

## Union Calendar No. 89

116TH CONGRESS  
1ST SESSION

# H. R. 2397

[Report No. 116–121]

To amend the National Institute of Standards and Technology Act to make changes to the implementation of the network for manufacturing innovation, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2019

Ms. STEVENS (for herself, Mr. BALDERSON, Mr. KENNEDY, Mr. REED, Ms. JOHNSON of Texas, and Mr. GONZALEZ of Ohio) introduced the following bill; which was referred to the Committee on Science, Space, and Technology

JUNE 19, 2019

Additional sponsors: Mr. FITZPATRICK, Mr. RYAN, Mr. TONKO, Mr. CASTEN of Illinois, Mr. CRIST, Ms. HILL of California, Ms. KENDRA S. HORN of Oklahoma, Mr. FOSTER, Mr. LAMB, Mr. LIPINSKI, Mr. MORELLE, Mrs. DINGELL, Mrs. WAGNER, Mrs. CRAIG, Mr. JOYCE of Ohio, Mr. SUOZZI, and Mrs. LAWRENCE

JUNE 19, 2019

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on April 30, 2019]

# **A BILL**

To amend the National Institute of Standards and Technology Act to make changes to the implementation of the network for manufacturing innovation, 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 “American Manufac-*  
 5       *turing Leadership Act”.*

6       **SEC. 2. CHANGES IN IMPLEMENTATION OF NETWORK FOR**  
 7               **MANUFACTURING INNOVATION.**

8       *Section 34 of the National Institute of Standards and*  
 9       *Technology Act (15 U.S.C. 278s) is amended—*

10               *(1) in subsection (a)—*

11                       *(A) in paragraph (1), by striking “Network*  
 12                       *for Manufacturing Innovation Program” and in-*  
 13                       *serting “Manufacturing USA Program”; and*

14                       *(B) in paragraph (2)—*

15                               *(i) in subparagraph (G), by striking*  
 16                               *“and” at the end;*

17                               *(ii) in subparagraph (H), by striking*  
 18                               *the period at the end and inserting “; and”;*  
 19                               *and*

20                               *(iii) by adding at the end the fol-*  
 21                               *lowing:*

22                               *“(I) to contribute to the development of re-*  
 23                               *gional manufacturing innovation clusters across*  
 24                               *the Nation.”;*

25               *(2) in subsection (c)—*

1           (A) in paragraph (1), by striking “Sec-  
 2           retary” each place it appears in subparagraph  
 3           (C) and (D) and inserting “agency head”;

4           (B) in paragraph (2)—

5                 (i) by striking subparagraph (E);

6                 (ii) by redesignating subparagraphs  
 7                 (A), (B), (C), and (D) as clauses (i), (ii),  
 8                 (iii), and (iv), respectively, and moving the  
 9                 margins of such clauses (as so redesignated)  
 10                 two ems to the right;

11                 (iii) in the matter preceding clause (i)  
 12                 (as so redesignated), by striking “Activities  
 13                 of a center for manufacturing innovation  
 14                 may include” and inserting the following:

15                 “(A) *REQUIRED ACTIVITIES.*—Activities of  
 16                 a center for manufacturing innovation shall in-  
 17                 clude”;

18                 (iv) in clause (ii), as so redesignated,  
 19                 by inserting before the period at the end the  
 20                 following: “addressing workforce needs  
 21                 through training and education programs  
 22                 at all appropriate education levels”;

23                 (v) in clause (iii), as so redesignated,  
 24                 by inserting before the period at the end the  
 25                 following: “, as appropriate”;

(vi) by inserting after clause (iv) (as so redesignated) the following:

“(v) *Development of roadmaps with respect to technology areas being pursued by that center for manufacturing innovation that take into account the research and development undertaken at other centers for manufacturing innovation and Federal agencies with respect to such areas.*”; and

(vii) by adding at the end the following:

“(B) *PERMISSIBLE ACTIVITIES.—Activities of a center for manufacturing innovation may include such other activities as the agency head, in consultation with Federal departments and agencies whose missions contribute to, or are affected by, advanced manufacturing, considers consistent with the purposes described in subsection (a)(2).*”; and

(C) in paragraph (3), by adding at the end the following:

“(C) *APPLICATION.—Effective beginning on the date of the enactment of the American Manufacturing Leadership Act, a manufacturing center shall be subject to subsections (a)(2), (c), and*

1           *(d) in the same manner and to the same extent*  
 2           *as such provisions apply to a center for manu-*  
 3           *facturing innovation established pursuant to this*  
 4           *section if such center—*

5                     *“(i)(I) is, as of such date of enactment,*  
 6                     *considered a center for manufacturing inno-*  
 7                     *vation under subparagraph (A) or recog-*  
 8                     *nized as a center for manufacturing innova-*  
 9                     *tion under subparagraph (B); and*

10                    *“(II) as of such date of enactment, re-*  
 11                    *ceives Federal financial assistance under*  
 12                    *subsection (d) or otherwise consistent with*  
 13                    *the purposes of this section; or*

14                    *“(ii) is under pending agency review*  
 15                    *for such recognition as of such date of en-*  
 16                    *actment.”;*

17           *(3) in subsection (d)—*

18                     *(A) in paragraph (1)—*

19                     *(i) by striking “Secretary” and insert-*  
 20                     *ing “agency head”; and*

21                     *(ii) by inserting “for a period of not*  
 22                     *less than 5 and not more than 7 years”*  
 23                     *after “financial assistance”;*

1           (B) in paragraph (2), by striking “Sec-  
2           retary” each place it appears and inserting  
3           “agency head”;

4           (C) in paragraph (4)—

5                 (i) by amending subparagraph (A) to  
6                 read as follows:

7                 “(A) *COMPETITIVE, MERIT REVIEW.*—In  
8                 awarding financial assistance under paragraph  
9                 (1), the agency head shall—

10                 “(i) use a competitive, merit review  
11                 process that includes peer review by a di-  
12                 verse group of individuals with relevant ex-  
13                 pertise from both the private and public sec-  
14                 tors; and

15                 “(ii) ensure that the technology focus of  
16                 a center for manufacturing innovation does  
17                 not substantially duplicate the technology  
18                 focus of any other center for manufacturing  
19                 innovation.”;

20                 (ii) in subparagraph (B)(i), by strik-  
21                 ing “Secretary” and inserting “agency  
22                 head”;

23                 (iii) by amending subparagraph (C) to  
24                 read as follows:

“(C) *PERFORMANCE MEASUREMENT, TRANSPARENCY, AND ACCOUNTABILITY.*—For each award of financial assistance under paragraph (1), the agency head shall develop and implement metrics-based performance standards to assess the effectiveness of activities funded in making progress toward the purposes of the Program.”;

(iv) in subparagraph (D), by striking “the Secretary shall” and all that follows through “collaborate” and inserting the following: “agency head, in coordination with the National Program Office, as appropriate, shall collaborate”; and

(v) in subparagraph (E), by striking “Secretary” and inserting “agency head”; and  
(D) in paragraph (5)—

(i) by amending subparagraph (A) to read as follows:

“(A) *TERM OF AWARD.*—

“(i) *IN GENERAL.*—Subject to clause (ii), an award made to a center for manufacturing innovation may be renewed for an additional period not to exceed the duration of the original funding award, subject to a



1            *rigorous merit review. In awarding addi-*  
 2            *tional funds, the agency head shall consider*  
 3            *the extent to which the center has made*  
 4            *progress in achieving the purposes described*  
 5            *in subsection (a) and carrying out the ac-*  
 6            *tivities specified in subsection (c)(2).*

7            “(ii) *EXISTING CENTERS.*—*Notwith-*  
 8            *standing clause (i), a center already in ex-*  
 9            *istence or undergoing a renewal process on*  
 10           *the date of enactment of the American Man-*  
 11           *ufacturing Leadership Act—*

12                    *“(I) may continue to receive sup-*  
 13                    *port for the duration of the original*  
 14                    *funding award beginning on the date*  
 15                    *of establishment of that center; and*

16                    *“(II) shall be eligible for renewal*  
 17                    *of that funding pursuant to clause*  
 18                    *(i).”;* and

19                    *(ii) in subparagraphs (B) and (C), by*  
 20                    *striking “Secretary” each place it appears*  
 21                    *and inserting “agency head”;*

22            (4) *by amending subsection (e) to read as fol-*  
 23            *lows:*

24            “(e) *GRANT PROGRAM FOR PUBLIC SERVICE ACTIVI-*  
 25            *TIES FOR CENTERS FOR MANUFACTURING INNOVATION*

1 *WITHOUT FEDERAL FUNDING.—The Secretary may award*  
 2 *grants on a competitive basis to centers of manufacturing*  
 3 *innovation that are no longer recognized as such under sub-*  
 4 *section (c)(3)(C) to carry out workforce development, out-*  
 5 *reach to small- and medium-sized manufacturers, and other*  
 6 *activities that—*

7           *“(1) are determined by the Secretary to be in the*  
 8           *national interest; and*

9           *“(2) are unlikely to receive private sector finan-*  
 10          *cial support.”;*

11          *(5) in subsection (f)—*

12           *(A) in paragraph (2)—*

13           *(i) in subparagraph (E), by striking*  
 14           *“and” at the end;*

15           *(ii) in subparagraph (F), by striking*  
 16           *the period at the end and inserting a semi-*  
 17           *colon; and*

18           *(iii) by adding at the end the fol-*  
 19           *lowing:*

20           *“(G) to work with non-sponsoring Federal*  
 21           *agencies to explore and develop options for spon-*  
 22           *soring centers for manufacturing innovation at*  
 23           *such agencies;*

24           *“(H) to work with sponsoring Federal agen-*  
 25           *cies to develop and implement network-wide per-*

1        *formance goals with measurable targets and*  
2        *timelines;*

3                *“(I) to help develop pilot programs that*  
4        *may be implemented by the centers for manufac-*  
5        *turing innovation to address specific purposes of*  
6        *the Program, including to accelerate technology*  
7        *transfer to the private sector; and*

8                *“(J) to identify and disseminate best prac-*  
9        *tices for workforce education and training across*  
10       *centers for manufacturing innovation and fur-*  
11       *ther enhance collaboration among centers for*  
12       *manufacturing innovation in developing and*  
13       *implementing such practices.”; and*

14                *(B) by amending paragraph (5) to read as*  
15       *follows:*

16                *“(5) HOLLINGS MANUFACTURING EXTENSION*  
17       *PARTNERSHIP.—The Secretary shall ensure that the*  
18       *National Program Office incorporates the Hollings*  
19       *Manufacturing Extension Partnership into Program*  
20       *planning to ensure—*

21                *“(A) significant outreach to, participation*  
22       *of, and engagement of small- and medium-sized*  
23       *manufacturers in centers for manufacturing in-*  
24       *novation across the entirety of the manufac-*  
25       *turing supply chain; and*

1           “(B) that the results of the Program, in-  
 2           cluding technologies developed by the Program,  
 3           reach small- and medium-sized manufacturers  
 4           and that such entities have access to technical as-  
 5           sistance, as appropriate, in deploying those tech-  
 6           nologies.”;

7           (6) in subsection (g)—

8                 (A) in paragraph (1)(A)—

9                     (i) by striking “The Secretary” and all  
 10                    that follows through “report to the Sec-  
 11                   retary” and inserting the following: “Each  
 12                   agency head shall require each recipient of  
 13                   financial assistance from that agency under  
 14                   subsection (d)(1) and any other manufac-  
 15                   turing centers considered to be centers for  
 16                   manufacturing innovation pursuant to sub-  
 17                   section (c)(3) to annually submit to the ap-  
 18                   propriate agency head a report”; and

19                   (ii) by adding at the end the following:  
 20                    “Each agency head shall submit such re-  
 21                   ports to the Secretary.”; and

22           (B) by amending paragraph (3) to read as  
 23           follows:

24           “(3) ASSESSMENTS BY GAO.—

1           “(A) *ASSESSMENTS.*—Not less frequently  
2           than once every 3 years, the Comptroller General  
3           shall submit to Congress an assessment of the op-  
4           eration of the Program during the most recent 3-  
5           year period, including an assessment of the  
6           progress made towards achieving the goals speci-  
7           fied in the national strategic plan for advanced  
8           manufacturing under section 102(b)(7) of the  
9           America COMPETES Reauthorization Act of  
10          2010 (42 U.S.C. 6622(b)(7)).

11          “(B) *ELEMENTS.*—Each assessment sub-  
12          mitted under subparagraph (A) shall include, for  
13          the period covered by the report—

14               “(i) a review of the management, co-  
15               ordination, and industry utility of the Pro-  
16               gram;

17               “(ii) an assessment of the extent to  
18               which the Program has furthered the pur-  
19               poses described in subsection (a)(2);

20               “(iii) such recommendations for legis-  
21               lative and administrative action as the  
22               Comptroller General considers appropriate  
23               to improve the Program; and

24               “(iv) an assessment as to whether any  
25               prior recommendations for improvement

1                   *made by the Comptroller General have been*  
2                   *implemented or adopted.”;*

3           *(7) in subsection (h)—*

4                   *(A) in paragraph (2), by striking “sub-*  
5                   *section (e)” and inserting “subsection (k)”;* and

6                   *(B) by adding at the end the following:*

7                   “(6) *COLLABORATIONS WITH OTHER FEDERAL*  
8           *AGENCIES.—The Secretary shall collaborate with Fed-*  
9           *eral agencies whose missions contribute to, or are af-*  
10          *ected by, advanced manufacturing to identify and le-*  
11          *verage existing resources at such Federal agencies to*  
12          *assist centers of manufacturing innovation in car-*  
13          *rying out the purposes of the program specified in*  
14          *subsection (a)(2). Such existing resources may include*  
15          *programs—*

16                   *“(A) at the Department of Labor relating to*  
17                   *labor and apprenticeships;*

18                   *“(B) at the Economic Development Admin-*  
19                   *istration relating to regional innovation, such as*  
20                   *the Regional Innovation Strategies program;*

21                   *“(C) at the Department of Education relat-*  
22                   *ing to workforce development, education, train-*  
23                   *ing, and retraining;*

1           “(D) at the Department of Defense relating  
2           to procurement and other authorities of the De-  
3           partment of Defense;

4           “(E) at the Food and Drug Administration  
5           relating to biopharmaceutical manufacturing;

6           “(F) at the National Science Foundation,  
7           including the Advanced Technological Education  
8           program;

9           “(G) at the National Aeronautics and Space  
10          Administration relating to procurement, work-  
11          force development, education, training, and re-  
12          training; and

13          “(H) additional programs that the Sec-  
14          retary determines are appropriate to support the  
15          activities of existing centers for manufacturing  
16          innovation.”; and

17          (8) by adding at the end the following:

18          “(j) *DEFINITIONS.—In this section:*

19                 “(1) *AGENCY HEAD.—The term ‘agency head’*  
20                 *means the head of a Federal agency that is providing*  
21                 *financial assistance for a center of manufacturing in-*  
22                 *novation, including the Secretary of Commerce and*  
23                 *the Secretary of Energy.*

24                 “(2) *REGIONAL INNOVATION CLUSTER.—The*  
25                 *term ‘regional innovation cluster’ has the meaning*

1 *given such term in section 27(f)(1) of the Stevenson-*  
2 *Wylder Technology Innovation Act of 1980 (15 U.S.C.*  
3 *3722(f)(1)).*

4 *“(k) AUTHORIZATION OF APPROPRIATIONS.—*

5 *“(1) NIST.—There are authorized to be appro-*  
6 *priated to the Secretary to carry out this section*  
7 *\$25,000,000 for each of fiscal years 2020 through*  
8 *2024.*

9 *“(2) RESERVATION.—Of the amount made avail-*  
10 *able under paragraph (1) the Secretary shall reserve*  
11 *not less than \$5,000,000 for the National Office of the*  
12 *Network for Manufacturing Innovation Program es-*  
13 *tablished under subsection (f).*

14 *“(3) DEPARTMENT OF ENERGY.—For centers of*  
15 *manufacturing innovation operated by the Depart-*  
16 *ment of Energy, there are authorized to be appro-*  
17 *priated to the Secretary of Energy—*

18 *“(A) \$70,000,000 for each of fiscal years*  
19 *2020, 2021, and 2022; and*

20 *“(B) \$84,000,000 for each of fiscal years*  
21 *2023 and 2024.”.*



1 **SEC. 3. INCREASED EMPHASIS ON REGIONAL INNOVATION**  
2 **WITHIN AND EXTENSION OF REGIONAL INNO-**  
3 **VATION PROGRAM.**

4 *Section 27 of the Stevenson-Wydler Technology Inno-*  
5 *vation Act of 1980 (15 U.S.C. 3722) is amended—*

6 *(1) in subsection (b)(2) by adding at the end the*  
7 *following new subparagraph:*

8 *“(I) Developing relationships at the local*  
9 *level to build supply chains and use existing ca-*  
10 *pabilities of entities operating on that level to*  
11 *bring economic growth to suburban and rural*  
12 *areas.”; and*

13 *(2) in subsection (g)(2) by striking “2019” and*  
14 *inserting “2024”.*

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