

112TH CONGRESS
1ST SESSION

H. R. 1912

To direct the Secretary of Commerce to establish a Make It in America Block Grant Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 13, 2011

Mr. CICILLINE (for himself, Mr. CARNAHAN, Mr. CARSON of Indiana, Mr. CLARKE of Michigan, Mr. CONYERS, Mr. CRITZ, Ms. FUDGE, Mr. GARAMENDI, Ms. HANABUSA, Ms. JACKSON LEE of Texas, Mr. JACKSON of Illinois, Mr. KEATING, Mr. KILDEE, Mr. KUCINICH, Mr. LANGEVIN, Mr. LIPINSKI, Mr. MURPHY of Connecticut, Mr. PALLONE, Mr. PIERLUISI, Mr. RYAN of Ohio, Mr. SIRES, Ms. WILSON of Florida, and Mr. TONKO) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of Commerce to establish a Make It in America Block Grant Program, 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 “Make It in America
5 Block Grant Program Act of 2011”.

1 **SEC. 2. ESTABLISHMENT OF MAKE IT IN AMERICA BLOCK**
2 **GRANT PROGRAM.**

3 Not later than 120 days after the date of enactment
4 of this Act, the Secretary of Commerce shall establish a
5 Make It in America Block Grant Program (in this Act
6 referred to as the “program”), under which the Secretary
7 is authorized to make grants to support the manufac-
8 turing industry.

9 **SEC. 3. GRANTS.**

10 (a) GRANT USES.—A grant made by the Secretary
11 of Commerce under the program shall be used by the re-
12 cipient of the grant to assist, through grants made to third
13 parties, any of the following activities:

14 (1) Retooling or retrofitting a small- or me-
15 dium-sized manufacturer, including with respect to
16 equipment, facilities, infrastructure, or capital.

17 (2) Diversifying the business plan of a small- or
18 medium-sized manufacturer to advance the produc-
19 tion of clean energy technology products or compo-
20 nents, energy efficient products or components, high-
21 technology products or components, or other ad-
22 vanced products (as defined by the Secretary).

23 (3) Improving the energy efficiency of a manu-
24 facturing facility of a small- or medium-sized manu-
25 facturer.

1 (4) Retraining the employees of a small- or me-
2 dium-sized manufacturer to—

3 (A) provide skills necessary to operate new
4 or advanced manufacturing equipment; or

5 (B) sustain or improve the processes of
6 that manufacturer.

7 (5) Training new employees of a small- or me-
8 dium-sized manufacturer, including through on-the-
9 job training.

10 (6) Providing capital and technical expertise to
11 a small- or medium-sized manufacturer to expand
12 the export opportunities of that manufacturer.

13 (7) Any other project that the Secretary deter-
14 mines is appropriate to support the manufacturing
15 industry, including the establishment of a revolving
16 loan fund to provide loans to small- or medium-sized
17 manufacturers to finance the costs of activities de-
18 scribed in paragraphs (1) through (6).

19 (b) ELIGIBLE ENTITIES.—

20 (1) IN GENERAL.—The following entities are el-
21 igible to receive a grant under the program:

22 (A) A State meeting the requirements of
23 paragraph (2).

24 (B) A covered unit of local government
25 meeting the requirements of paragraph (2).

1 (C) An Indian tribe meeting the require-
2 ments of paragraph (2).

3 (D) A State, unit of local government, In-
4 dian tribe, or consortium of such entities with-
5 out regard to whether the requirements of para-
6 graph (2) are met.

7 (2) UNEMPLOYMENT.—An entity meets the re-
8 quirements of this paragraph if—

9 (A) the entity experienced a seasonally ad-
10 justed unemployment rate of at least 10 percent
11 for any 6 consecutive months during the period
12 beginning on January 1, 2007, and ending on
13 December 31, 2010 (as determined by the Sec-
14 retary of Commerce in consultation with the
15 Secretary of Labor); or

16 (B) the entity experienced a cumulative de-
17 cline in employment in the manufacturing sec-
18 tor greater than or equal to 15 percent during
19 the period beginning on January 1, 2007, and
20 ending on December 31, 2010 (as determined
21 by the Secretary of Commerce in consultation
22 with the Secretary of Labor).

23 (c) ALLOCATION OF GRANT FUNDS.—In making
24 grants each fiscal year, the Secretary may—

1 (1) use not more than 48 percent of the
2 amounts made available for grants under the pro-
3 gram that fiscal year to make grants to entities de-
4 scribed in subsection (b)(1)(A);

5 (2) use not more than 48 percent of the
6 amounts made available for grants under the pro-
7 gram that fiscal year to make grants to entities de-
8 scribed in subsection (b)(1)(B);

9 (3) use not more than 2 percent of the amounts
10 made available for grants under the program that
11 fiscal year to make grants to entities described in
12 subsection (b)(1)(C); and

13 (4) use not more than 2 percent of the amounts
14 made available for grants under the program that
15 fiscal year to make grants to entities described in
16 subsection (b)(1)(D).

17 (d) PRIORITY FOR CERTAIN ENTITIES.—In providing
18 grants to entities described in subsection (b)(1)(D), the
19 Secretary shall give priority to an entity that experienced
20 a seasonally adjusted unemployment rate that was at least
21 97 percent of the national seasonally adjusted unemploy-
22 ment rate for any 3 consecutive months during the most
23 recently completed fiscal year.

24 (e) PROHIBITION ON GRANTS TO CERTAIN COVERED
25 UNITS OF LOCAL GOVERNMENT.—A covered unit of local

1 government may not receive a grant under the program
2 if located within a State that has received a grant under
3 the program.

4 **SEC. 4. REQUIREMENTS FOR GRANT RECIPIENTS.**

5 (a) APPLICATION PROCESS.—To receive a grant
6 under the program, an entity eligible for a grant under
7 section 3(b) shall submit to the Secretary of Commerce
8 an application at such time, in such manner, and con-
9 taining such information as the Secretary may require,
10 but which shall include at least the plan of that entity
11 to carry out, through grants made to third parties, an ac-
12 tivity described in section 3(a).

13 (b) PROPOSED MANUFACTURING ENHANCEMENT
14 STRATEGY.—Not later than 6 months after the date on
15 which an entity eligible for a grant under section 3(b) re-
16 ceives notice that it has been awarded a grant under the
17 program, the entity shall submit to the Secretary a pro-
18 posed manufacturing enhancement strategy, which shall
19 include—

20 (1) a description of the plans of the entity to
21 make grants to third parties with grant funds;

22 (2) a description of the goals with respect to
23 such grants, including—

24 (A) the number of jobs to be created or re-
25 tained by third-party grant recipients;

1 (B) the sales to be increased or retained by
2 third-party grant recipients;

3 (C) the cost savings to be achieved by
4 third-party grant recipients due to energy effi-
5 ciency savings; and

6 (D) the workforce training investments to
7 be made by third-party grant recipients, includ-
8 ing—

9 (i) the number of training hours to be
10 provided;

11 (ii) the professional certifications to
12 be obtained; and

13 (iii) other industry standards to be
14 met that demonstrate the attainment of
15 proficiency with respect to a skill or proce-
16 dure;

17 (3) a written assurance that the entity intends
18 to establish a Make It in America Partnership
19 Board—

20 (A) to make grants to third parties; and

21 (B) which shall be comprised of, to the ex-
22 tent practicable, representatives of—

23 (i) economic development organiza-
24 tions and agencies;

25 (ii) departments of labor;

1 (iii) workforce investment boards and
2 agencies;

3 (iv) institutions of higher education,
4 including community colleges run by a
5 State; and

6 (v) the manufacturing extension part-
7 nership program of the National Institute
8 of Standards and Technology; and

9 (4) a description of the plans of the entity to
10 foster, through the Make It in America Partnership
11 Board, collaboration between State and local eco-
12 nomic development organizations and agencies, State
13 and local workforce development organizations and
14 agencies, small- or medium-sized manufacturers, and
15 institutions of higher education (including commu-
16 nity colleges run by a State) to—

17 (A) improve resource allocation, including
18 through identification of—

19 (i) opportunities to leverage public
20 and private funding; and

21 (ii) Federal funding and programs
22 available to small- or medium-sized manu-
23 facturers; and

24 (B) ensure comprehensive counseling, tech-
25 nical assistance, workforce development, and ex-

1 port assistance are provided to small- or me-
2 dium-sized manufacturers.

3 (c) APPROVAL OF PROPOSED MANUFACTURING EN-
4 HANCEMENT STRATEGIES.—

5 (1) IN GENERAL.—The Secretary shall approve
6 or disapprove a proposed manufacturing enhance-
7 ment strategy submitted under subsection (b) not
8 later than 90 days after the date on which the Sec-
9 retary receives such strategy.

10 (2) DISBURSEMENT OF GRANT FUNDS PROHIB-
11 ITED WITHOUT APPROVAL.—The Secretary shall not
12 disburse to an entity awarded a grant under the pro-
13 gram the grant funds relating to that grant until the
14 proposed manufacturing enhancement strategy of
15 that entity has been approved by the Secretary.

16 (3) OPPORTUNITY FOR RESUBMISSION.—If the
17 Secretary does not approve a proposed manufac-
18 turing enhancement strategy submitted under sub-
19 section (b), the Secretary shall provide to the entity
20 that submitted the strategy—

21 (A) the reasons for disapproval; and

22 (B) an opportunity to revise and resubmit
23 the strategy until such strategy is approved.

24 (d) LOCAL GOVERNMENTS.—In developing a pro-
25 posed manufacturing enhancement strategy under sub-

1 section (b), a covered unit of local government shall share
2 information relating to potential grant activities with the
3 State that includes that government to ensure the maxi-
4 mization of resources made available to small- or medium-
5 sized manufacturers.

6 (e) ADMINISTRATIVE EXPENSES.—With respect to a
7 grant, a grant recipient may use for the administrative
8 expenses of the recipient an amount that is not more than
9 the greater of—

10 (1) 10 percent of the grant amount received; or

11 (2) \$75,000.

12 (f) ANNUAL REPORTS.—Not later than one year after
13 the date on which grant funds are received by a grant
14 recipient under the program, and annually thereafter, the
15 grant recipient shall submit to the Secretary a report de-
16 scribing—

17 (1) grants made by the grant recipient to third
18 parties with grant funds; and

19 (2) achievements with respect to the goals iden-
20 tified in the proposed manufacturing enhancement
21 strategy of the grant recipient.

22 **SEC. 5. STATE AND LOCAL ADVISORY COMMITTEE.**

23 The Secretary of Commerce shall establish an advi-
24 sory committee to advise the Secretary with respect to im-

1 plementing and evaluating the program, which shall be
2 comprised of—

3 (1) individuals representing State and local en-
4 tities;

5 (2) the Secretary of Labor; and

6 (3) other individuals determined appropriate for
7 inclusion by the Secretary.

8 **SEC. 6. REVIEW AND EVALUATION.**

9 (a) GRANT RECIPIENTS.—The Secretary of Com-
10 merce may review and evaluate the performance of a grant
11 recipient under the program as the Secretary determines
12 appropriate.

13 (b) INELIGIBILITY FOR FUTURE GRANTS.—The Sec-
14 retary may determine a grant recipient to be ineligible to
15 receive additional grants under the program if the Sec-
16 retary determines that the grant recipient has failed to
17 achieve compliance with—

18 (1) any applicable guideline or regulation of the
19 Secretary relating to the program, including with re-
20 spect to the misuse or misappropriation of funds
21 provided under the program; or

22 (2) the proposed manufacturing enhancement
23 strategy of the grant recipient.

1 **SEC. 7. GAO STUDY AND REPORT.**

2 (a) STUDY.—The Comptroller General shall conduct
3 a study on the program, which shall include an analysis
4 of—

5 (1) grants made by the Secretary of Commerce
6 under the program;

7 (2) grants made to third parties by the recipi-
8 ents of grants made by the Secretary under the pro-
9 gram;

10 (3) outcomes relating to proposed manufac-
11 turing enhancement strategies submitted to the Sec-
12 retary;

13 (4) administrative costs relating to the pro-
14 gram;

15 (5) activities of the Secretary, the recipients of
16 grants made by the Secretary, and third party grant
17 recipients under the program, including whether the
18 activities of those entities are accomplishing the pur-
19 poses of this Act; and

20 (6) other information determined appropriate
21 by the Comptroller General for assessing the per-
22 formance and financial accountability of the pro-
23 gram.

24 (b) REPORT.—Not later than 2 years after the date
25 on which the Secretary makes the first grant under the
26 program, and every 2 years thereafter, the Comptroller

1 General shall submit to Congress a report describing the
2 results of the study conducted under subsection (a), which
3 shall include any recommendations the Comptroller Gen-
4 eral determines are appropriate for modifying the pro-
5 gram.

6 (c) ACCESS TO RECORDS.—

7 (1) IN GENERAL.—For purposes of conducting
8 the study under subsection (a), the Comptroller Gen-
9 eral, and any duly authorized representative of the
10 Comptroller General, shall be permitted to access,
11 examine, and copy any documents, records, and
12 other recorded information—

13 (A) within the possession or control of—

14 (i) the recipient of a grant made by
15 the Secretary under the program; or

16 (ii) the recipient of a grant made by
17 an entity described in clause (i) with grant
18 funds; and

19 (B) determined by the Comptroller Gen-
20 eral, or the duly authorized representative of
21 the Comptroller General, to be relevant to the
22 study.

23 (2) PROPRIETARY INFORMATION.—The Comp-
24 troller General may not make proprietary informa-
25 tion obtained under this section available to the pub-

1 lic without the consent of the party to whom the in-
2 formation belongs.

3 **SEC. 8. DEFINITIONS.**

4 In this Act, the following definitions apply:

5 (1) COVERED UNIT OF LOCAL GOVERNMENT.—

6 The term “covered unit of local government” means
7 a unit of a government of—

8 (A) a municipality—

9 (i) with a population of at least
10 50,000 individuals; or

11 (ii) with a population that is less than
12 50,000 individuals, but that is one of the
13 10 largest municipalities by population in
14 the State including that municipality; or

15 (B) a county—

16 (i) with a population of at least
17 200,000 individuals; or

18 (ii) with a population that is less than
19 200,000 individuals, but that is one of the
20 10 largest counties by population in the
21 State including that county.

22 (2) INDIAN TRIBE.—The term “Indian tribe”
23 has the meaning given that term in section 4 of the
24 Indian Self-Determination and Education Assistance
25 Act (25 U.S.C. 450b).

1 (3) MANUFACTURER.—The term “manufac-
2 turer” shall be defined by the Secretary of Com-
3 merce in accordance with the North American In-
4 dustry Classification System.

5 (4) SMALL- OR MEDIUM-SIZED MANUFAC-
6 TURER.—The term “small- or medium-sized manu-
7 facturer” means a manufacturer that, as determined
8 by the Secretary of Commerce—

9 (A) employs not more than 500 full-time
10 equivalent employees at a manufacturing facil-
11 ity; and

12 (B) is not owned or controlled by an auto-
13 mobile manufacturer or other large manufac-
14 turer.

15 (5) STATE.—The term “State” means each of
16 the 50 States, the District of Columbia, and any ter-
17 ritory or possession of the United States.

18 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

19 (a) IN GENERAL.—There are authorized to be appro-
20 priated to the Secretary of Commerce for making grants
21 under the program such sums as may be necessary.

22 (b) ADMINISTRATIVE EXPENSES.—There are author-
23 ized to be appropriated to the Secretary for administrative
24 expenses relating to the program such sums as may be
25 necessary.

1 (c) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that amounts made available to carry out the pro-
3 gram should supplement and not replace other funding
4 provided by Federal departments and agencies to support
5 the manufacturing industry.

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