

## AMENDMENTS

2022—Subsecs. (g), (h). Pub. L. 117–167 added subsec. (g) and redesignated former subsec. (g) as (h).

**§ 278i. Reports to Congress****(a) Information to Congress on Institute activities**

The Director shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with regard to all of the activities of the Institute.

**(b) Justification for changes in policies and fees**

The Director shall justify in writing all changes in policies regarding fees for standard reference materials and calibration services occurring after June 30, 1987, including a description of the anticipated impact of any proposed changes on demand for and anticipated revenues from the materials and services. Changes in policy and fees shall not be effective unless and until the Director has submitted the proposed schedule and justification to the Congress and 30 days on which both Houses of Congress are in session have elapsed since such submission, except that the requirement of this sentence shall not apply with respect to adjustments which are based solely on changes in the costs of raw materials or of producing and delivering standard reference materials or calibration services.

(Mar. 3, 1901, ch. 872, §23, as added Pub. L. 100–418, title V, §5114(2), Aug. 23, 1988, 102 Stat. 1432; amended Pub. L. 110–69, title III, §3004, Aug. 9, 2007, 121 Stat. 590; Pub. L. 114–329, title II, §204(a)(1)(B)(i), Jan. 6, 2017, 130 Stat. 2998.)

**Editorial Notes**

## AMENDMENTS

2017—Subsecs. (c), (d). Pub. L. 114–329 struck out subsecs. (c) and (d) which required the Director to submit to Congress a 3-year programmatic planning document for the Institute and annual updates.

2007—Subsecs. (c), (d). Pub. L. 110–69 added subsecs. (c) and (d).

**Statutory Notes and Related Subsidiaries**

## CHANGE OF NAME

Committee on Science, Space, and Technology of House of Representatives treated as referring to Committee on Science of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

**§ 278j. Studies by National Research Council**

The Director may periodically contract with the National Research Council for advice and studies to assist the Institute to serve United States industry and science. The subjects of such advice and studies may include—

- (1) the competitive position of the United States in key areas of manufacturing and

emerging technologies and research activities which would enhance that competitiveness;

- (2) potential activities of the Institute, in cooperation with industry and the States, to assist in the transfer and dissemination of new technologies for manufacturing and quality assurance; and

- (3) identification and assessment of likely barriers to widespread use of advanced manufacturing technology by the United States workforce, including training and other initiatives which could lead to a higher percentage of manufacturing jobs of United States companies being located within the borders of our country.

(Mar. 3, 1901, ch. 872, §24, as added Pub. L. 100–418, title V, §5114(2), Aug. 23, 1988, 102 Stat. 1432.)

**§ 278k. Hollings Manufacturing Extension Partnership****(a) Definitions**

In this section:

**(1) Appropriate committees of congress**

The term “appropriate committees of Congress” means—

- (A) the Committee on Commerce, Science, and Transportation of the Senate; and

- (B) the Committee on Science, Space, and Technology of the House of Representatives.

**(2) Area career and technical education school**

The term “area career and technical education school” has the meaning given the term in section 2302 of title 20.

**(3) Center**

The term “Center” means a manufacturing extension center that—

- (A) is created under subsection (b); and

- (B) is affiliated with an eligible entity that applies for and is awarded financial support under subsection (e).

**(4) Community college**

The term “community college” means an institution of higher education (as defined under section 1001(a) of title 20) at which the highest degree that is predominately awarded to students is an associate’s degree.

**(5) Eligible entity**

The term “eligible entity” means a United States-based nonprofit institution, an institution of higher education, or a State, United States territory, local, or tribal government or a consortium thereof.

**(6) Historically Black college and university**

The term “historically Black college and university” has the meaning given the term “part B institution” in section 1061 of title 20.

**(7)<sup>1</sup> Institution of higher education**

The term “institution of higher education” has the meaning given such term in section 1001 of title 20.

**(7)<sup>1</sup> Hollings Manufacturing Extension Partnership or Program**

The term “Hollings Manufacturing Extension Partnership” or “Program” means the program established under subsection (b).

<sup>1</sup> So in original. Two pars. (7) have been enacted.

**(8) MEP Advisory Board**

The term “MEP Advisory Board” means the Manufacturing Extension Partnership Advisory Board established under subsection (n).<sup>2</sup>

**(9) Minority-serving institution**

The term “minority-serving institution” means a Hispanic-serving institution as defined in section 1101a(a) of title 20; an Alaska Native-serving institution or Native Hawaiian-serving institution as defined in section 1059d(b) of title 20; or a Predominantly Black institution, Asian American and Native American Pacific Islander-serving institution, or Native American-serving nontribal institution as defined in section 1067q(c) of title 20.

**(10) Secondary school**

The term “secondary school” has the meaning given such term in section 7801 of title 20.

**(11) Tribal College or University**

The term “Tribal College or University” has the meaning given the term “Tribal College or University” in section 1059c of title 20.

**(b) Establishment and purpose**

The Secretary, acting through the Director and, if appropriate, through other Federal officials, shall establish a program to provide assistance for the creation and support of manufacturing extension centers for the transfer of manufacturing technology and best business practices.

**(c) Objective**

The objective of the Program shall be to enhance competitiveness, productivity, and technological performance in United States manufacturing through—

- (1) the transfer of manufacturing technology and techniques developed at the Institute to Centers and, through them, to manufacturing companies throughout the United States;
- (2) the participation of individuals from industry, institutions of higher education, State governments, other Federal agencies, and, when appropriate, the Institute in cooperative technology transfer activities;
- (3) efforts to make new manufacturing technology and processes usable by United States-based small and medium-sized companies;
- (4) the active dissemination of scientific, engineering, technical, and management information about manufacturing to United States-based industrial firms, including small and medium-sized manufacturing companies;
- (5) the utilization, when appropriate, of the expertise and capability that exists in Federal agencies, other than the Institute, and federally-sponsored laboratories;
- (6) the provision to secondary schools, community colleges, and area career and technical education schools, including those in underserved and rural communities, of information about the job skills needed in manufacturing companies, including small and medium-sized manufacturing businesses in the regions they serve;
- (7) the promotion and expansion of certification systems offered through industry, asso-

ciations, local secondary schools and local colleges, including historically Black colleges and universities, Tribal Colleges or Universities, minority-serving institutions, community colleges, and secondary schools and colleges in underserved and rural communities, when appropriate, including efforts such as facilitating training, supporting new or existing apprenticeships or other applied learning opportunities, and providing access to information and experts, to address workforce needs and skills gaps in order to assist small- and medium-sized manufacturing businesses; and

(8) the growth in employment and wages at United States-based small and medium-sized companies.

**(d) Activities**

The activities of a Center shall include—

(1) the establishment of automated manufacturing systems and other advanced production technologies, at United States-based industrial facilities, including small and medium manufacturing companies based on Institute-supported research, for the purpose of demonstrations and technology transfer;

(2) the active transfer and dissemination of research findings and Center expertise to a wide range of United States-based companies and enterprises, particularly small and medium-sized manufacturers; and

(3) the facilitation of collaborations and partnerships between United States-based small and medium-sized manufacturing companies and local high schools, community colleges, and area career and technical education schools, including those in underserved and rural communities, to help those entities better understand the specific needs of manufacturers and to help manufacturers better understand the skill sets that students learn in the programs offered by such colleges and schools.

**(e) Financial assistance****(1) Authorization**

Except as provided in paragraph (2), the Secretary may provide financial assistance for the creation and support of a Center through a cooperative agreement with an eligible entity.

**(2) Cost sharing**

The Secretary may not provide more than 50 percent of the capital and annual operating and maintenance funds required to establish and support a Center.

**(3) Rule of construction**

For purposes of paragraph (2), any amount received by an eligible entity for a Center under a provision of law other than paragraph (1) shall not be considered an amount provided under paragraph (1).

**(4) Regulations**

The Secretary may revise or promulgate such regulations as necessary to carry out this subsection.

**(f) Applications****(1) In general**

An eligible entity shall submit an application to the Secretary at such time, in such

<sup>2</sup> So in original. Probably should refer to subsec. (m).

manner, and containing such information as the Secretary may require.

**(2) Program description**

The Secretary shall establish and update, as necessary—

- (A) a description of the Program;
- (B) the application procedures;
- (C) performance metrics;
- (D) criteria for determining qualified applicants; and<sup>3</sup>
- (E) criteria for choosing recipients of financial assistance from among the qualified applicants.<sup>3</sup>
- (F) procedures for determining allowable cost share contributions; and
- (G) such other program policy objectives and operational procedures as the Secretary considers necessary.

**(3) Cost sharing**

**(A) In general**

To be considered for financial assistance under this section, an applicant shall provide adequate assurances that the applicant and if applicable, the applicant's partnering organizations, will obtain funding for not less than 50 percent of the capital and annual operating and maintenance funds required to establish and support the Center from sources other than the financial assistance provided under subsection (e).

**(B) Agreements with other entities**

In meeting the cost-sharing requirement under subparagraph (A), an eligible entity may enter into an agreement with 1 or more other entities, such as a private industry, institutions of higher education, or a State, United States territory, local, or tribal government for the contribution by that other entity of funding if the Secretary determines the agreement—

- (i) is programmatically reasonable;
- (ii) will help accomplish programmatic objectives; and
- (iii) is allocable under Program procedures under subsection (f)(2).

**(4) Legal rights**

Each applicant shall include in the application a proposal for the allocation of the legal rights associated with any intellectual property which may result from the activities of the Center.

**(5) Merit review of applications**

**(A) In general**

The Secretary shall subject each application to merit review.

**(B) Considerations**

In making a decision whether to approve an application and provide financial assistance under subsection (e), the Secretary shall consider, at a minimum—

- (i) the merits of the application, particularly those portions of the application regarding technology transfer, training and education, and adaptation of manufac-

turing technologies to the needs of particular industrial sectors in the United States;

- (ii) the quality of service to be provided;
- (iii) the geographical diversity and extent of the service area; and
- (iv) the type and percentage of funding and in-kind commitment from other sources under paragraph (3).

**(g) Evaluations**

**(1) Third and eighth year evaluations by panel**

**(A) In general**

The Secretary shall ensure that each Center is evaluated during its third and eighth years of operation by an evaluation panel appointed by the Secretary.

**(B) Composition**

The Secretary shall ensure that each evaluation panel appointed under subparagraph (A) is composed of—

- (i) private experts, none of whom are connected with the Center evaluated by the panel; and
- (ii) Federal officials.

**(C) Chairperson**

For each evaluation panel appointed under subparagraph (B), the Secretary shall appoint a chairperson who is an official of the Institute.

**(2) Fifth year evaluations by Secretary**

In the fifth year of operation of a Center, the Secretary shall conduct a review of the Center.

**(3) Performance measurement**

In evaluating a Center an evaluation panel or the Secretary, as applicable, shall measure the performance of the Center against—

- (A) the objective specified in subsection (c);
- (B) the performance metrics under subsection (f)(2)(C); and
- (C) such other criterion as considered appropriate by the Secretary.

**(4) Positive evaluations**

If an evaluation of a Center is positive, the Secretary may continue to provide financial assistance for the Center—

- (A) in the case of an evaluation occurring in the third year of a Center, through the fifth year of the Center;
- (B) in the case of an evaluation occurring in the fifth year of a Center, through the eighth year of the Center; and
- (C) in the case of an evaluation occurring in the eighth year of a Center, through the tenth year of the Center.

**(5) Other than positive evaluations**

**(A) Probation**

If an evaluation of a Center is other than positive, the Secretary shall put the Center on probation during the period beginning on the date that the Center receives notice under subparagraph (B)(i) and ending on the date that the reevaluation is complete under subparagraph (B)(iii).

<sup>3</sup> So in original.

**(B) Notice and reevaluation**

If a Center receives an evaluation that is other than positive, the evaluation panel or Secretary, as applicable, shall—

- (i) notify the Center of the reason, including any deficiencies in the performance of the Center identified during the evaluation;
- (ii) assist the Center in remedying the deficiencies by providing the Center, not less frequently than once every 3 months, an analysis of the Center, if considered appropriate by the panel or Secretary, as applicable; and
- (iii) reevaluate the Center not later than 1 year after the date of the notice under clause (i).

**(C) Continued support during period of probation****(i) In general**

The Secretary may continue to provide financial assistance under subsection (e) for a Center during the probation period.

**(ii) Post probation**

After the period of probation, the Secretary shall not provide any financial assistance unless the Center has received a positive evaluation under subparagraph (B)(iii).

**(6) Failure to remedy****(A) In general**

If a Center fails to remedy a deficiency or to show significant improvement in performance before the end of the probation period under paragraph (5), the Secretary shall conduct a competition to select an operator for the Center under subsection (h).

**(B) Treatment of Centers subject to new competition**

Upon the selection of an operator for a Center under subsection (h), the Center shall be considered a new Center and the calculation of the years of operation of that Center for purposes of paragraphs (1) through (5) of this subsection and subsection (h)(1) shall start anew.

**(h) Reapplication competition for financial assistance after 10 years****(1) In general**

If an eligible entity has operated a Center under this section for a period of 10 consecutive years, the Secretary shall conduct a competition to select an eligible entity to operate the Center in accordance with the process plan under subsection (i).

**(2) Incumbent eligible entities**

An eligible entity that has received financial assistance under this section for a period of 10 consecutive years and that the Secretary determines is in good standing shall be eligible to compete in the competition under paragraph (1).

**(3) Treatment of Centers subject to reapplication competition**

Upon the selection of an operator for a Center under paragraph (1), the Center shall be

considered a new Center and the calculation of the years of operation of that Center for purposes of paragraphs (1) through (5) of subsection (g) shall start anew.

**(i) Process plan**

Not later than 180 days after January 6, 2017, the Secretary shall implement and submit to Congress a plan for how the Institute will conduct an evaluation, competition, and reapplication competition under this section.

**(j) Operational requirements****(1) Protection of confidential information of Center clients**

The following information, if obtained by the Federal Government in connection with an activity of a Center or the Program, shall be exempt from public disclosure under section 552 of title 5:

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

(B) Trade secrets of any client of a Center.

**(k) Oversight boards****(1) In general**

As a condition on receipt of financial assistance for a Center under subsection (e), an eligible entity shall establish a board to oversee the operations of the Center.

**(2) Standards****(A) In general**

The Director shall establish appropriate standards for each board described under paragraph (1).

**(B) Considerations**

In establishing the standards, the Director shall take into account the type and organizational structure of an eligible entity.

**(C) Requirements**

The standards shall address—

- (i) membership;
- (ii) composition;
- (iii) term limits;
- (iv) conflicts of interest; and
- (v) such other requirements as the Director considers necessary.

**(3) Membership****(A) In general**

Each board established under paragraph (1) shall be composed of members as follows:

- (i) The membership of each board shall be representative of stakeholders in the region in which the Center is located.
- (ii) A majority of the members of the board shall be selected from among individuals who own or are employed by small or medium-sized manufacturers.

**(B) Limitation**

A member of a board established under paragraph (1) may not serve on more than 1 board established under that paragraph.

**(4) Bylaws****(A) In general**

Each board established under paragraph (1) shall adopt and submit to the Director bylaws to govern the operation of the board.

**(B) Conflicts of interest**

Bylaws adopted under subparagraph (A) shall include policies to minimize conflicts of interest, including such policies relating to disclosure of relationships and recusal as may be necessary to minimize conflicts of interest.

**(I) Acceptance of funds****(1) In general**

To the extent provided in advance in appropriations Acts, other Federal departments and agencies may transfer amounts to the Institute, and the Secretary and Director may accept and make available cash donations from the private sector pursuant to section 272(c)(7) of this title, to be used for strengthening United States manufacturing under this section.

**(2) Competitive awards**

Funds accepted from other Federal departments and agencies and from the private sector under paragraph (1) shall be awarded competitively by the Secretary and Director to Centers, provided that the Secretary and Director may make noncompetitive<sup>3</sup> awards, pursuant to this section or section 278k-1 of this title, or as a non-competitive<sup>3</sup> contract, as appropriate, if the Secretary and Director determine that—

(A) the manufacturing market or sector targeted is limited geographically or in scope;

(B) the number of States (or territory, in the case of Puerto Rico) with Centers serving manufacturers of such market or sector is five or fewer; and

(C) such Center has or Centers have received a positive evaluation in the most recent evaluation conducted pursuant to subsection (g).

**(m) MEP Advisory Board****(1) Establishment**

There is established within the Institute a Manufacturing Extension Partnership Advisory Board.

**(2) Membership****(A) Composition****(i) In general**

The MEP Advisory Board shall consist of not fewer than 10 members appointed by the Director and broadly representative of stakeholders.

**(ii) Requirements**

Of the members appointed under clause (i)—

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

(II) at least 5 members shall be from United States small businesses in the manufacturing sector; and

(III) at least 1 member shall represent a community college.

**(iii) Limitation**

No member of the MEP Advisory Board shall be an employee of the Federal Government.

**(B) Term**

Except as provided in subparagraph (C), the term of office of each member of the MEP Advisory Board shall be 3 years.

**(C) Vacancies**

Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

**(D) Serving consecutive terms**

Any person who has completed 2 consecutive full terms of service on the MEP Advisory Board shall thereafter be ineligible for appointment during the 1-year period following the expiration of the second such term.

**(3) Meetings**

The MEP Advisory Board shall—

(A) meet not less than biannually; and

(B) provide to the Director—

(i) advice on the activities, plans, and policies of the Program;

(ii) assessments of the soundness of the plans and strategies of the Program; and

(iii) assessments of current performance against the plans of the Program.

**(4) Applicability of chapter 10 of title 5****(A) In general**

In discharging its duties under this subsection, the MEP Advisory Board shall function solely in an advisory capacity, in accordance with chapter 10 of title 5.

**(B) Exception**

Section 1013 of title 5 shall not apply to the MEP Advisory Board.

**(5) Annual report****(A) In general**

At a minimum, the MEP Advisory Board shall transmit an annual report to the Secretary for transmittal to Congress not later than 30 days after the submission to Congress of the President's annual budget under section 1105 of title 31.

**(B) Contents**

The report shall address the status of the Program and describe the relevant sections of the programmatic planning document and updates thereto transmitted to Congress by the Director under subsections (c) and (d) of section 278i<sup>4</sup> of this title.

**(n) Small manufacturers****(1) Evaluation of obstacles**

As part of the Program, the Director shall—

(A) identify obstacles that prevent United States-based small manufacturers from effectively competing in the global market;

(B) implement a comprehensive plan to train the Centers to address the obstacles identified in paragraph (2); and

(C) facilitate improved communication between the Centers to assist such manufac-

<sup>4</sup> See References in Text note below.

turers in implementing appropriate, targeted solutions to the obstacles identified in paragraph (2).

## (2) Development of open access resources

As part of the Program, the Secretary shall develop open access resources that address best practices related to inventory sourcing, supply chain management, manufacturing techniques, available Federal resources, and other topics to further the competitiveness and profitability of small manufacturers.

(Mar. 3, 1901, ch. 872, §25, as added Pub. L. 100-418, title V, §5121(a), Aug. 23, 1988, 102 Stat. 1433; amended Pub. L. 102-245, title I, §105(e), Feb. 14, 1992, 106 Stat. 12; Pub. L. 105-309, §2, Oct. 30, 1998, 112 Stat. 2935; Pub. L. 110-69, title III, §3003, Aug. 9, 2007, 121 Stat. 587; Pub. L. 111-240, title IV, §4226(a), Sept. 27, 2010, 124 Stat. 2598; Pub. L. 111-358, title IV, §404(a)-(f)(1), (3), (h), (i), title VII, §703, Jan. 4, 2011, 124 Stat. 4001-4003, 4042; Pub. L. 114-329, title V, §501(b), Jan. 6, 2017, 130 Stat. 3023; Pub. L. 117-167, div. B, title II, §§10252(a), (b), (d), 10255, Aug. 9, 2022, 136 Stat. 1499, 1503; Pub. L. 117-286, §4(a)(65), Dec. 27, 2022, 136 Stat. 4312.)

## Editorial Notes

### REFERENCES IN TEXT

Subsections (c) and (d) of section 278i of this title, referred to in subsec. (m)(5)(B), which related to 3-year programmatic planning documents and annual updates, were repealed by Pub. L. 114-329, title II, §204(a)(1)(B)(i), Jan. 6, 2017, 130 Stat. 2998.

### AMENDMENTS

2022—Subsec. (a)(5). Pub. L. 117-167, §10252(b)(1), struck out “or consortium thereof,” before “an institution of higher education” and inserted “or a consortium thereof” before period at end.

Subsec. (a)(6) to (8). Pub. L. 117-167, §10255(1)-(4), added pars. (6) defining historically Black college and university and (7) defining institution of higher education and redesignated former pars. (6) defining Hollings Manufacturing Extension Partnership or Program and (7) defining MEP Advisory Board as (7) and (8), respectively.

Subsec. (a)(9) to (11). Pub. L. 117-167, §10255(5), added pars. (9) to (11).

Subsec. (c)(4). Pub. L. 117-167, §10252(b)(2), inserted “United States-based” before “industrial”.

Subsec. (c)(6). Pub. L. 117-167, §10252(d)(1)(A), substituted “secondary schools, community colleges, and area career and technical education schools, including those in underserved and rural communities,” for “community colleges and area career and technical education schools”.

Subsec. (c)(7). Pub. L. 117-167, §10252(d)(1)(B), substituted “local secondary schools and local colleges, including historically Black colleges and universities, Tribal Colleges or Universities, minority-serving institutions, community colleges, and secondary schools and colleges in underserved and rural communities,” for “and local colleges” and inserted “or other applied learning opportunities” after “apprenticeships”.

Subsec. (d)(1). Pub. L. 117-167, §10252(b)(3)(A), inserted “at United States-based industrial facilities, including small and medium manufacturing companies” before “based”.

Subsec. (d)(2). Pub. L. 117-167, §10252(b)(3)(B), inserted “United States-based” before “companies”.

Subsec. (d)(3). Pub. L. 117-167, §10252(d)(2), substituted “and local high schools, community colleges, and area career and technical education schools, including those in underserved and rural communities,” for

“community colleges, and area career and technical education schools.”.

Pub. L. 117-167, §10252(b)(3)(C), inserted “United States-based” before “small”.

Subsec. (f)(5)(B)(i). Pub. L. 117-167, §10252(b)(4), inserted before semicolon at end “in the United States”.

Subsec. (I). Pub. L. 117-167, §10252(a), amended subsec. (I) generally. Prior to amendment, text read as follows: “In addition to such sums as may be appropriated to the Secretary and Director to operate the Program, the Secretary and Director may also accept funds from other Federal departments and agencies and from the private sector under section 272(c)(7) of this title, to be available to the extent provided by appropriations Acts, for the purpose of strengthening United States manufacturing.”

Subsec. (m)(4). Pub. L. 117-286, §4(a)(65)(A), substituted “Applicability of chapter 10 of title 5” for “FACA applicability” in heading.

Subsec. (m)(4)(A). Pub. L. 117-286, §4(a)(65)(B), substituted “chapter 10 of title 5.” for “the Federal Advisory Committee Act (5 U.S.C. App.).”

Subsec. (m)(4)(B). Pub. L. 117-286, §4(a)(65)(C), substituted “Section 1013 of title 5” for “Section 14 of the Federal Advisory Committee Act”.

Subsec. (n)(1)(A). Pub. L. 117-167, §10252(b)(5), inserted “United States-based” before “small”.

2017—Pub. L. 114-329 amended section generally. Prior to amendment, section related to establishment of regional centers for the transfer of manufacturing technology, the MEP Advisory Board, a competitive grant program, and an innovative services initiative.

2011—Subsec. (a). Pub. L. 111-358, §404(f)(3)(A), substituted “regional centers for the transfer of manufacturing technology” for “Regional Centers for the Transfer of Manufacturing Technology” in introductory provisions.

Subsec. (a)(6). Pub. L. 111-358, §404(a), added par. (6).

Subsec. (c)(7), (8). Pub. L. 111-358, §404(d), added pars. (7) and (8).

Subsec. (e)(4). Pub. L. 111-358, §404(e), amended par. (4) generally. Prior to amendment, text read as follows: “In discharging its duties under this subsection, the MEP Advisory Board shall function solely in an advisory capacity, in accordance with the Federal Advisory Committee Act.”

Subsec. (f)(3). Pub. L. 111-358, §703(a), substituted “to add capabilities to the MEP program, including the development of” for “to develop” and “Centers may be reimbursed for costs incurred under the program. These themes—” for “These themes shall be related to projects associated with manufacturing extension activities, including supply chain integration and quality management, and including the transfer of technology based on the technological needs of manufacturers and available technologies from institutions of higher education, laboratories, and other technology producing entities, or extend beyond these traditional areas.” and added subpars. (A) to (C).

Pub. L. 111-358, §404(i), substituted “Director of the Hollings MEP program,” for “Director of the Centers program,”.

Subsec. (f)(5). Pub. L. 111-358, §703(b), amended par. (5) generally. Prior to amendment, text read as follows: “Awards under this subsection shall be peer reviewed and competitively awarded. The Director shall select proposals to receive awards—

“(A) that utilize innovative or collaborative approaches to solving the problem described in the competition;

“(B) that will improve the competitiveness of industries in the region in which the Center or Centers are located; and

“(C) that will contribute to the long-term economic stability of that region.”

Subsec. (f)(7). Pub. L. 111-358, §703(c), added par. (7) relating to duration.

Subsec. (f)(8), (9). Pub. L. 111-358, §703(c), added pars. (8) and (9).

Subsec. (g). Pub. L. 111-358, §404(b), added subsec. (g).

Subsec. (h). Pub. L. 111-358, § 404(c), added subsec. (h).  
 Subsec. (i). Pub. L. 111-358, § 404(f)(1), added subsec. (i).

Subsec. (j). Pub. L. 111-358, § 404(f)(3)(B), added subsec. (j).

Subsec. (k). Pub. L. 111-358, § 404(h), added subsec. (k).  
 2010—Subsec. (f)(7). Pub. L. 111-240 added par. (7) relating to global marketplace projects.

2007—Subsec. (c)(3). Pub. L. 110-69, § 3003(a), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing on August 23, 1988, may submit to the Secretary an application for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the Federal Register under paragraph (2). In order to receive assistance under this section, an applicant shall provide adequate assurances that it will contribute 50 percent or more of the proposed Center’s capital and annual operating and maintenance costs for the first three years and an increasing share for each of the last three years. Each applicant shall also submit a proposal for the allocation of the legal rights associated with any invention which may result from the proposed Center’s activities.”

Subsec. (c)(5). Pub. L. 110-69, § 3003(b), inserted “A Center that has not received a positive evaluation by the evaluation panel shall be notified by the panel of the deficiencies in its performance and shall be placed on probation for one year, after which time the panel shall reevaluate the Center. If the Center has not addressed the deficiencies identified by the panel, or shown a significant improvement in its performance, the Director shall conduct a new competition to select an operator for the Center or may close the Center.” after “at declining levels.”

Subsec. (d). Pub. L. 110-69, § 3003(c), added subsec. (d) and struck out former subsec. (d). Text of former subsec. (d) read as follows: “In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Centers program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support Centers. Any Center which is supported with funds which originally came from other Federal departments and agencies shall be selected and operated according to the provisions of this section.”

Subsec. (e). Pub. L. 110-69, § 3003(d), added subsec. (e).

Subsec. (f). Pub. L. 110-69, § 3003(e), added subsec. (f).

1998—Subsec. (c)(5). Pub. L. 105-309 substituted “. After the sixth year, a Center may receive additional financial support under this section if it has received a positive evaluation through an independent review, under procedures established by the Institute. Such an independent review shall be required at least every two years after the sixth year of operation. Funding received for a fiscal year under this section after the sixth year of operation shall not exceed one third of the capital and annual operating and maintenance costs of the Center under the program.” for “, which are designed to ensure that the Center no longer needs financial support from the Institute by the seventh year. In no event shall funding for a Center be provided by the Department of Commerce after the sixth year of the operation of a Center.”

1992—Subsec. (c)(6). Pub. L. 102-245, § 105(e)(1), inserted before period at end “except for contracts for such specific technology extension or transfer services as may be specified by statute or by the Director”.

Subsec. (d). Pub. L. 102-245, § 105(e)(2), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “There are authorized to be appropriated for the purposes of carrying out this section, a combined total of not to exceed \$40,000,000 for fiscal years 1989 and 1990. Such sums shall remain available until expended.”

## Statutory Notes and Related Subsidiaries

### CHANGE OF NAME

Pub. L. 108-447, div. B, title II, Dec. 8, 2004, 118 Stat. 2879, which in part renamed the Manufacturing Extension Partnership Program authorized under this section as the Hollings Manufacturing Partnership Program and which named the centers established and receiving funding under former subsec. (a) of this section the Hollings Manufacturing Extension Centers, was repealed by Pub. L. 111-358, title IV, § 404(f)(2), Jan. 4, 2011, 124 Stat. 4002.

### SAVINGS PROVISIONS

Pub. L. 114-329, title V, § 501(f), Jan. 6, 2017, 130 Stat. 3033, provided that: “Notwithstanding the amendments made by subsections (a) [sic: subsec. (a) is set out as a Short Title of 2017 Amendment note under section 271 of this title] and (b) of this section [amending this section], the Secretary of Commerce may carry out section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k) as that section was in effect on the day before the date of enactment of this Act [Jan. 6, 2017], with respect to existing grants, agreements, cooperative agreements, or contracts, and with respect to applications for such items that are received by the Secretary prior to the date of enactment of this Act.”

### RESOURCE OPTIMIZATION

Pub. L. 117-167, div. B, title II, § 10251(b), Aug. 9, 2022, 136 Stat. 1498, provided that: “Of amounts authorized for the Hollings Manufacturing Extension Partnership program under section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k), the Secretary [of Commerce] shall optimize funding across sections 25 and 25A of such Act [15 U.S.C. 278k, 278k-1], as well as the program established under section 25B of such Act [15 U.S.C. 278k-2] (as added by subsection (a)), to the extent practicable and subject to the availability of appropriations, in order to maximize Center (as such term is defined in such section 25) participation as well as competitiveness, productivity, and technological performance in United States manufacturing.”

### PATENT RIGHTS

Pub. L. 114-329, title V, § 501(g), Jan. 6, 2017, 130 Stat. 3033, provided that: “The provisions of chapter 18 of title 35, United States Code, shall apply, to the extent not inconsistent with section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k) and section 25 [sic] of that Act, to the promotion of technology from research by Centers under those sections, except for contracts for such specific technology extension or transfer services as may be specified by the Director of NIST [National Institute of Standards and Technology] or under other law.”

### FINDINGS

Pub. L. 111-358, title VII, § 702, Jan. 4, 2011, 124 Stat. 4041, provided that: “Congress finds the following:

“(1) Over its 20-year existence, the Hollings Manufacturing Extension Partnership has proven its value to manufacturers as demonstrated by the resulting impact on jobs and the economies of all 50 States and the Nation as a whole.

“(2) The Hollings Manufacturing Extension Partnership has helped thousands of companies reinvest in themselves through process improvement and business growth initiatives leading to more sales, new markets, and the adoption of technology to deliver new products and services.

“(3) Manufacturing is an increasingly important part of the construction sector as the industry moves to the use of more components and factory built sub-assemblies.

“(4) Construction practices must become more efficient and precise if the United States is to construct

and renovate its building stock to reduce related carbon emissions to levels that are consistent with combating global warming.

“(5) Many companies involved in construction are small, without access to innovative manufacturing techniques, and could benefit from the type of training and business analysis activities that the Hollings Manufacturing Extension Partnership routinely provides to the Nation’s manufacturers and their supply chains.

“(6) Broadening the competitiveness grant program under [former] section 25(f) of the National Institute of Standards and Technology Act ([former] 15 U.S.C. 278k(f), now see 15 U.S.C. 278k-1) could help develop and diffuse knowledge necessary to capture a large portion of the estimated \$100 billion or more in energy savings if buildings in the United States met the level and quality of energy efficiency now found in buildings in certain other countries.

“(7) It is therefore in the national interest to expand the capabilities of the Hollings Manufacturing Extension Partnership to be supportive of the construction and green energy industries.”

#### AGREEMENTS AND CONTRIBUTIONS FOR COLLECTIVE RESEARCH AND DEVELOPMENT INITIATIVES

Pub. L. 108-7, div. B, title II, Feb. 20, 2003, 117 Stat. 73, provided in part: “That hereafter the Secretary of Commerce is authorized to enter into agreements with one or more nonprofit organizations for the purpose of carrying out collective research and development initiatives pertaining to [former] 15 U.S.C. 278k paragraph (a), and is authorized to seek and accept contributions from public and private sources to support these efforts as necessary.”

Similar provisions were contained in the following prior appropriation act:

Pub. L. 107-77, title II, Nov. 28, 2001, 115 Stat. 774.

#### ADDITIONAL RENEWAL OF FEDERAL FINANCIAL ASSISTANCE FOR CENTERS

Pub. L. 105-277, div. A, § 101(b) [title II], Oct. 21, 1998, 112 Stat. 2681-50, 2681-83, which provided that Federal financial assistance awarded by the Secretary of Commerce to a Regional Center for the Transfer of Manufacturing Technology could continue beyond six years and could be renewed for additional periods, not to exceed one year, at a rate not to exceed one-third of the Center’s total annual costs or the level of funding in the sixth year, whichever was less, subject before any such renewal to a positive evaluation of the Center and to a finding by the Secretary of Commerce that continuation of Federal funding to the Center was in the best interest of the Regional Centers for the Transfer of Manufacturing Technology Program, was from the Departments of Commerce Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, and was not repeated in subsequent appropriations Acts. Similar provisions were contained in the following prior appropriation acts:

Pub. L. 105-119, title II, Nov. 26, 1997, 111 Stat. 2476.

Pub. L. 104-208, div. A, title I, § 101(a) [title II], Sept. 30, 1996, 110 Stat. 3009, 3009-36.

Pub. L. 103-317, title II, Aug. 26, 1994, 108 Stat. 1741.

#### PUBLICATION IN FEDERAL REGISTER

Pub. L. 100-519, title I, § 102(d), Oct. 24, 1988, 102 Stat. 2590, provided that the requirement of former subsec. (c)(2) of this section was met by the publication made by the National Bureau of Standards on July 18, 1988, at 53 F.R. 27060.

### § 278k-1. Competitive awards program

#### (a) Establishment

The Director shall establish within the Hollings Manufacturing Extension Partnership under section 278k of this title and section 278l of this title a program of competitive awards

among participants described in subsection (b) of this section for the purposes described in subsection (c).

#### (b) Participants

Participants receiving awards under this section shall be Centers, or a consortium of Centers.

#### (c) Purpose, themes, and reimbursement

##### (1) Purpose

The purpose of the program established under subsection (a) is to add capabilities to the Hollings Manufacturing Extension Partnership, including the development of projects to solve new or emerging manufacturing problems as determined by the Director, in consultation with the Director of the Hollings Manufacturing Extension Partnership, the MEP Advisory Board, other Federal agencies, and small and medium-sized manufacturers.

##### (2) Themes

The Director may identify 1 or more themes for a competition carried out under this section, which may vary from year to year, as the Director considers appropriate after assessing the needs of United States manufacturers and the success of previous competitions.

##### (3) Reimbursement

Centers may be reimbursed for costs incurred by the Centers under this section.

#### (d) Applications

Applications for awards under this section shall be submitted in such manner, at such time, and containing such information as the Director shall require in consultation with the MEP Advisory Board.

#### (e) Selection

##### (1) Peer review and competitively awarded

The Director shall ensure that awards under this section are peer reviewed and competitively awarded.

##### (2) Geographic diversity

The Director shall endeavor to have broad geographic diversity among selected proposals.

##### (3) Criteria

The Director shall select applications to receive awards that the Director determines will achieve 1 or more of the following:

(A) Improve the competitiveness of industries in the region in which the Center or Centers are located.

(B) Create jobs or train newly hired employees.

(C) Promote the transfer and commercialization of research and technology from institutions of higher education, national laboratories or other federally funded research programs, and nonprofit research institutes.

(D) Recruit a diverse manufacturing workforce, including through outreach to under-represented populations, including individuals identified in section 1885a or section 1885b of title 42.

(E) Such other result as the Director determines will advance the objective set forth