

114TH CONGRESS  
1ST SESSION

# H. R. 3924

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

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 4, 2015

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

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## A BILL

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

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Global Development  
5 Lab Act of 2015”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Leveraging academic research and private  
9 sector expertise to effectively apply science and tech-

1 nology to United States foreign aid can increase the  
2 effectiveness of United States aid dollars and lead to  
3 better outcomes.

4 (2) In the last 20 years, human ingenuity and  
5 entrepreneurship around the world has reduced child  
6 mortality rates by 42 percent and poverty rates by  
7 52 percent, lifting hundreds of millions of people out  
8 of poverty.

9 (3) Over the next 40 years, the developing  
10 world is expected to be the largest source of product  
11 and services growth. Breakthroughs pioneered for  
12 the developing world can translate into jobs and eco-  
13 nomic growth in the United States.

14 (4) In 2014 the Office of Science and Tech-  
15 nology and the Office of Innovation and Develop-  
16 ment Alliances at the United States Agency for  
17 International Development were abolished to pave  
18 the way to bring their staffing and other resources  
19 into the United States Global Development Lab.

20 (5) The Lab represents a new approach to in-  
21 vest, test, and apply more effective solutions to hu-  
22 manity's greatest challenges.

23 (6) The Lab will partner with entrepreneurs,  
24 experts, nongovernmental organizations, universities,  
25 and science and research institutions to solve devel-

1       opment challenges in a faster, more cost-efficient,  
2       and more sustainable way.

3               (7) The Lab will utilize innovation incentives, a  
4       pay-for-success model, which uses science, tech-  
5       nology, and innovation-driven competitions to ex-  
6       pand the number and diversity of solutions to devel-  
7       opment challenges.

8               (8) In contrast with traditional grants or con-  
9       tracts, where USAID pays for a proposal to be im-  
10      plemented, pay-for-success awards are given to a  
11      winner only after the objectives of the competition  
12      have been achieved.

13              (9) Expanding pay-for-success authority to  
14      allow the Lab to use these awards globally will in-  
15      crease the number of high value solutions to choose  
16      from at a significantly reduced cost.

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

18       (a) **ESTABLISHMENT.**—There is established in  
19      USAID an entity to be known as the United States Global  
20      Development Lab.

21       (b) **DUTIES AND RESPONSIBILITIES.**—The duties  
22      and responsibilities of the Lab should include—

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

1           (2) discovering, testing, and scaling develop-  
2           ment innovations to solve development challenges to  
3           increase cost effectiveness and support United  
4           States foreign policy and development goals;

5           (3) leveraging the expertise, resources, and in-  
6           vestment of businesses, nongovernmental organiza-  
7           tions, science and research organizations, and uni-  
8           versities to increase program impact and sustain-  
9           ability;

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

13          (5) supporting USAID missions and bureaus in  
14          applying science, technology, innovation, and part-  
15          nership approaches to decisionmaking, procurement,  
16          and program design.

17          (c) AUTHORITIES.—

18           (1) IN GENERAL.—In carrying out the duties  
19           and responsibilities of the Lab under subsection (b),  
20           the Administrator, in addition to such other authori-  
21           ties as may be available to the Administrator, in-  
22           cluding authorities under part I of the Foreign As-  
23           sistance Act of 1961 (22 U.S.C. 2151 et seq.), is au-  
24           thorized to—

1 (A) use not more than \$15,000,000 of  
2 funds appropriated or otherwise made available  
3 by an Act making appropriations for the De-  
4 partment of State, foreign operations, and re-  
5 lated programs under the heading “Develop-  
6 ment Assistance” for any fiscal year to provide  
7 funding to improve health outcomes;

8 (B) provide innovation incentive awards  
9 (as defined in section 4(4) of this Act); and

10 (C) use funds appropriated to carry out  
11 part I of the Foreign Assistance Act of 1961  
12 (22 U.S.C. 2151 et seq.) for the employment of  
13 not more than 30 individuals on a limited term  
14 basis pursuant to schedule A of subpart C of  
15 part 213 of title 5, Code of Federal Regula-  
16 tions, or equivalent provisions of law or regula-  
17 tions.

18 (2) RECOVERY OF FUNDS.—

19 (A) IN GENERAL.—In carrying out the du-  
20 ties and responsibilities of the Lab under sub-  
21 section (b), the Administrator shall require a  
22 person or entity that receives funding under a  
23 grant, contract, or cooperative agreement made  
24 by the Lab to return to the Lab any income

1 generated under a program carried out under  
2 such grant, contract, or cooperative agreement.

3 (B) TREATMENT OF PAYMENTS.—

4 (i) IN GENERAL.—The amount of any  
5 program income returned to the Lab pur-  
6 suant to subparagraph (A) may be credited  
7 to the account from which the obligation  
8 and expenditure of funds under the grant,  
9 contract, or cooperative agreement de-  
10 scribed in subparagraph (A) was made.

11 (ii) AVAILABILITY.—

12 (I) IN GENERAL.—Except as pro-  
13 vided in subclause (II), amounts re-  
14 turned and credited to an account  
15 under clause (i)—

16 (aa) shall be merged with  
17 other funds in the account; and

18 (bb) shall be available for  
19 the same purposes and period of  
20 time for which other funds in the  
21 account are available for pro-  
22 grams and activities of the Lab.

23 (II) EXCEPTION.—Amounts re-  
24 turned and credited to an account  
25 under clause (i) may not be used to

1 pay for the employment of individuals  
2 described in paragraph (1)(C).

3 **SEC. 4. DEFINITIONS.**

4 In this Act:

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

8 (2) LAB.—The term “Lab” means the United  
9 States Global Development Lab established under  
10 section 3.

11 (3) USAID.—The term “USAID” means the  
12 United States Agency for International Develop-  
13 ment.

14 (4) INNOVATION INCENTIVE AWARD.—The term  
15 “innovation incentive award” means the provision of  
16 funding on a competitive basis that—

17 (A) rewards and spurs the development of  
18 solutions for a particular, well-defined problem;

19 (B) helps identify and promote a broad  
20 range of ideas and practices that may not oth-  
21 erwise attract attention, facilitating further de-  
22 velopment of the idea or practice by third par-  
23 ties; or

24 (C) provides such other types of incentives  
25 as the Administrator considers appropriate to

- 1 stimulate innovation that has the potential to
- 2 advance the mission of USAID.

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