

115TH CONGRESS
1ST SESSION

H. R. 4121

To establish in the United States Agency for International Development an entity to be known as the United States Global Development Lab, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 2017

Mr. CASTRO of Texas (for himself and Mr. McCAUL) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To establish in the United States Agency for International Development an entity to be known as the United States Global Development Lab, 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 “Global Development
5 Lab Act of 2017”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) The effectiveness of United States foreign
9 assistance can be greatly enhanced by fostering in-

novation, applying science and technology, and leveraging the expertise and resources of the private sector to find low-cost, common sense solutions to today's most pressing development challenges.

(2) Breakthroughs that accelerate economic growth and produce better health outcomes in developing countries can help support the growth of healthier, more stable societies and foster trade relationships that translate into jobs and economic growth in the United States.

(3) In 2014, the Office of Science and Technology and the Office of Innovation and Development Alliances at the United States Agency for International Development (USAID) were streamlined and merged into the United States Global Development Lab.

(4) The Lab partners with entrepreneurs, experts, nongovernmental organizations, universities, and science and research institutions to find solutions to specific development challenges in a faster, more cost-efficient, and more sustainable way.

(5) The Lab utilizes competitive innovation incentive awards, a "pay-for-success" model, whereby a development challenge is identified, competitions are launched, ideas with the greatest potential for

1 success are selected and tested, and awards are pro-
2 vided only after the objectives of a competition have
3 been substantially achieved.

4 (6) Enhancing the authorities that support this
5 pay-for-success model will better enable the Lab to
6 diversify and expand both the number and sources
7 of ideas that may be developed, tested, and brought
8 to scale, thereby increasing USAID's opportunity to
9 apply high value, low-cost solutions to specific devel-
10 opment challenges.

11 **SEC. 3. UNITED STATES GLOBAL DEVELOPMENT LAB.**

12 (a) ESTABLISHMENT.—There is established in
13 USAID an entity to be known as the United States Global
14 Development Lab.

15 (b) DUTIES.—The duties of the Lab shall include—

16 (1) increasing the application of science, tech-
17 nology, innovation and partnerships to develop and
18 scale new solutions to end extreme poverty;

19 (2) discovering, testing, and scaling develop-
20 ment innovations to increase cost effectiveness and
21 support United States foreign policy and develop-
22 ment goals;

23 (3) leveraging the expertise, resources, and in-
24 vestment of businesses, nongovernmental organiza-
25 tions, science and research organizations, and uni-

1 versities to increase program impact and sustain-
2 ability;

3 (4) utilizing innovation-driven competitions to
4 expand the number and diversity of solutions to de-
5 velopment challenges; and

6 (5) supporting USAID missions and bureaus in
7 applying science, technology, innovation, and part-
8 nership approaches to decisionmaking, procurement,
9 and program design.

10 (c) AUTHORITIES.—

11 (1) IN GENERAL.—In carrying out the duties of
12 the Lab under subsection (b), the Administrator, in
13 addition to such other authorities as may be avail-
14 able to the Administrator, including authorities
15 under part I of the Foreign Assistance Act of 1961
16 (22 U.S.C. 2151 et seq.), and subject to the limita-
17 tions described in paragraph (3), is authorized to—

18 (A) provide innovation incentive awards (as
19 defined in section 4(5) of this Act); and

20 (B) use funds made available to carry out
21 the provisions of part I of the Foreign Assist-
22 ance Act of 1961 for each of the fiscal years
23 2018 through 2022 for the employment of not
24 more than 30 individuals on a limited term
25 basis pursuant to schedule A of subpart C of

part 213 of title 5, Code of Federal Regulations, or similar provisions of law or regulations.

(2) RECOVERY OF FUNDS.—

(A) AUTHORITY.—

(i) IN GENERAL.—In carrying out the duties of the Lab under subsection (b), the Administrator, subject to the limitation described in clause (ii), is authorized to require a person or entity that receives funding under a grant, contract, or cooperative agreement made by the Lab to return to the Lab any program income that is attributable to funding under such grant, contract, or cooperative agreement.

(ii) LIMITATION.—The amount of program income that a person or entity is required to return to the Lab under clause (i) shall not exceed the amount of funding that the person or entity received under the grant, contract, or cooperative agreement.

(B) TREATMENT OF PAYMENTS.—

(i) IN GENERAL.—The amount of any program income returned to the Lab pur-

1 suant to subparagraph (A) may be credited
2 to the account from which the obligation
3 and expenditure of funds under the grant,
4 contract, or cooperative agreement de-
5 scribed in subparagraph (A) was made.

6 (ii) AVAILABILITY.—

7 (I) IN GENERAL.—Except as pro-
8 vided in subclause (II), amounts re-
9 turned and credited to an account
10 under clause (i)—

11 (aa) shall be merged with
12 other funds in the account; and

13 (bb) shall be available, sub-
14 ject to appropriation, for the
15 same purposes and period of time
16 for which other funds in the ac-
17 count are available for programs
18 and activities of the Lab.

19 (II) EXCEPTION.—Amounts re-
20 turned and credited to an account
21 under clause (i) may not be used to
22 pay for the employment of individuals
23 described in paragraph (1)(B).

24 (3) LIMITATIONS.—

1 (A) IN GENERAL.—Concurrent with the
2 submission of the Congressional Budget Jus-
3 tification for Foreign Operations for each fiscal
4 year, the Administrator shall submit to the ap-
5 propriate congressional committees a detailed
6 accounting of USAID’s use of authorities under
7 this section, including the sources, amounts,
8 and uses of funding under each of paragraphs
9 (1) and (2).

10 (B) INNOVATION INCENTIVE AWARDS.—In
11 providing innovation incentive awards under
12 paragraph (1)(A), the Administrator shall—

13 (i) limit the amount of individual
14 awards for fiscal year 2018 to not more
15 than \$100,000;

16 (ii) limit the total number of awards
17 for fiscal year 2018 to not more than 10
18 awards; and

19 (iii) notify the appropriate congres-
20 sional committees not later than 15 days
21 after providing each such award.

22 (C) STAFF.—In exercising the authority
23 under paragraph (1)(B), the Administrator
24 should seek to ensure that increases in the
25 number of staff assigned to the Lab are offset

1 by an equivalent reduction in the total number
2 of staff serving elsewhere in USAID.

3 **SEC. 4. DEFINITIONS.**

4 In this Act:

5 (1) ADMINISTRATOR.—The term “Adminis-
6 trator” means the Administrator of the United
7 States Agency for International Development.

8 (2) APPROPRIATE CONGRESSIONAL COMMIT-
9 TEES.—The term “appropriate congressional com-
10 mittees” means—

11 (A) the Committee on Foreign Affairs and
12 the Committee on Appropriations of the House
13 of Representatives; and

14 (B) the Committees on Foreign Relations
15 and the Committee on Appropriations of the
16 Senate.

17 (3) LAB.—The term “Lab” means the United
18 States Global Development Lab established under
19 section 3.

20 (4) USAID.—The term “USAID” means the
21 United States Agency for International Develop-
22 ment.

23 (5) INNOVATION INCENTIVE AWARD.—The term
24 “innovation incentive award” means the provision of
25 funding on a competitive basis that—

1 (A) encourages and rewards the develop-
2 ment of solutions for a particular, well-defined
3 problem relating to the alleviation of poverty; or

4 (B) helps identify and promote a broad
5 range of ideas and practices, facilitating further
6 development of an idea or practice by third par-
7 ties.

○