

117TH CONGRESS
1ST SESSION

S. 1240

To expand and enhance the Manufacturing USA Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 2021

Mr. BROWN (for himself and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To expand and enhance the Manufacturing USA 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 “Manufacturing USA
5 Expansion Act of 2021”.

6 **SEC. 2. EXPANSION AND ENHANCEMENT OF MANUFAC-**
7 **TURING USA PROGRAM.**

8 (a) DEFINITIONS.—In this section:

9 (1) HISTORICALLY BLACK COLLEGE OR UNI-
10 VERSITY.—The term “historically Black college or

1 university” has the meaning given the term “part B
 2 institution” in section 322 of the Higher Education
 3 Act of 1965 (20 U.S.C. 1061)).

4 (2) LABOR ORGANIZATION.—The term “labor
 5 organization” has the meaning given such term in
 6 section 8A(a) of the National Science Foundation
 7 Act of 1950.

8 (3) MANUFACTURING USA CENTER.—The term
 9 “Manufacturing USA center” means an institute de-
 10 scribed in section 34(d)(3)(B) of the National Insti-
 11 tute of Standards and Technology Act (15 U.S.C.
 12 278s(d)(3)(B)) and recognized by the Secretary
 13 under such section for purposes of participation in
 14 the Manufacturing USA Network.

15 (4) MANUFACTURING USA INSTITUTE.—The
 16 term “Manufacturing USA institute” means an in-
 17 stitute described in section 34(d) of the National In-
 18 stitute of Standards and Technology Act (15 U.S.C.
 19 278s(d)) that is not a Manufacturing USA center.

20 (5) MANUFACTURING USA NETWORK.—The
 21 term “Manufacturing USA Network” means the
 22 network established under section 34(c) of the Na-
 23 tional Institute of Standards and Technology Act
 24 (15 U.S.C. 278s(c)).

1 (6) MANUFACTURING USA PROGRAM.—The
 2 term “Manufacturing USA Program” means the
 3 program established under section 34(b)(1) of the
 4 National Institute of Standards and Technology Act
 5 (15 U.S.C. 278s(b)(1)).

6 (7) MINORITY-SERVING INSTITUTION.—The
 7 term “minority-serving institution” means an eligi-
 8 ble institution described in section 371(a) of the
 9 Higher Education Act of 1965 (20 U.S.C.
 10 1067q(a)).

11 (8) NATIONAL PROGRAM OFFICE.—The term
 12 “National Program Office” means the National Pro-
 13 gram Office established under section 34(h)(1) of
 14 the National Institute of Standards and Technology
 15 Act (15 U.S.C. 278s(h)(1)).

16 (9) TRIBAL COLLEGE OR UNIVERSITY.—The
 17 term “Tribal college or university” has the meaning
 18 given the term in section 316(b)(3) of the Higher
 19 Education Act of 1965 (20 U.S.C. 1059c(b)(3)).

20 (b) AUTHORIZATION OF APPROPRIATIONS TO EN-
 21 HANCE AND EXPAND MANUFACTURING USA PROGRAM
 22 AND SUPPORT INNOVATION AND GROWTH IN DOMESTIC
 23 MANUFACTURING.—

24 (1) IN GENERAL.—There is authorized to be
 25 appropriated \$2,410,000,000 for the period of fiscal

1 years 2022 through 2026 for the Secretary of Com-
2 merce, acting through the Director of the National
3 Institute of Standards and Technology and in co-
4 ordination with the Secretary of Energy, the Sec-
5 retary of Defense, and the heads of such other Fed-
6 eral agencies as the Secretary of Commerce con-
7 siders relevant, to carry out the Manufacturing USA
8 Program and to expand such program to support in-
9 novation and growth in domestic manufacturing.

10 (2) MANUFACTURING USA INSTITUTES.—

11 (A) IN GENERAL.—Of the amounts appro-
12 priated pursuant to the authorization of appro-
13 priations in paragraph (1), \$1,190,000,000
14 shall be available to support the establishment
15 of new Manufacturing USA institutes during
16 the period described in such paragraph.

17 (B) FINANCIAL ASSISTANCE.—The Sec-
18 retary shall support the establishment of Manu-
19 facturing USA institutes under subparagraph
20 (A) through the award of financial assistance
21 under section 34(e) of the National Institute of
22 Standards and Technology Act (15 U.S.C.
23 278s(e)).

24 (C) ASSIGNMENT OF MANUFACTURING USA
25 INSTITUTES TO FEDERAL AGENCY SPONSORS.—

1 Following an open topic competition organized
2 by the Director of the National Institute of
3 Standards and Technology, the Secretary of
4 Commerce, in consultation with the Secretary of
5 Energy, the Secretary of Defense, and other
6 relevant Federal agencies, may select an alter-
7 native Federal agency to sponsor a selected
8 Manufacturing USA institute based on its tech-
9 nology and may transfer the appropriate funds
10 to that alternative Federal agency for operation
11 and programming of the selected Manufac-
12 turing USA institute.

13 (D) COORDINATION WITH EXISTING MANU-
14 FACTURING USA INSTITUTES.—

15 (i) COORDINATION REQUIRED.—In es-
16 tablishing new Manufacturing USA insti-
17 tutes under subparagraph (A), the Sec-
18 retary of Commerce shall coordinate with
19 the Secretary of Energy and the Secretary
20 of Defense to ensure there is no duplica-
21 tion of effort or technology focus between
22 new Manufacturing USA institutes and
23 Manufacturing USA institutes that were in
24 effect before the establishment of the new
25 Manufacturing USA institutes.

1 (ii) CONSULTATION WITH EXISTING
2 MANUFACTURING USA INSTITUTES AU-
3 THORIZED.—In carrying out coordination
4 under clause (i), the Secretary of Com-
5 merce may consult with Manufacturing
6 USA institutes that were in effect before
7 the establishment of new Manufacturing
8 USA institutes under subparagraph (A) to
9 inform the Department of Commerce of
10 additional new Manufacturing USA insti-
11 tutes necessary to fill gaps in the support
12 of innovation and growth in domestic man-
13 ufacturing.

14 (iii) INVOLVEMENT OF EXISTING MAN-
15 UFACTURING USA INSTITUTES AUTHOR-
16 IZED.—In coordination with the Secretary
17 of Energy and the Secretary of Defense,
18 the Secretary of Commerce may involve
19 Manufacturing USA institutes that were in
20 effect before the establishment of new
21 Manufacturing USA institutes under sub-
22 paragraph (A) in the planning and execu-
23 tion of the new Manufacturing USA insti-
24 tutes.

(3) MANUFACTURING USA CENTERS AND PUBLIC SERVICE GRANTS.—Of the amounts appropriated pursuant to the authorization of appropriations in paragraph (1), \$375,000,000 shall be available for the period described in such paragraph—

(A) for the Secretary, acting through the Director and in consultation with the Secretary of Energy, the Secretary of Defense, and the heads of such other Federal agencies as the Secretary of Commerce considers relevant, to recognize additional institutes as Manufacturing USA institutes under section 34(d)(3)(B) of the National Institute of Standards and Technology Act (15 U.S.C. 278s(d)(3)(B)), giving particular consideration to partnerships and coordination with the Manufacturing USA institutes that were already in effect, when practicable; and

(B) to support the activities of Manufacturing USA institutes and Manufacturing USA centers through the award of grants under section 34(f) of the National Institute of Standards and Technology Act (15 U.S.C. 278s(f)).

(4) COMMERCIALIZATION, WORKFORCE TRAINING, AND SUPPLY CHAIN INVESTMENT.—Of the

1 amounts appropriated pursuant to the authorization
2 of appropriations in paragraph (1), \$100,000,000
3 shall be available for the period described in such
4 paragraph to support such programming for com-
5 mercialization, workforce training, and supply chain
6 activities across the Manufacturing USA Network as
7 the Secretary considers appropriate in consultation
8 with the Secretary of Energy, the Secretary of De-
9 fense, and the heads of such other Federal agencies
10 as the Secretary of Commerce considers relevant.

11 (5) ONGOING SUPPORT FOR EXISTING MANU-
12 FACTURING USA INSTITUTES.—

13 (A) IN GENERAL.—Of the amounts appro-
14 priated pursuant to the authorization of appro-
15 priations in paragraph (1), \$725,000,000 shall
16 be available for the period described in such
17 paragraph to support Manufacturing USA in-
18 stitutes that were in effect on the day before
19 the date of the enactment of this Act, of which
20 \$5,000,000 shall be available (without cost
21 share) to each such Manufacturing USA insti-
22 tute each year for such period for ongoing oper-
23 ation of the institutes, including operational
24 overhead, workforce training, and supply chain
25 activities.

(B) ADDITIONAL SUPPORT.—

(i) IN GENERAL.—Of the amounts specified in subparagraph (A), amounts shall be available for financial assistance awards to conduct projects as follows:

(I) \$100,000,000 shall be available for Manufacturing USA institutes that were established under section 34(e) of the National Institute of Standards and Technology Act (15 U.S.C. 278s(e)) and that were in effect on the day before the date of the enactment of this Act.

(II) \$10,000,000 shall be available each year for the period described in such paragraph for each Manufacturing USA institute that is not receiving Manufacturing USA Program funding from any other Federal agency.

(ii) FEDERAL FUNDS MATCHING REQUIREMENT.—A recipient of financial assistance for a project under clause (i) shall agree to make available to carry out the project an amount of non-Federal funds

1 that is equal to or greater than 20 percent
2 of the total cost of the project.

3 (C) RENEWAL REQUIREMENTS.—Receipt
4 of ongoing support under subparagraph (A)
5 shall be subject to the requirements of section
6 34(e)(2)(B) of the National Institute of Stand-
7 ards and Technology Act (15 U.S.C.
8 278s(e)(2)(B)).

9 (D) NO COST SHARE REQUIREMENT.—The
10 Secretary shall not impose any cost share or
11 matching requirement on receipt of ongoing
12 support under subparagraph (A).

13 (6) MANAGEMENT OF INTERAGENCY SOLICITA-
14 TIONS AND ONGOING MANAGEMENT.—Of the
15 amounts appropriated pursuant to the authorization
16 of appropriations in paragraph (1), \$20,000,000
17 shall be available annually for the period described
18 in such paragraph for the National Program Office
19 to coordinate the activities of the Manufacturing
20 USA Network and manage interagency solicitations.

21 (c) COORDINATION BETWEEN MANUFACTURING
22 USA PROGRAM AND HOLLINGS MANUFACTURING EXTEN-
23 SION PARTNERSHIP.—The Secretary shall coordinate the
24 activities of the Manufacturing USA Program and the ac-
25 tivities of Hollings Manufacturing Extension Partnership

1 with each other to the degree that doing so does not dimin-
 2 ish the effectiveness of the ongoing activities of a Manu-
 3 facturing USA institute or a Center (as the term is de-
 4 fined in section 25(a) of the National Institute of Stand-
 5 ards and Technology Act (15 U.S.C. 278k(a)), including
 6 Manufacturing USA institutes entering into agreements
 7 with a Center (as so defined) that the Secretary considers
 8 appropriate to provide services relating to the mission of
 9 the Hollings Manufacturing Extension Partnership, in-
 10 cluding outreach, technical assistance, workforce develop-
 11 ment, and technology transfer and adoption assistance to
 12 small- and medium-sized manufacturers.

13 (d) WORKER ADVISORY COUNCIL FOR MANUFAC-
 14 TURING USA PROGRAM.—

15 (1) ESTABLISHMENT.—

16 (A) IN GENERAL.—The Secretary of Com-
 17 merce shall, in coordination with the Secretary
 18 of Labor, the Secretary of Defense, the Sec-
 19 retary of Energy, and the Secretary of Edu-
 20 cation, establish an advisory council for the
 21 Manufacturing USA Program on the develop-
 22 ment and dissemination of techniques, policies,
 23 and investments for high-road labor practices,
 24 worker adaptation and success with techno-

1 logical change, and increased worker participa-
2 tion across the Manufacturing USA Network.

3 (B) MEMBERSHIP.—The council estab-
4 lished under subparagraph (A) shall be com-
5 posed of not fewer than 15 members appointed
6 by the Secretary of Commerce, of whom—

7 (i) four shall be from labor organiza-
8 tions;

9 (ii) four shall be from educational in-
10 stitutions;

11 (iii) four shall be from labor-manage-
12 ment training, workforce development, and
13 nonprofit organizations, including those
14 that focus on workforce diversity and in-
15 clusion; and

16 (iv) three shall be from industry orga-
17 nizations or manufacturing firms, includ-
18 ing small- and medium-sized manufactur-
19 ers.

20 (C) PERIOD OF APPOINTMENT; VACAN-
21 CIES.—

22 (i) IN GENERAL.—Each member of
23 the council established under subparagraph
24 (A) shall be appointed for a term of 3

1 years with the ability to renew the appoint-
2 ment for no more than 2 terms.

3 (ii) VACANCIES.—Any member ap-
4 pointed to fill a vacancy occurring before
5 the expiration of the term for which the
6 member's predecessor was appointed shall
7 be appointed only for the remainder of that
8 term. A member may serve after the expi-
9 ration of that term until a successor has
10 been appointed.

11 (D) MEETINGS.—

12 (i) INITIAL MEETING.—Not later than
13 180 days after the date of enactment of
14 this Act, the council established under sub-
15 paragraph (A) shall hold the first meeting.

16 (ii) ADDITIONAL MEETINGS.—After
17 the first meeting of the council, the council
18 shall meet upon the call of the Secretary,
19 and at least once every 180 days there-
20 after.

21 (iii) QUORUM.—A majority of the
22 members of the council shall constitute a
23 quorum, but a lesser number of members
24 may hold hearings.

1 (E) CHAIRPERSON AND VICE CHAIR-
2 PERSON.—The Secretary shall elect 1 member
3 of the council established under subparagraph
4 (A) to serve as the chairperson of the council
5 and 1 member of the council to serve as the
6 vice chairperson of the council.

7 (2) DUTIES OF THE COUNCIL.—The council es-
8 tablished under paragraph (1)(A) shall provide ad-
9 vice and recommendations to the Secretary of Com-
10 merce on matters concerning investment in and sup-
11 port of the manufacturing workforce relating to the
12 following:

13 (A) Worker participation, including
14 through labor organizations, in the planning
15 and deployment of new technologies across an
16 industry and within workplaces.

17 (B) Policies to help workers adapt to tech-
18 nological change, including training and edu-
19 cation priorities for the Federal Government
20 and for employer investments in workers.

21 (C) Assessments of impact on workers of
22 development of new technologies and processes
23 by the Manufacturing USA institutes.

24 (D) Management practices that prioritize
25 job quality, worker protection, worker participa-

tion and power in decision making, and investment in worker career success.

(E) Policies and procedures to prioritize diversity and inclusion in the manufacturing and technology workforce by expanding access to job, career advancement, and management opportunities for underrepresented populations.

(F) Assessments of technology improvements achieved by the Manufacturing USA institutes and the degree of domestic deployment of each new technology.

(G) Such other matters as the Secretary considers appropriate.

(3) REPORT.—

(A) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this paragraph, the term “appropriate committees of Congress” means—

(i) the Committee on Health, Education, Labor, and Pensions, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Armed Services, and the Committee on Appropriations of the Senate; and

(ii) the Committee on Education and Labor, the Committee on Science, Space, and Technology, the Committee on Energy and Commerce, the Committee on Armed Services, and the Committee on Appropriations of the House of Representatives.

(B) REPORT REQUIRED.—Not later than 180 days after the date on which the council established under paragraph (1)(A) holds its initial meeting under paragraph (1)(D)(i) and annually thereafter, the council shall submit to the appropriate committees of Congress a report containing a detailed statement of the advice and recommendations of the council pursuant to paragraph (2).

(4) COMPENSATION.—

(A) PROHIBITION OF COMPENSATION.—Members of the Council may not receive additional pay, allowances, or benefits by reason of their service on the Council.

(B) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

1 (5) FACA APPLICABILITY.—

2 (A) IN GENERAL.—In discharging its du-
 3 ties under this subsection, the council estab-
 4 lished under paragraph (1)(A) shall function
 5 solely in an advisory capacity, in accordance
 6 with the Federal Advisory Committee Act (5
 7 U.S.C. App.).

8 (B) EXCEPTION.—Section 14 of the Fed-
 9 eral Advisory Committee Act shall not apply to
 10 the Council.

11 (e) PARTICIPATION OF MINORITY-SERVING INSTITU-
 12 TIONS, HISTORICALLY BLACK COLLEGES AND UNIVER-
 13 SITIES, AND TRIBAL COLLEGES AND UNIVERSITIES.—

14 (1) IN GENERAL.—The Secretary of Commerce,
 15 in coordination with the Secretary of Energy, the
 16 Secretary of Defense, and the heads of such other
 17 Federal agencies as the Secretary of Commerce con-
 18 siders relevant, shall coordinate with existing and
 19 new Manufacturing USA institutes to integrate cov-
 20 ered entities as active members of the Manufac-
 21 turing USA institutes, including through the devel-
 22 opment of preference criteria for proposals to create
 23 new Manufacturing USA institutes or renew existing
 24 Manufacturing USA institutes that include meaning-

1 ful participation from a covered entity or that are
2 led by a covered entity.

3 (2) COVERED ENTITIES.—For purposes of this
4 subsection, a covered entity is—

5 (A) a minority-serving institution;

6 (B) an historically Black college or univer-
7 sity; or

8 (C) a Tribal college or university.

9 (f) DEPARTMENT OF COMMERCE POLICIES TO PRO-
10 MOTE DOMESTIC PRODUCTION OF TECHNOLOGIES DE-
11 VELOPED UNDER MANUFACTURING USA PROGRAM.—

12 (1) DEFINITION OF DOMESTIC.—In this sub-
13 section, the term “domestic”, with respect to devel-
14 opment or production means development or produc-
15 tion by, or with respect to source means the source
16 is, a person incorporated or formed in the United
17 States—

18 (A) that is not under foreign ownership,
19 control, or influence (FOCI) as defined in sec-
20 tion 847 of the National Defense Authorization
21 Act for Fiscal Year 2020 (Public Law 116–92);

22 (B) whose beneficial owners, as defined in
23 section 847 of the National Defense Authoriza-
24 tion Act for Fiscal Year 2020 (Public Law
25 116–92), are United States persons;

1 (C) whose management are United States
2 citizens;

3 (D) whose principal place of business is in
4 the United States; and

5 (E) who is not—

6 (i) a foreign incorporated entity that
7 is an inverted domestic corporation or any
8 subsidiary of such entity; or

9 (ii) any joint venture if more than 10
10 percent of the joint venture (by vote or
11 value) is held by a foreign incorporated en-
12 tity that is an inverted domestic corpora-
13 tion or any subsidiary of such entity.

14 (2) POLICIES.—

15 (A) IN GENERAL.—The Secretary of Com-
16 merce, in consultation with the Secretary of En-
17 ergy, the Secretary of Defense, and the heads
18 of such other Federal agencies as the Secretary
19 of Commerce considers relevant, shall establish
20 policies to promote the domestic production of
21 technologies developed by the Manufacturing
22 USA Network.

23 (B) ELEMENTS.—The policies developed
24 under subparagraph (A) shall include the fol-
25 lowing:

1 (i) Measures to partner domestic de-
2 velopers of goods, services, or technologies
3 by Manufacturing USA Network activities
4 with domestic manufacturers and sources
5 of financing.

6 (ii) Measures to develop and provide
7 incentives to promote transfer of intellec-
8 tual property and goods, services, or tech-
9 nologies developed by Manufacturing USA
10 Network activities to domestic manufactur-
11 ers.

12 (iii) Measures to assist with supplier
13 scouting and other supply chain develop-
14 ment, including the use of the Hollings
15 Manufacturing Extension Partnership to
16 carry out such measures.

17 (iv) A process to review and approve
18 or deny membership in a Manufacturing
19 USA institute by foreign-owned companies,
20 especially from countries of concern, in-
21 cluding the People's Republic of China.

22 (v) Measures to prioritize Federal pro-
23 curement of goods, services, or technologies
24 developed by the Manufacturing USA Net-

1 work activities from domestic sources, as
2 appropriate.

3 (C) PROCESSES FOR WAIVERS.—The poli-
4 cies established under this paragraph shall in-
5 clude processes to permit waivers, on a case by
6 case basis, for policies that promote domestic
7 production based on cost, availability, severity
8 of technical and mission requirements, emer-
9 gency requirements, operational needs, other
10 legal or international treaty obligations, or
11 other factors deemed important to the success
12 of the Manufacturing USA Program.

13 (3) PROHIBITION.—

14 (A) COMPANY DEFINED.—In this para-
15 graph, the term “company” has the meaning
16 given such term in section 847(a) of the Na-
17 tional Defense Authorization Act for Fiscal
18 Year 2020 (Public Law 116–92; 10 U.S.C.
19 2509 note).

20 (B) IN GENERAL.—A company of the Peo-
21 ple’s Republic of China may not participate in
22 the Manufacturing USA Program or the Manu-
23 facturing USA Network without a waiver, as
24 described in paragraph (2)(C).

○