

113TH CONGRESS
2^D SESSION

H. R. 3918

To amend sections 25 and 27 of the Stevenson-Wydler Technology Innovation Act of 1980 to improve the Office of Innovation and Entrepreneurship and regional innovation programs.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2014

Mr. KILMER (for himself, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. PETERS of California, Ms. ESTY, and Mr. BERA of California) introduced the following bill; which was referred to the Committee on Science, Space, and Technology

A BILL

To amend sections 25 and 27 of the Stevenson-Wydler Technology Innovation Act of 1980 to improve the Office of Innovation and Entrepreneurship and regional innovation programs.

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 “Regional Innovation
5 and Entrepreneurship Enhancement Act of 2014”.

1 **SEC. 2. OFFICE OF INNOVATION AND ENTREPRENEURSHIP.**

2 Section 25 of the Stevenson-Wydler Technology Inno-
3 vation Act of 1980 (15 U.S.C. 3720) is amended to read
4 as follows:

5 **“SEC. 25. OFFICE OF INNOVATION AND ENTREPRENEUR-**
6 **SHIP.**

7 “(a) IN GENERAL.—The Secretary shall establish an
8 Office of Innovation and Entrepreneurship with a Director
9 and full-time staff to foster innovation and the commer-
10 cialization of new technologies, products, processes, and
11 services with the goal of promoting productivity and eco-
12 nomic growth in the United States.

13 “(b) DUTIES.—The Office of Innovation and Entre-
14 preneurship shall be responsible for—

15 “(1) developing policies to accelerate innovation
16 and advance the commercialization of research and
17 development, including federally funded research and
18 development;

19 “(2) identifying existing barriers to innovation
20 and commercialization, including access to capital
21 and other resources, and ways to overcome those
22 barriers, particularly in States participating in the
23 Experimental Program to Stimulate Competitive Re-
24 search;

25 “(3) providing access to relevant data, research,
26 and technical assistance on innovation and commer-

1 cialization, including best practices for university-
2 based incubators and accelerators;

3 “(4) overseeing the implementation of the loan
4 guarantee programs and the Regional Innovation
5 Program established under sections 26 and 27, re-
6 spectively;

7 “(5) developing, within 180 days after the date
8 of enactment of the Regional Innovation and Entre-
9 preneurship Enhancement Act of 2014, and updat-
10 ing at least every 5 years, a strategic plan to guide
11 the activities of the Office of Innovation and Entre-
12 preneurship that shall—

13 “(A) specify and prioritize near-term and
14 long-term goals, objectives, and policies to ac-
15 celerate innovation and advance the commer-
16 cialization of research and development, includ-
17 ing federally funded research and development,
18 set forth the anticipated time for achieving the
19 objectives, and identify metrics for use in as-
20 sessing progress toward such objectives;

21 “(B) describe how the Department of
22 Commerce is working in conjunction with other
23 Federal agencies to foster innovation and com-
24 mercialization across the United States; and

1 “(C) provide a summary of the activities,
2 including the development of metrics to evalu-
3 ate regional innovation strategies undertaken
4 through the Regional Innovation Research and
5 Information Program established under section
6 27(e);

7 “(6) strengthening collaboration on and coordi-
8 nation of policies relating to innovation and commer-
9 cialization, including those focused on the needs of
10 small businesses and rural communities, within the
11 Department of Commerce, between the Department
12 of Commerce and other Federal agencies, and be-
13 tween the Department of Commerce and appropriate
14 State government agencies and institutions, as ap-
15 propriate; and

16 “(7) any other duties as determined by the Sec-
17 retary.

18 “(c) ADVISORY COMMITTEE.—

19 “(1) ESTABLISHMENT.—The Secretary shall es-
20 tablish or designate an advisory committee, which
21 shall meet at least twice each fiscal year, to provide
22 advice to the Secretary on carrying out the duties
23 and responsibilities of the Office of Innovation and
24 Entrepreneurship.

1 “(2) REPORT TO CONGRESS.—The advisory
2 committee shall prepare a report, to be submitted to
3 the Committee on Science, Space, and Technology of
4 the House of Representatives and the Committee on
5 Commerce, Science, and Transportation of the Sen-
6 ate every 3 years. The first report shall be submitted
7 not later than 1 year after the date of enactment of
8 the Regional Innovation and Entrepreneurship En-
9 hancement Act of 2014 and shall include—

10 “(A) an assessment of the strategic plan
11 developed under subsection (b)(5) and the
12 progress made in implementing the plan and
13 the duties of the Office of Innovation and En-
14 trepreneurship;

15 “(B) an assessment of how the Office of
16 Innovation and Entrepreneurship is working
17 with other Federal agencies to meet the goals
18 and duties of the office; and

19 “(C) any recommendations for how the Of-
20 fice of Innovation and Entrepreneurship could
21 be improved.

22 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to the Secretary
24 \$5,000,000 for each of fiscal years 2014 through 2018
25 to carry out this section.”.

1 **SEC. 3. REGIONAL INNOVATION PROGRAM.**

2 Section 27 of the Stevenson-Wydler Technology Inno-
3 vation Act of 1980 (15 U.S.C. 3722) is amended to read
4 as follows:

5 **“SEC. 27. REGIONAL INNOVATION PROGRAM.**

6 “(a) ESTABLISHMENT.—The Secretary shall estab-
7 lish a regional innovation program to encourage and sup-
8 port the development of regional innovation strategies, in-
9 cluding regional innovation clusters.

10 “(b) CLUSTER GRANTS.—

11 “(1) IN GENERAL.—As part of the program es-
12 tablished under subsection (a), the Secretary may
13 award grants on a competitive basis to eligible re-
14 cipients for activities relating to the formation and
15 development of regional innovation clusters.

16 “(2) PERMISSIBLE ACTIVITIES.—Grants award-
17 ed under this subsection may be used for activities
18 determined appropriate by the Secretary, including
19 the following:

20 “(A) Feasibility studies.

21 “(B) Planning activities.

22 “(C) Technical assistance.

23 “(D) Developing or strengthening commu-
24 nication and collaboration between and among
25 participants of a regional innovation cluster.

1 “(E) Attracting additional participants to
2 a regional innovation cluster.

3 “(F) Facilitating market development of
4 products and services developed by a regional
5 innovation cluster, including through dem-
6 onstration, deployment, technology transfer,
7 and commercialization activities.

8 “(G) Developing relationships between a
9 regional innovation cluster and entities or clus-
10 ters in other regions.

11 “(H) Interacting with the public and State
12 and local governments to meet the goals of the
13 cluster.

14 “(3) ELIGIBLE RECIPIENT DEFINED.—In this
15 subsection, the term ‘eligible recipient’ means—

16 “(A) a State;

17 “(B) an Indian tribe;

18 “(C) a city or other political subdivision of
19 a State;

20 “(D) an entity that—

21 “(i) is a nonprofit organization, an in-
22 stitution of higher education, a public-pri-
23 vate partnership, a science or research
24 park, a Federal laboratory, or an economic

1 development organization or similar entity;
2 and

3 “(ii) has an application that is sup-
4 ported by a State or a political subdivision
5 of a State; or

6 “(E) a consortium of any of the entities
7 described in subparagraphs (A) through (D).

8 “(4) APPLICATION.—

9 “(A) IN GENERAL.—An eligible recipient
10 shall submit an application to the Secretary at
11 such time, in such manner, and containing such
12 information and assurances as the Secretary
13 may require.

14 “(B) COMPONENTS.—The application shall
15 include, at a minimum, a description of the re-
16 gional innovation cluster supported by the pro-
17 posed activity, including a description of—

18 “(i) whether the regional innovation
19 cluster is supported by the private sector,
20 State and local governments, and other rel-
21 evant stakeholders;

22 “(ii) how the existing participants in
23 the regional innovation cluster will encour-
24 age and solicit participation by all types of
25 entities that might benefit from participa-

1 tion, including newly formed entities and
2 those rival existing participants;

3 “(iii) the extent to which the regional
4 innovation cluster is likely to stimulate in-
5 novation and have a positive impact on re-
6 gional economic growth and development;

7 “(iv) whether the participants in the
8 regional innovation cluster have access to,
9 or contribute to, a well-trained workforce;

10 “(v) whether the participants in the
11 regional innovation cluster are capable of
12 attracting additional funds from non-Fed-
13 eral sources; and

14 “(vi) the likelihood that the partici-
15 pants in the regional innovation cluster will
16 be able to sustain activities once grant
17 funds under this subsection have been ex-
18 pended.

19 “(C) SPECIAL CONSIDERATION.—The Sec-
20 retary shall give special consideration to appli-
21 cations from regions that contain communities
22 negatively impacted by trade.

23 “(5) SPECIAL CONSIDERATION.—The Secretary
24 shall give special consideration to an eligible recipi-

1 ent who agrees to collaborate with local workforce
2 investment area boards.

3 “(6) COST SHARE.—The Secretary may not
4 provide more than 50 percent of the total cost of
5 any activity funded under this subsection.

6 “(7) OUTREACH TO RURAL COMMUNITIES.—
7 The Secretary shall conduct outreach to public and
8 private sector entities in rural communities to en-
9 courage those entities to participate in regional inno-
10 vation cluster activities under this subsection.

11 “(8) FUNDING.—The Secretary may accept
12 funds from other Federal agencies to support grants
13 and activities under this subsection.

14 “(c) REGIONAL INNOVATION RESEARCH AND INFOR-
15 MATION PROGRAM.—

16 “(1) IN GENERAL.—As part of the program es-
17 tablished under subsection (a), the Secretary shall
18 establish a regional innovation research and infor-
19 mation program—

20 “(A) to gather, analyze, and disseminate
21 information on best practices for regional inno-
22 vation strategies (including regional innovation
23 clusters), including information relating to how
24 innovation, productivity, and economic develop-
25 ment can be maximized through such strategies;

1 “(B) to provide technical assistance, in-
2 cluding through the development of technical
3 assistance guides, for the development and im-
4 plementation of regional innovation strategies
5 (including regional innovation clusters);

6 “(C) to support the development of rel-
7 evant metrics and measurement standards to
8 evaluate regional innovation strategies (includ-
9 ing regional innovation clusters), including the
10 extent to which such strategies stimulate inno-
11 vation, productivity, and economic development;
12 and

13 “(D) to collect and make available data on
14 regional innovation cluster activity in the
15 United States, including data on—

16 “(i) the size, specialization, and com-
17 petitiveness of regional innovation clusters;

18 “(ii) the regional domestic product
19 contribution, total jobs and earnings by
20 key occupations, establishment size, nature
21 of specialization, patents, Federal research
22 and development spending, and other rel-
23 evant information for regional innovation
24 clusters; and

1 “(iii) supply chain product and service
2 flows within and between regional innova-
3 tion clusters.

4 “(2) RESEARCH GRANTS.—The Secretary may
5 award research grants on a competitive basis to sup-
6 port and further the goals of the program estab-
7 lished under this subsection.

8 “(3) DISSEMINATION OF INFORMATION.—Data
9 and analysis compiled by the Secretary under the
10 program established in this subsection shall be made
11 available to other Federal agencies, State and local
12 governments, and nonprofit and for-profit entities.

13 “(4) REGIONAL INNOVATION GRANT PRO-
14 GRAM.—The Secretary shall incorporate data and
15 analysis relating to any grant under subsection (b)
16 into the program established under this subsection.

17 “(d) INTERAGENCY COORDINATION.—

18 “(1) IN GENERAL.—To the maximum extent
19 practicable, the Secretary shall ensure that the ac-
20 tivities carried out under this section are coordinated
21 with, and do not duplicate the efforts of, other pro-
22 grams at the Department of Commerce or other
23 Federal agencies.

24 “(2) COLLABORATION.—

1 “(A) IN GENERAL.—The Secretary shall
2 explore and pursue collaboration with other
3 Federal agencies, including through multi-
4 agency funding opportunities, on regional inno-
5 vation strategies.

6 “(B) SMALL BUSINESSES.—The Secretary
7 shall ensure that such collaboration with Fed-
8 eral agencies prioritizes the needs and chal-
9 lenges of small businesses.

10 “(e) EVALUATION.—

11 “(1) IN GENERAL.—Not later than 3 years
12 after the date of enactment of the America COM-
13 PETES Reauthorization Act of 2010, the Secretary
14 shall enter into a contract with an independent enti-
15 ty, such as the National Academy of Sciences, to
16 conduct an evaluation of the program established
17 under subsection (a).

18 “(2) REQUIREMENTS.—The evaluation shall in-
19 clude—

20 “(A) whether the program is achieving its
21 goals;

22 “(B) any recommendations for how the
23 program may be improved; and

24 “(C) a recommendation as to whether the
25 program should be continued or terminated.

1 “(f) DEFINITIONS.—In this section:

2 “(1) REGIONAL INNOVATION CLUSTER.—The
3 term ‘regional innovation cluster’ means a geo-
4 graphically bounded network of similar, synergistic,
5 or complementary entities that—

6 “(A) are engaged in or with a particular
7 industry sector;

8 “(B) have active channels for business
9 transactions and communication;

10 “(C) share specialized infrastructure, labor
11 markets, and services; and

12 “(D) leverage the region’s unique competi-
13 tive strengths to stimulate innovation and cre-
14 ate jobs.

15 “(2) STATE.—The term ‘State’ means one of
16 the several States, the District of Columbia, the
17 Commonwealth of Puerto Rico, the Virgin Islands,
18 Guam, American Samoa, the Commonwealth of the
19 Northern Mariana Islands, or any other territory or
20 possession of the United States.

21 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated \$100,000,000 for each
23 of fiscal years 2014 through 2018 to carry out this sec-
24 tion.”.

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