

mation about the program established under this section and to conduct outreach to potential borrowers, as appropriate.

**(q) Minimizing risk**

The Secretary shall promulgate regulations and policies to carry out this section in accordance with Office of Management and Budget Circular No. A-129, entitled “Policies for Federal Credit Programs and Non-Tax Receivables”, as in effect on January 4, 2011.

**(r) Sense of Congress**

It is the sense of Congress that no loan guarantee shall be made under this section unless the borrower agrees to use a federally-approved electronic employment eligibility verification system to verify the employment eligibility of—

- (1) all persons hired during the contract term by the borrower to perform employment duties within the United States; and
- (2) all persons assigned by the borrower to perform work within the United States on the project.

**(s) Definitions**

In this section:

**(1) Cost**

The term “cost” has the meaning given such term under section 661a of title 2.

**(2) Innovative process**

The term “innovative process” means a process that is significantly improved as compared to the process in general use in the commercial marketplace in the United States at the time the loan guarantee is issued.

**(3) Innovative technology**

The term “innovative technology” means a technology that is significantly improved as compared to the technology in general use in the commercial marketplace in the United States at the time the loan guarantee is issued.

**(4) Loan guarantee**

The term “loan guarantee” has the meaning given such term in section 661a of title 2. The term includes a loan guarantee commitment (as defined in section 661a of title 2).

**(5) Obligation**

The term “obligation” means the loan or other debt obligation that is guaranteed under this section.

**(6) Program**

The term “program” means the loan guarantee program established in subsection (a).

**(t) Authorization of appropriations**

There are authorized to be appropriated \$20,000,000 for each of fiscal years 2011 through 2013 to provide the cost of loan guarantees under this section.

(Pub. L. 96-480, § 26, as added Pub. L. 111-358, title VI, § 602, Jan. 4, 2011, 124 Stat. 4026; amended Pub. L. 117-167, div. B, title II, § 10246(b)(2), Aug. 9, 2022, 136 Stat. 1492.)

**Editorial Notes**

AMENDMENTS

2022—Subsec. (m)(2), (3). Pub. L. 117-167 redesignated par. (3) as (2), struck out “and the Comptroller Gen-

eral’s review under paragraph (2)” before “shall be provided”, and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: “The Comptroller General of the United States shall conduct a biennial review of the Secretary’s execution of the program under this section.”

**Statutory Notes and Related Subsidiaries**

CHANGE OF NAME

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.

**§ 3722. Regional innovation program**

**(a) Definitions**

In this section:

**(1) Eligible recipient**

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, a venture development organization, or an economic development organization or similar entity that is focused primarily on improving science, technology, innovation, or entrepreneurship; and

(ii) has an application submitted under subsection (c)(4) 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).

**(2) Regional innovation initiative**

The term “regional innovation initiative” means a geographically-bounded public or nonprofit activity or program to address issues in the local innovation systems in order to—

(A) increase the success of innovation-driven industry;

(B) strengthen the competitiveness of industry through new product innovation and new technology adoption;

(C) improve the pace of market readiness and overall commercialization of innovative research;

(D) enhance the overall innovation capacity and long-term resilience of the region;

(E) leverage the region’s unique competitive strengths to stimulate innovation; and

(F) increase the number of full-time equivalent employment opportunities within innovation-based business ventures in the geographic region.

**(3) State**

The term “State” means one of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the

Northern Mariana Islands, or any other territory or possession of the United States.

**(4) Venture development organization**

The term “venture development organization” means a State or nonprofit organization that contributes to regional or sector-based economic prosperity by providing services for the purposes of accelerating the commercialization of research.

**(b) Establishment**

The Secretary shall establish a regional innovation program to encourage and support the development of regional innovation strategies designed to increase innovation-driven economic opportunity within their respective regions.

**(c) Regional innovation grants**

**(1) Authorization of grants**

As part of the program established pursuant to subsection (b), the Secretary may award grants, on a competitive basis, to eligible recipients for activities designed to develop and support a regional innovation initiative.

**(2) Permissible activities**

A grant awarded under this subsection shall be used for multiple activities determined appropriate by the Secretary, including—

(A) planning, technical assistance, and communication among participants of a regional innovation initiative to improve the connectedness and strategic orientation of the regional innovation initiative;

(B) attracting additional participants to a regional innovation initiative;

(C) increasing the availability and investment of private and philanthropic financing that supports innovation-based business ventures; and

(D) facilitating commercialization of products, processes, and services, including through demonstration, deployment, technology transfer, and entrepreneurial activities.

**(3) Restricted activities**

Grants awarded under this subsection may not be used to pay for—

(A) costs related to the recruitment, inducement, or associated financial or tangible incentives that might be offered to relocate an existing business from a geographic area to another geographic area; or

(B) costs associated with offsetting revenues forgone by 1 or more taxing authorities through tax incentives, tax increment financing, special improvement districts, tax abatements for private development within designated zones or geographic areas, or other reduction in revenues resulting from tax credits affecting the geographic region of the eligible recipients.

**(4) Applications**

**(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**

Each application submitted under subparagraph (A) shall—

(i) describe the regional innovation initiative;

(ii) indicate whether the regional innovation initiative is supported by the private sector, State and local governments, and other relevant stakeholders;

(iii) identify what activities the regional innovation initiative will undertake;

(iv) describe the expected outcomes of the regional innovation initiative and the metrics the eligible recipient will use to assess progress toward those outcomes;

(v) indicate whether the participants in the regional innovation initiative have access to, or contribute to, a well-trained workforce and other innovation assets that are critical to the successful outcomes specified in the application;

(vi) indicate whether the participants in the regional innovation initiative are capable of attracting additional funds from non-Federal sources; and

(vii) if appropriate for the activities proposed in the application, analyze the likelihood that the participants in the regional innovation initiative will be able to sustain activities after grant funds received under this subsection have been expended.

**(C) Feedback**

The Secretary shall provide feedback to program applicants that are not awarded grants to help them improve future applications.

**(D) Special considerations**

The Secretary shall give special consideration to—

(i) applications proposing to include workforce or training related activities in their regional innovation initiative from eligible recipients who agree to collaborate with local workforce investment area boards; and

(ii) applications from regions that contain communities negatively impacted by trade.

**(5) Cost share**

The Secretary may not provide more than 50 percent of the total cost of any activity funded under this subsection.

**(6) 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 initiatives under this subsection.

**(7) Geographic distribution**

In conducting a competitive process, the Secretary shall avoid undue geographic concentration among any one category of States based on their predominant rural or urban character as indicated by population density.

**(8) Funding**

The Secretary may accept funds from other Federal agencies to support grants and activities under this subsection.

**(d) Regional innovation research and information program**

**(1) In general**

As part of the program established pursuant to subsection (b), the Secretary shall establish a regional innovation research and information program—

(A) to gather, analyze, and disseminate information on best practices for regional innovation initiatives, 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 initiatives;

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

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

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

(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 initiatives; and

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

**(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 section.

**(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 awarded under subsection (c) into the program established under this subsection.

**(e) 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 at 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.

**(f) Evaluation**

**(1) In general**

Not later than 5 years after Congress first appropriates funds to carry out this section, the Secretary shall competitively award a contract with an independent entity to conduct an evaluation of programs established under this section.

**(2) Requirements**

The evaluation conducted under paragraph

(1) shall include—

(A) an assessment of whether the program is achieving its goals;

(B) the program's efficacy in providing awards to geographically diverse entities;

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

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

**(g) Reporting requirement**

Not later than 5 years after the first grant is awarded under subsection (c), and every 5 years thereafter until 5 years after the last grant recipient completes the regional innovation initiative for which such grant was awarded, the Secretary shall submit a summary report to Congress that describes the outcome of each regional innovation initiative that was completed during the previous 5 years.

**(h) Funding**

From amounts appropriated by Congress to the Secretary, the Secretary may use up to \$50,000,000 in each of the fiscal years 2020 through 2024 to carry out this section.

(Pub. L. 96-480, § 27, as added Pub. L. 111-358, title VI, § 603, Jan. 4, 2011, 124 Stat. 4030; amended Pub. L. 113-235, div. B, title VII, § 705, Dec. 16, 2014, 128 Stat. 2230; Pub. L. 116-92, div. A, title XVII, § 1742, Dec. 20, 2019, 133 Stat. 1837.)

**Editorial Notes**

AMENDMENTS

2019—Pub. L. 116-92 amended section generally. Prior to amendment, section related to regional innovation program, consisting of subsecs. (a) to (g).

2014—Pub. L. 113-235 amended section generally. Prior to amendment, text related to regional innovation program and consisted of subsecs. (a) to (i), including provisions relating to establishment of program, cluster grants, science and research park development grants, loan guarantees for science park infrastructure, regional innovation research and information program, interagency coordination, evaluation of program, definitions, and authorization of appropriations.

**§ 3722a. Regional Technology and Innovation Hub Program**

**(a) Definitions**

In this section:

**(1) Appropriate committees of Congress**

The term “appropriate committees of Congress” means—