by the report—

"(i) a review of the management, coordination, and industry utility of the Program;

"(ii) an assessment of the extent to which the Program has furthered the purposes described in subsection (a)(2);

"(iii) such recommendations for legislative and administrative action as the Comptroller General considers appropriate to improve the Program; and

"(iv) an assessment as to whether any prior recommendations for improvement made by the Comptroller General have been implemented or adopted.

"(h) ADDITIONAL AUTHORITIES.—

"(1) APPOINTMENT OF PERSONNEL AND CONTRACTS.—The Secretary may appoint such personnel and enter into such contracts, financial assistance agreements, and other agreements as the Secretary considers necessary or appropriate to carry out the Program, including support for research and development activities involving a center for manufacturing innovation.

"(2) TRANSFER OF FUNDS.—Of amounts available under the authority provided by subsection (e), the Secretary may transfer to other Federal agencies such sums as the Secretary considers necessary or appropriate to carry out the Program. No funds so transferred may be used to reimburse or otherwise pay for the costs of financial assistance incurred or commitments of financial assistance made prior to the date of enactment of the Revitalize American Manufacturing and Innovation Act of 2014.

"(3) AUTHORITY OF OTHER AGENCIES.—In the event that the Secretary exercises the authority to transfer funds to another agency under paragraph (2), such agency may accept such funds to award and administer, under the same conditions and constraints applicable to the Secretary, all aspects of financial assistance awards under this section.

"(4) USE OF RESOURCES.—In furtherance of the purposes of the Program, the Secretary may use, with the consent of a covered entity and with or without reimbursement, the land, services, equipment, personnel, and facilities of such covered entity.

"(5) ACCEPTANCE OF RESOURCES.—In addition to amounts appropriated to carry out the Program, the Secretary may accept funds, services, equipment, personnel, and facilities from any covered entity to carry out the Program, subject to the same conditions and constraints otherwise applicable to the Secretary under this section and such funds may only be obligated to the extent provided for in advance by appropriations Acts.

"(6) COVERED ENTITY.—For purposes of this subsection, a covered entity is any Federal department, Federal agency, instrumentality of the United States, State, local government, tribal government, territory, or possession of the United States, or of any political subdivision thereof, or international organization, or any public or private entity or individual.

"(i) PATENTS.—Chapter 18 of title 35, United States Code, shall apply to any funding agreement (as defined in section 201 of that title) awarded to new or existing centers for manufacturing innovation.".

SEC. 4. NATIONAL STRATEGIC PLAN FOR ADVANCED MANUFACTURING.

Section 102 of the America COMPETES Reauthorization Act of 2010 (42 U.S.C. 6622) is amended—

(1) in subsection (a), by adding at the end the following: "In furtherance of the Committee's work, the Committee shall consult with the National Economic Council.";

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

"(7) develop and update a national strategic plan for advanced manufacturing in accordance with subsection (c)."; and

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

"(c) NATIONAL STRATEGIC PLAN FOR ADVANCED MANUFACTURING.—

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

"(2) DEVELOPMENT.—The Committee shall develop, and update as required under paragraph (4), in coordination with the National Economic Council, a strategic plan to improve Government coordination and provide long-term guidance for Federal programs and activities in support of United States manufacturing competitiveness, including advanced manufacturing research and development.

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

"(A) specify and prioritize near-term and long-term objectives, including research and development objectives, the anticipated time frame for achieving the objectives, and the metrics for use in assessing progress toward the objectives;

"(B) describe the progress made in achieving the objectives from prior strategic plans, including a discussion of why specific objectives were not met;

“(C) specify the role, including the programs and activities, of each relevant Federal agency in meeting the objectives of the strategic plan;

“(D) describe how the Federal agencies and Federally funded research and development centers supporting advanced manufacturing research and development will foster the transfer of research and development results into new manufacturing technologies and United States-based manufacturing of new products and processes for the benefit of society to ensure national, energy, and economic security;

“(E) describe how such Federal agencies and centers will strengthen all levels of manufacturing education and training programs to ensure an adequate, well-trained workforce;

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

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

''(i) technology transfer and commercialization activities;

''(ii) the adequacy of the national security industrial base;

''(iii) the capabilities of the domestic manufacturing workforce;

''(iv) export opportunities and trade policies;

''(v) financing, investment, and taxation policies and practices;

''(vi) emerging technologies and markets;

''(vii) advanced manufacturing research and development undertaken by competing nations; and

''(viii) the capabilities of the manufacturing workforce of competing nations; and

''(H) elicit and consider the recommendations of a wide range of stakeholders, including representatives from diverse manufacturing companies, academia, and other relevant organizations and institutions.

''(4) UPDATES.—Not later than May 1, 2018, and not less frequently than once every 4 years thereafter, the President shall submit to Congress, and publish on an Internet website that is accessible to the public, an update of the strategic plan submitted under paragraph (1). Such updates shall be developed in accordance with the procedures set forth under this subsection.

"(5) REQUIREMENT TO CONSIDER STRATEGY IN THE BUDGET.—In preparing the budget for a fiscal year under section 1105(a) of title 31, United States Code, the President shall include information regarding the consistency of the budget with the goals and recommendations included in the strategic plan developed under this subsection applying to that fiscal year.

"(6) AMP STEERING COMMITTEE INPUT.—The Advanced Manufacturing Partnership Steering Committee of the President's Council of Advisors on Science and Technology shall provide input, perspective, and recommendations to assist in the development and updates of the strategic plan under this subsection.".

SEC. 5. REGIONAL INNOVATION PROGRAM.

Section 27 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3722) is amended to read as follows:

"SEC. 27. REGIONAL INNOVATION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish a regional innovation program to encourage and support the development of regional innovation strategies, including regional innovation clusters.

"(b) CLUSTER GRANTS.—

"(1) IN GENERAL.—As part of the program established under subsection (a), the Secretary may award grants on a competitive basis to eligible recipients for activities relating to the formation and development of regional innovation clusters.

"(2) PERMISSIBLE ACTIVITIES.—Grants awarded under this subsection may be used for activities determined appropriate by the Secretary, including the following:

"(A) Feasibility studies.

"(B) Planning activities.

"(C) Technical assistance.

"(D) Developing or strengthening communication and collaboration between and among participants of a regional innovation cluster.

"(E) Attracting additional participants to a regional innovation cluster.

"(F) Facilitating market development of products and services developed by a regional innovation cluster, including through demonstration, deployment, technology transfer, and commercialization activities.

"(G) Developing relationships between a regional innovation cluster and entities or clusters in other regions.

"(H) Interacting with the public and State and local governments to meet the goals of the cluster.

"(3) ELIGIBLE RECIPIENT DEFINED.—In this subsection, the term 'eligible recipient' means—

"(A) a State;

"(B) an Indian tribe;

"(C) a city or other political subdivision of a State;

"(D) an entity that—

"(i) is a nonprofit organization, an institution of higher education, a public-private partnership, a science or research park, a Federal laboratory, or an economic development organization or similar entity; and

"(ii) has an application that is supported by a State or a political subdivision of a State; or

"(E) a consortium of any of the entities described in subparagraphs (A) through (D).

"(4) APPLICATION.—

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

"(B) COMPONENTS.—The application shall include, at a minimum, a description of the regional innovation cluster supported by the proposed activity, including a description of—

"(i) whether the regional innovation cluster is supported by the private sector, State and local governments, and other relevant stakeholders;

"(ii) how the existing participants in the regional innovation cluster will encourage and solicit participation by all types of entities that might benefit from participation, including newly formed entities and those rival existing participants;

"(iii) the extent to which the regional innovation cluster is likely to stimulate innovation and have a positive impact on regional economic growth and development;

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

"(v) whether the participants in the regional innovation cluster are capable of attracting additional funds from non-Federal sources; and

"(vi) the likelihood that the participants in the regional innovation cluster will be able to sustain activities once grant funds under this subsection have been expended.

"(C) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to applications from regions that contain communities negatively impacted by trade.

"(5) SPECIAL CONSIDERATION.—The Secretary shall give special consideration to an eligible recipient who agrees to collaborate with local workforce investment area boards.

"(6) COST SHARE.—The Secretary may not provide more than 50 percent of the total cost of any activity funded under this subsection.

"(7) OUTREACH TO RURAL COMMUNITIES.—The Secretary shall conduct outreach to public and private sector entities in rural communities to encourage those entities to participate in regional innovation cluster activities under this subsection.

"(8) FUNDING.—The Secretary may accept funds from other Federal agencies to support grants and activities under this subsection.

"(c) REGIONAL INNOVATION RESEARCH AND INFORMATION PROGRAM.—

"(1) IN GENERAL.—As part of the program established under subsection (a), the Secretary shall establish a regional innovation research and information program—

"(A) to gather, analyze, and disseminate information on best practices for regional innovation strategies (including regional innovation clusters), including information relating to how innovation, productivity, and economic development can be maximized through such strategies;

"(B) to provide technical assistance, including through the development of technical assistance guides, for the development and implementation of regional innovation strategies (including regional innovation clusters);

"(C) to support the development of relevant metrics and measurement standards to evaluate regional innovation strategies (including regional innovation clusters), including the extent to which such strategies stimulate innovation, productivity, and economic development; and

"(D) to collect and make available data on regional innovation cluster activity in the United States, including data on—

"(i) the size, specialization, and competitiveness of regional innovation clusters;

"(ii) the regional domestic product contribution, total jobs and earnings by key occupations, establishment size, nature of specialization, patents, Federal research and development spending, and other relevant information for regional innovation clusters; and

"(iii) supply chain product and service flows within and between regional innovation clusters.

"(2) RESEARCH GRANTS.—The Secretary may award research grants on a competitive basis to support and further the goals of the program established under this subsection.

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

"(4) REGIONAL INNOVATION GRANT PROGRAM.—The Secretary shall incorporate data and analysis relating to any grant under subsection (b) into the program established under this subsection.

"(d) INTERAGENCY COORDINATION.—

"(1) IN GENERAL.—To the maximum extent practicable, the Secretary shall ensure that the activities carried out under this section are coordinated with, and do not duplicate the efforts of, other programs at the Department of Commerce or other Federal agencies.

"(2) COLLABORATION.—

"(A) IN GENERAL.—The Secretary shall explore and pursue collaboration with other Federal agencies, including through multi-agency funding opportunities, on regional innovation strategies.

"(B) SMALL BUSINESSES.—The Secretary shall ensure that such collaboration with Federal agencies prioritizes the needs and challenges of small businesses.

"(e) EVALUATION.—

"(1) IN GENERAL.—Not later than 3 years after the date of enactment of the Revitalize American Manufacturing and Innovation Act of 2014, the Secretary shall enter into a contract with an independent entity, such as the National Academy of Sciences, to conduct an evaluation of the program established under subsection (a).

"(2) REQUIREMENTS.—The evaluation shall include—

"(A) whether the program is achieving its goals;

"(B) any recommendations for how the program may be improved; and

"(C) a recommendation as to whether the program should be continued or terminated.

"(f) DEFINITIONS.—In this section:

"(1) REGIONAL INNOVATION CLUSTER.—The term 'regional innovation cluster' means a geographically bounded network of similar, synergistic, or complementary entities that—

"(A) are engaged in or with a particular industry sector and its related sectors;

"(B) have active channels for business transactions and communication;

"(C) share specialized infrastructure, labor markets, and services; and

"(D) leverage the region's unique competitive strengths to stimulate innovation and create jobs.

"(2) STATE.—The term 'State' means one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

"(g) FUNDING.—

"(1) GENERAL RULE.—Except as provided in paragraph (2), no funds are authorized to be appropriated by the Revitalize American Manufacturing and Innovation Act of 2014 for carrying out this section.

"(2) AUTHORITY.—To the extent provided for in advance by appropriations Acts, the Secretary may use not to exceed $10,000,000 for each of the fiscal years 2015 through 2019 to carry out this section from amounts appropriated for economic development assistance programs.''.

Passed the House of Representatives September 15, 2014.

Attest: KAREN L. HAAS,

Clerk.