

114TH CONGRESS  
2D SESSION

# S. 2779

To reauthorize the Hollings Manufacturing Extension Partnership, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 12, 2016

Mr. COONS (for himself, Ms. AYOTTE, and Mr. PETERS) 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 reauthorize the Hollings Manufacturing Extension Partnership, 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 “Manufacturing Exten-  
5 sion Partnership Improvement Act of 2016”.

6 **SEC. 2. REAUTHORIZATION OF HOLLINGS MANUFAC-**  
7 **TURING EXTENSION PARTNERSHIP.**

8 (a) **AUTHORIZATION OF APPROPRIATIONS.**—There is  
9 authorized to be appropriated to the Secretary of Com-  
10 merce to carry out the Hollings Manufacturing Extension

1 Partnership under sections 25 and 26 of the National In-  
 2 stitute of Standards and Technology Act (15 U.S.C. 278k  
 3 and 278l) \$260,000,000 for each of fiscal years 2017  
 4 through 2020.

5 (b) IMPROVEMENTS.—Section 25 of the National In-  
 6 stitute of Standards and Technology Act (15 U.S.C. 278k)  
 7 is amended to read as follows:

8 **“SEC. 25. HOLLINGS MANUFACTURING EXTENSION PART-**  
 9 **nership.**

10 “(a) ESTABLISHMENT AND PURPOSE.—

11 “(1) ESTABLISHMENT.—

12 “(A) IN GENERAL.—The Secretary,  
 13 through the Director and, if appropriate,  
 14 through other officials, shall establish a pro-  
 15 gram for the provision of assistance for the cre-  
 16 ation and support of manufacturing extension  
 17 centers for the transfer of manufacturing tech-  
 18 nology and best business practices.

19 “(B) DESIGNATION OF PROGRAM.—The  
 20 program established under subparagraph (A)  
 21 shall be known as the ‘Hollings Manufacturing  
 22 Extension Partnership’ (in this section referred  
 23 to as the ‘Program’).

24 “(C) DESIGNATION OF CENTERS.—The  
 25 centers provided for under subparagraph (A)

1           shall be known as the ‘Hollings Manufacturing  
2           Extension Centers’ (in this Act referred to as  
3           the ‘Centers’).

4           “(2) AFFILIATIONS.—Each Center created  
5           under the Program shall be affiliated with a United  
6           States-based nonprofit institution, consortium there-  
7           of, institution of higher education, or State or local  
8           government that applies for and is awarded financial  
9           support under subsection (c)(1)(A).

10          “(3) OBJECTIVE.—The objective of the Pro-  
11          gram shall be to enhance competitiveness, produc-  
12          tivity, and technological performance in United  
13          States manufacturing through—

14               “(A) the transfer of manufacturing tech-  
15               nology and techniques developed at the Insti-  
16               tute to Centers and, through them, to manufac-  
17               turing companies throughout the United States;

18               “(B) the participation of individuals from  
19               industry, institutions of higher education, State  
20               governments, other Federal agencies, and, when  
21               appropriate, the Institute in cooperative tech-  
22               nology transfer activities;

23               “(C) efforts to make new manufacturing  
24               technology and processes usable by United

1 States-based small and medium-sized compa-  
2 nies;

3 “(D) the active dissemination of scientific,  
4 engineering, technical, and management infor-  
5 mation about manufacturing to industrial firms,  
6 including small and medium-sized manufac-  
7 turing companies;

8 “(E) the utilization, when appropriate, of  
9 the expertise and capability that exists in Fed-  
10 eral agencies, other than the Institute, and  
11 Federally sponsored laboratories;

12 “(F) the provision to community colleges  
13 and area career and technical education schools  
14 of information about the job skills needed in  
15 small and medium-sized manufacturing busi-  
16 nesses in the regions they serve; and

17 “(G) promoting and expanding certifi-  
18 cation systems offered through industry, asso-  
19 ciations, and local colleges, when appropriate.

20 “(b) ACTIVITIES.—The activities of a Center shall in-  
21 clude the following:

22 “(1) The establishment of automated manufac-  
23 turing systems and other advanced production tech-  
24 nologies, based on Institute-supported research, for

1 the purpose of demonstrations and technology trans-  
2 fer.

3 “(2) The active transfer and dissemination of  
4 research findings and Center expertise to a wide  
5 range of companies and enterprises, particularly  
6 small and medium-sized manufacturers.

7 “(3) The facilitation of collaborations and part-  
8 nerships between small and medium-sized manufac-  
9 turing companies and community colleges and area  
10 career and technical education schools to help such  
11 colleges and schools better understand the specific  
12 needs of manufacturers and to help manufacturers  
13 better understand the skill sets that students learn  
14 in the programs offered by such colleges and schools.

15 “(c) FINANCIAL ASSISTANCE.—

16 “(1) AUTHORIZATION.—

17 “(A) IN GENERAL.—Except as provided in  
18 subparagraph (B) and as otherwise provided in  
19 this subsection, the Secretary may provide fi-  
20 nancial assistance through a cooperative agree-  
21 ment to any Center created under the Program.

22 “(B) COST SHARING.—The Secretary may  
23 not provide to a Center, under subparagraph  
24 (A), more than 50 percent of the capital and

1 annual operating and maintenance funds re-  
2 quired to create and maintain such Center.

3 “(C) RULE OF CONSTRUCTION.—For pur-  
4 poses of subparagraph (B), no amount received  
5 by a Center under a provision of law other than  
6 subparagraph (A) may be considered as an  
7 amount provided under subparagraph (A).

8 “(2) APPLICATION.—

9 “(A) IN GENERAL.—A nonprofit institu-  
10 tion, or consortium thereof, an institution of  
11 higher education, or a State or local govern-  
12 ment seeking financial assistance for a Center  
13 under paragraph (1)(A) shall submit to the  
14 Secretary an application therefor at such time,  
15 in such manner, and containing such informa-  
16 tion as the Secretary may require.

17 “(B) COST SHARING.—

18 “(i) IN GENERAL.—In order to receive  
19 assistance under paragraph (1)(A), an ap-  
20 plicant for financial assistance under sub-  
21 paragraph (A) of this paragraph shall pro-  
22 vide adequate assurances that the appli-  
23 cant and the applicant’s partnering organi-  
24 zations will obtain funding for 50 percent  
25 or more of the capital and annual oper-

1           ating and maintenance funds required to  
2           create and maintain the Center from  
3           sources other than assistance under para-  
4           graph (1)(A).

5           “(ii) AGREEMENTS WITH OTHER EN-  
6           TITIES.—In meeting the 50 percent re-  
7           quirement in clause (i), a Center may enter  
8           into agreements with other entities, such  
9           as private industry, institutions of higher  
10          education, and State governments, to ac-  
11          complish programmatic objectives and ac-  
12          cess new and existing resources that will  
13          further the impact of the Federal invest-  
14          ment made on behalf of small and me-  
15          dium-sized manufacturing companies.

16          “(iii) ACCOUNTING OF CONTRIBU-  
17          TIONS FROM THIRD PARTIES.—All con-  
18          tributions described in clause (ii) from an  
19          entity to a Center pursuant to an agree-  
20          ment described in such clause that is de-  
21          termined by the Center as program-  
22          matically reasonable and allocable under  
23          Program procedures shall be considered as  
24          a portion of the Center’s contribution for  
25          purposes of clause (i).

1           “(C) LEGAL RIGHTS.—Each person who  
2           submits an application under subparagraph (A)  
3           with respect to a Center shall include in the ap-  
4           plication a proposal for the allocation of the  
5           legal rights associated with any invention which  
6           may result from the activities of the Center.

7           “(3) MERIT REVIEW OF APPLICATIONS.—

8           “(A) IN GENERAL.—The Secretary shall  
9           subject to merit review each application received  
10          under paragraph (2)(A).

11          “(B) CONSIDERATIONS.—In making a de-  
12          cision whether to approve an application re-  
13          ceived under paragraph (2)(A) and provide fi-  
14          nancial support under paragraph (1), the Sec-  
15          retary shall consider, at a minimum, the fol-  
16          lowing:

17               “(i) The merits of the application,  
18               particularly those portions of the applica-  
19               tion regarding technology transfer, training  
20               and education, and adaptation of manufac-  
21               turing technologies to the needs of par-  
22               ticular industrial sectors.

23               “(ii) The quality of service to be pro-  
24               vided.

1 “(iii) Geographical diversity and ex-  
2 tent of service area.

3 “(iv) The percentage of funding from  
4 other sources.

5 “(4) EVALUATIONS.—

6 “(A) THIRD AND EIGHTH YEAR EVALUA-  
7 TIONS BY PANEL.—

8 “(i) IN GENERAL.—The Secretary  
9 shall ensure that each Center that receives  
10 financial assistance under paragraph (1) is  
11 evaluated during its third and eighth years  
12 of operation by an evaluation panel ap-  
13 pointed by the Secretary.

14 “(ii) COMPOSITION.—The Secretary  
15 shall ensure that each evaluation panel ap-  
16 pointed under subparagraph (A) is com-  
17 posed of—

18 “(I) private experts, none of  
19 whom are connected with the Center  
20 evaluated by the panel; and

21 “(II) Federal officials.

22 “(iii) CHAIR.—For each evaluation  
23 panel appointed under subparagraph (A),  
24 the Secretary shall appoint a chairperson  
25 who is an official of the Institute.

1           “(B) FIFTH YEAR EVALUATION BY SEC-  
2           RETARY.—In the fifth year of operation of a  
3           Center receiving financial support under para-  
4           graph (1), the Secretary shall conduct a review  
5           of the Center.

6           “(C) PERFORMANCE MEASUREMENT.—In  
7           evaluating a Center pursuant to subparagraph  
8           (A) or (B), an evaluation panel or the Sec-  
9           retary, as the case may be, shall measure the  
10          performance of the Center against—

11               “(i) the objectives specified in sub-  
12               section (a)(3); or

13               “(ii) such other objectives as the Sec-  
14               retary considers appropriate.

15          “(D) POSITIVE EVALUATIONS.—If an eval-  
16          uation of a Center under subparagraph (A) is  
17          positive, the Secretary may continue under  
18          paragraph (1) to provide financial assistance to  
19          the Center—

20               “(i) in the case of an evaluation oc-  
21               curring in the third year of a Center,  
22               through the fifth year of the Center;

23               “(ii) in the case of a review by the  
24               Secretary occurring in the fifth year of a

1 Center, through the eighth year of the  
2 Center; and

3 “(iii) in the case of an evaluation oc-  
4 ccurring in the eighth year of a Center,  
5 through the tenth year of the Center.

6 “(E) OTHER THAN POSITIVE EVALUA-  
7 TIONS.—

8 “(i) PROBATION.—A Center that re-  
9 ceives an evaluation under subparagraph  
10 (A) or (B) that is other than positive shall  
11 be considered to be on probation during  
12 the period beginning on the date on which  
13 the Center receives notice under subclause  
14 (I) of clause (ii) and ending on the date  
15 that reevaluation of the Center has been  
16 completed under subclause (III) of such  
17 clause.

18 “(ii) NOTICE AND REEVALUATION.—If  
19 a panel or the Secretary gives a Center an  
20 evaluation under subparagraph (A) or (B),  
21 as the case may be, an evaluation that is  
22 other than positive, the panel or the Sec-  
23 retary, as the case may be, shall—

24 “(I) notify the Center of the rea-  
25 son for the other than positive evalua-

tion, including any deficiencies in the performance of the Center that the panel or the Secretary, as the case may be, has identified;

“(II) assist the Center in rectifying the deficiencies by providing the Center, not less frequently than once every 3 months, an analysis of the Center, if the panel or the Secretary, as the case may be, considers doing so appropriate; and

“(III) reevaluate the Center not later than 1 year after the date on which notice is submitted under subclause (I).

“(iii) CONTINUED SUPPORT DURING PERIOD OF PROBATION.—The Secretary may provide continued funding under paragraph (1) for a Center during a Center’s period of probation under this subparagraph.

“(iv) REMEDY.—

“(I) IN GENERAL.—If a Center receives an evaluation under subclause (III) of clause (ii) that is other than

1 positive because the Center has not  
2 rectified the deficiencies identified by  
3 the panel or the Secretary, as the case  
4 may be, in the notice submitted under  
5 subclause (I) of such clause or shown  
6 a significant improvement in its per-  
7 formance, the Secretary shall conduct  
8 a new competition to select an oper-  
9 ator for the Center.

10 “(II) TREATMENT OF CENTERS  
11 SUBJECT TO NEW COMPETITION.—

12 Upon the selection of an operator for  
13 a Center under subclause (I), the  
14 Center shall be considered a new Cen-  
15 ter for purposes of this paragraph and  
16 paragraph (5).

17 “(5) REAPPLICATION COMPETITION FOR FINAN-  
18 CIAL SUPPORT AFTER 10 YEARS.—

19 “(A) IN GENERAL.—If an operator of a  
20 Center has received financial support under  
21 paragraph (1) for a period of 10 consecutive  
22 years, the Secretary shall conduct a new com-  
23 petition to select an operator for the Center  
24 consistent with the plan required under para-  
25 graph (6)(A)(ii).

1           “(B) INCUMBENT OPERATORS.—An oper-  
2           ator of a Center that has received financial sup-  
3           port under paragraph (1) for a period of 10  
4           consecutive years that the Secretary determines  
5           is in good standing shall be eligible to compete  
6           in the competition for the Center conducted  
7           under subparagraph (A).

8           “(C) TREATMENT OF CENTERS SUBJECT  
9           TO REAPPLICATION COMPETITION.—Upon the  
10          selection of an operator for a Center under sub-  
11          paragraph (A), the Center shall be considered a  
12          new Center for purposes of this paragraph and  
13          paragraph (4).

14          “(6) REPORTS.—

15               “(A) STATUS REPORT AND PLAN.—Not  
16               later than 180 days after the date of the enact-  
17               ment of the Manufacturing Extension Partner-  
18               ship Improvement Act of 2016, the Secretary  
19               shall submit to the Committee on Commerce,  
20               Science, and Transportation of the Senate and  
21               the Committee on Science, Space, and Tech-  
22               nology of the House of Representatives—

23                       “(i) a report on how the Institute has  
24                       conducted evaluations, competitions, and

1 reapplication competitions under this sub-  
2 section; and

3 “(ii) a plan as to how the Institute  
4 will conduct such evaluations, competitions,  
5 and reapplication competitions.

6 “(B) INDEPENDENT ASSESSMENT OF RE-  
7 APPLICATION COMPETITION PROCESS.—

8 “(i) IN GENERAL.—The Secretary  
9 shall contract with an independent organi-  
10 zation to perform an assessment of the im-  
11 plementation of the competition and re-  
12 application competition processes under  
13 this subsection not later than 3 years after  
14 the date of the submittal of the report  
15 under subparagraph (A).

16 “(ii) CONSULTATION WITH MEP ADVI-  
17 SORY BOARD.—The organization con-  
18 ducting the assessment under clause (i)  
19 may consult with the MEP Advisory  
20 Board.

21 “(C) COMPARISON OF CENTERS.—

22 “(i) IN GENERAL.—Not later than 2  
23 years after the date of the enactment of  
24 the Manufacturing Extension Partnership  
25 Improvement Act of 2016, the Secretary

1 shall submit to the Committee on Com-  
2 merce, Science, and Transportation of the  
3 Senate and the Committee on Science,  
4 Space, and Technology of the House of  
5 Representatives a report providing infor-  
6 mation on the first and second years of op-  
7 erations of Centers that were subject to a  
8 competition conducted pursuant to para-  
9 graph (4)(E)(iv)(I) as compared to long-  
10 standing Centers.

11 “(ii) CONTENTS.—The report required  
12 by clause (i) shall include detail on the en-  
13 gagement in services provided by Centers  
14 and the characteristics of services pro-  
15 vided, including volume and type of serv-  
16 ices, so that the Committees can evaluate  
17 whether the cost-sharing ratio has an ef-  
18 fect on the services provided by Centers.

19 “(d) OPERATIONAL REQUIREMENTS.—

20 “(1) PATENT RIGHTS.—The provisions of chap-  
21 ter 18 of title 35, United States Code, shall apply,  
22 to the extent not inconsistent with this section, to  
23 the promotion of technology from research by Cen-  
24 ters under this section except for contracts for such

1 specific technology extension or transfer services as  
2 may be specified by statute or by the Director.

3 “(2) PROTECTION OF CONFIDENTIAL INFORMA-  
4 TION OF CENTER CLIENTS.—The following informa-  
5 tion, if obtained by the Federal Government in con-  
6 nection with an activity of a Center or the Program,  
7 shall be exempt from public disclosure under section  
8 552 of title 5, United States Code:

9 “(A) Information on the business operation  
10 of any participant in the Program or of a client  
11 of a Center.

12 “(B) Trade secrets of any client of a Cen-  
13 ter.

14 “(3) OVERSIGHT BOARDS.—

15 “(A) IN GENERAL.—As a condition on re-  
16 ceipt of financial assistance under paragraph  
17 (1), a Center shall establish a board to oversee  
18 the operations of the Center.

19 “(B) MEMBERSHIP.—

20 “(i) IN GENERAL.—Each board estab-  
21 lished under subparagraph (A) shall be  
22 composed of members as follows:

23 “(I) The membership of each  
24 board shall be representative of stake-

1 holders in the region in which the  
2 Center is located.

3 “(II) A majority of the members  
4 of the board shall be selected from  
5 among individuals who own or are em-  
6 ployed by small or medium-sized man-  
7 ufacturing companies.

8 “(ii) LIMITATION.—A member of a  
9 board established under subparagraph (A)  
10 may not serve on more than one board es-  
11 tablished under such subparagraph.

12 “(C) BYLAWS.—

13 “(i) IN GENERAL.—Each board estab-  
14 lished under subparagraph (A) shall adopt  
15 and submit to the Director bylaws to gov-  
16 ern the operation of the board.

17 “(ii) CONFLICTS OF INTEREST.—By-  
18 laws adopted under clause (i) shall include  
19 policies to minimize conflicts of interest,  
20 including such policies relating to disclo-  
21 sure of relationships and recusal as may be  
22 necessary to minimize conflicts of interest.

23 “(e) ACCEPTANCE OF FUNDS.—In addition to such  
24 sums as may be appropriated to the Secretary and Direc-  
25 tor to operate the Program, the Secretary and Director

1 may also accept funds from other Federal departments  
 2 and agencies and from the private sector under section  
 3 2(c)(7), to be available to the extent provided by appro-  
 4 priations Acts, for the purpose of strengthening United  
 5 States manufacturing.

6 “(f) MEP ADVISORY BOARD.—

7 “(1) ESTABLISHMENT.—There is established  
 8 within the Institute a Manufacturing Extension  
 9 Partnership Advisory Board (in this subsection re-  
 10 ferred to as the ‘MEP Advisory Board’).

11 “(2) MEMBERSHIP.—

12 “(A) COMPOSITION.—

13 “(i) IN GENERAL.—The MEP Advi-  
 14 sory Board shall consist of not fewer than  
 15 10 members appointed by the Director and  
 16 broadly representative of stakeholders.

17 “(ii) REQUIREMENTS.—Of the mem-  
 18 bers appointed under clause (i)—

19 “(I) at least 2 members shall be  
 20 employed by or on an advisory board  
 21 for a Center;

22 “(II) at least 1 member shall  
 23 represent a community college; and

24 “(III) at least 5 other members  
 25 shall be from United States small

1 businesses in the manufacturing sec-  
2 tor.

3 “(iii) NO FEDERAL EMPLOYEES.—No  
4 member of the MEP Advisory Board shall  
5 be an employee of the Federal Govern-  
6 ment.

7 “(B) TERM.—Except as provided in sub-  
8 paragraph (C) or (D), the term of office of each  
9 member of the MEP Advisory Board shall be 3  
10 years.

11 “(C) VACANCIES.—Any member appointed  
12 to fill a vacancy occurring prior to the expira-  
13 tion of the term for which his predecessor was  
14 appointed shall be appointed for the remainder  
15 of such term.

16 “(D) SERVING CONSECUTIVE TERMS.—  
17 Any person who has completed 2 consecutive  
18 full terms of service on the MEP Advisory  
19 Board shall thereafter be ineligible for appoint-  
20 ment during the 1-year period following the ex-  
21 piration of the second such term.

22 “(3) MEETINGS.—The MEP Advisory Board  
23 shall meet not less than twice each year and shall  
24 provide to the Director—

1           “(A) advice on Hollings Manufacturing  
2           Extension Partnership programs, plans, and  
3           policies;

4           “(B) assessments of the soundness of Hol-  
5           lings Manufacturing Extension Partnership  
6           plans and strategies; and

7           “(C) assessments of current performance  
8           against Hollings Manufacturing Extension  
9           Partnership program plans.

10          “(4) FEDERAL ADVISORY COMMITTEE ACT AP-  
11          PLICABILITY.—

12           “(A) IN GENERAL.—In discharging its du-  
13           ties under this subsection, the MEP Advisory  
14           Board shall function solely in an advisory ca-  
15           pacity, in accordance with the Federal Advisory  
16           Committee Act.

17           “(B) EXCEPTION.—Section 14 of the Fed-  
18           eral Advisory Committee Act shall not apply to  
19           the MEP Advisory Board.

20          “(5) ANNUAL REPORT.—

21           “(A) IN GENERAL.—Not less frequently  
22           than once each year, the MEP Advisory Board  
23           shall transmit a report to the Secretary for  
24           transmittal to Congress within 30 days after

1 the submission to Congress of the President's  
2 annual budget request in each year.

3 “(B) CONTENTS.—Such report shall ad-  
4 dress the status of the Program and comment  
5 on the relevant sections of the programmatic  
6 planning document and updates thereto trans-  
7 mitted to Congress by the Director under sub-  
8 sections (c) and (d) of section 23.

9 “(g) COMPETITIVE AWARDS PROGRAM.—

10 “(1) ESTABLISHMENT.—The Director shall es-  
11 tablish within the Hollings Manufacturing Extension  
12 Partnership and section 26 a program of competitive  
13 awards among participants described in paragraph  
14 (2) for the purposes described in paragraph (3).

15 “(2) PARTICIPANTS.—Participants receiving  
16 awards under this subsection shall be the Centers, or  
17 a consortium of such Centers.

18 “(3) PURPOSE, THEMES, AND REIMBURSE-  
19 MENT.—

20 “(A) PURPOSE.—The purpose of the pro-  
21 gram established under paragraph (1) is to add  
22 capabilities to the Hollings Manufacturing Ex-  
23 tension Partnership, including the development  
24 of projects to solve new or emerging manufac-  
25 turing problems as determined by the Director,

1 in consultation with the Director of the Hol-  
2 lings Manufacturing Extension Partnership, the  
3 MEP Advisory Board, other Federal agencies,  
4 and small and medium-sized manufacturers.

5 “(B) THEMES.—The Director may identify  
6 one or more themes for a competition carried  
7 out under this subsection, which may vary from  
8 year to year, as the Director considers appro-  
9 priate after assessing the needs of manufactur-  
10 ers and the success of previous competitions.

11 “(C) REIMBURSEMENT.—Centers may be  
12 reimbursed for costs incurred by the Centers  
13 under this subsection.

14 “(4) APPLICATIONS.—Applications for awards  
15 under this subsection shall be submitted in such  
16 manner, at such time, and containing such informa-  
17 tion as the Director shall require in consultation  
18 with the MEP Advisory Board.

19 “(5) SELECTION.—

20 “(A) PEER REVIEW AND COMPETITIVELY  
21 AWARDED.—The Director shall ensure that  
22 awards under this subsection are peer reviewed  
23 and competitively awarded.

1           “(B) GEOGRAPHIC DIVERSITY.—The Di-  
2           rector shall endeavor to have broad geographic  
3           diversity among selected proposals.

4           “(C) CRITERIA.—The Director shall select  
5           applications to receive awards that the Director  
6           determines will—

7                   “(i) improve the competitiveness of in-  
8                   dustries in the region in which the Center  
9                   or Centers are located;

10                   “(ii) create jobs or train newly hired  
11                   employees;

12                   “(iii) promote the transfer and com-  
13                   mercialization of research and technology  
14                   from institutions of higher education, na-  
15                   tional laboratories or other Federally-fund-  
16                   ed research programs, and nonprofit re-  
17                   search institutes;

18                   “(iv) recruit a diverse manufacturing  
19                   workforce, including through outreach to  
20                   women and minorities; or

21                   “(v) achieve such other result as the  
22                   Director considers will advance the objec-  
23                   tive set forth in subsection (a)(3).

1           “(6) PROGRAM CONTRIBUTION.—Recipients of  
2           awards under this subsection shall not be required  
3           to provide a matching contribution.

4           “(7) GLOBAL MARKETPLACE PROJECTS.—In  
5           making an award under this subsection, the Direc-  
6           tor, in consultation with the MEP Advisory Board  
7           and the Secretary, may take into consideration  
8           whether an application has significant potential for  
9           enhancing the competitiveness of small and medium-  
10          sized United States manufacturers in the global  
11          marketplace.

12          “(8) WORKFORCE DEVELOPMENT PROJECTS.—  
13          In making an award under this subsection, the Di-  
14          rector, in consultation with the MEP Advisory  
15          Board and the Secretary, may take into consider-  
16          ation whether a project supports the development  
17          and implementation of apprenticeship programs, in-  
18          ternship programs, student-based learning programs,  
19          or industry-recognized certification programs to help  
20          serve the workforce needs of consortia of manufac-  
21          turing companies.

22          “(9) INDUSTRY CONSIDERATION.—

23                 “(A) CONSTRUCTION INDUSTRY MOD-  
24                 ERNIZATION.—In making an award under this  
25                 subsection, the Director, in consultation with

1 the MEP Advisory Board and the Secretary,  
2 may take into consideration whether a project  
3 supports the modernization of the construction  
4 industry.

5 “(B) HEALTH CARE INDUSTRY.—In mak-  
6 ing an award under this subsection, the Direc-  
7 tor, in consultation with the MEP Advisory  
8 Board and the Secretary, may take into consid-  
9 eration whether a project supports the mod-  
10 ernization of the health care industry.

11 “(C) BIOTECHNOLOGY AND BIOMANUFAC-  
12 TURING.—In making an award under this sub-  
13 section, the Director, in consultation with the  
14 MEP Advisory Board and the Secretary, may  
15 take into consideration whether a project sup-  
16 ports the biotechnology and biomanufacturing  
17 industry.

18 “(10) DURATION.—The duration of an award  
19 under this subsection shall be for not more than 3  
20 years.

21 “(h) EVALUATION OF OBSTACLES UNIQUE TO SMALL  
22 MANUFACTURERS.—As part of the Hollings Manufac-  
23 turing Extension Partnership, the Director shall—

1           “(1) evaluate obstacles that are unique to small  
2           manufacturers that prevent such manufacturers  
3           from effectively competing in the global market;

4           “(2) implement a comprehensive plan to train  
5           the Centers to address such obstacles; and

6           “(3) facilitate improved communication between  
7           the Centers to assist such manufacturers in imple-  
8           menting appropriate, targeted solutions to such ob-  
9           stacles.

10          “(i) DEVELOPMENT OF OPEN ACCESS RE-  
11 SOURCES.—As part of the Hollings Manufacturing Exten-  
12 sion Partnership, the Director shall develop open access  
13 resources that address best practices related to inventory  
14 sourcing, supply chain management, manufacturing tech-  
15 niques, available Federal resources, and other topics to  
16 further the competitiveness and profitability of small man-  
17 ufacturers.

18          “(j) INNOVATION SERVICES INITIATIVE.—As part of  
19 the Hollings Manufacturing Extension Partnership, the  
20 Director shall establish an innovation services initiative to  
21 assist small and medium-sized manufacturers in improv-  
22 ing profitability through the reduction of energy use,  
23 greenhouse gas emissions, and environmental waste.

24          “(k) DEFINITIONS.—In this section:

1           “(1) AREA CAREER AND TECHNICAL EDU-  
2           CATION SCHOOL.—The term ‘area career and tech-  
3           nical education school’ has the meaning given such  
4           term in section 3 of the Carl D. Perkins Career and  
5           Technical Education Improvement Act of 2006 (20  
6           U.S.C. 2302).

7           “(2) COMMUNITY COLLEGE.—The term ‘com-  
8           munity college’ means an institution of higher edu-  
9           cation (as defined under section 101(a) of the High-  
10          er Education Act of 1965 (20 U.S.C. 1001(a))) at  
11          which the highest degree that is predominately  
12          awarded to students is an associate’s degree.”.

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