

House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

§ 3722. Regional innovation program

(a) Establishment

The Secretary shall establish a regional innovation program to encourage and support the development of regional innovation strategies, including regional innovation clusters and science and research parks.

(b) Cluster grants

(1) In general

As part of the program established under subsection (a), the Secretary may award grants on a competitive basis to eligible recipients for activities relating to the formation and development of regional innovation clusters.

(2) Permissible activities

Grants awarded under this subsection may be used for activities determined appropriate by the Secretary, including the following:

- (A) Feasibility studies.
- (B) Planning activities.
- (C) Technical assistance.
- (D) Developing or strengthening communication and collaboration between and among participants of a regional innovation cluster.
- (E) Attracting additional participants to a regional innovation cluster.
- (F) Facilitating market development of products and services developed by a regional innovation cluster, including through demonstration, deployment, technology transfer, and commercialization activities.
- (G) Developing relationships between a regional innovation cluster and entities or clusters in other regions.
- (H) Interacting with the public and State and local governments to meet the goals of the cluster.

(3) Eligible recipient defined

In this subsection, the term “eligible recipient” means—

- (A) a State;
- (B) an Indian tribe;
- (C) a city or other political subdivision of a State;
- (D) an entity that—
 - (i) is a nonprofit organization, an institution of higher education, a public-private partnership, a science or research park, a Federal laboratory, or an economic development organization or similar entity; and
 - (ii) has an application that is supported by a State or a political subdivision of a State; or
- (E) a consortium of any of the entities described in subparagraphs (A) through (D).

(4) Application

(A) In general

An eligible recipient shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require.

(B) Components

The application shall include, at a minimum, a description of the regional innovation cluster supported by the proposed activity, including a description of—

- (i) whether the regional innovation cluster is supported by the private sector, State and local governments, and other relevant stakeholders;
- (ii) how the existing participants in the regional innovation cluster will encourage and solicit participation by all types of entities that might benefit from participation, including newly formed entities and those rival existing participants;
- (iii) the extent to which the regional innovation cluster is likely to stimulate innovation and have a positive impact on regional economic growth and development;
- (iv) whether the participants in the regional innovation cluster have access to, or contribute to, a well-trained workforce;
- (v) whether the participants in the regional innovation cluster are capable of attracting additional funds from non-Federal sources; and
- (vi) the likelihood that the participants in the regional innovation cluster will be able to sustain activities once grant funds under this subsection have been expended.

(C) Special consideration

The Secretary shall give special consideration to applications from regions that contain communities negatively impacted by trade.

(5) Special consideration

The Secretary shall give special consideration to an eligible recipient who agrees to collaborate with local workforce investment area boards.

(6) Cost share

The Secretary may not provide more than 50 percent of the total cost of any activity funded under this subsection.

(7) Use and application of research and information program

To the maximum extent practicable, the Secretary shall ensure that activities funded under this subsection use and apply any relevant research, best practices, and metrics developed under the program established in subsection (c).

(c) Science and research park development grants

(1) In general

As part of the program established under subsection (a), the Secretary may award grants for the development of feasibility studies and plans for the construction of new science parks or the renovation or expansion of existing science parks.

(2) Limitation on amount of grants

The amount of a grant awarded under this subsection may not exceed \$750,000.

(3) Award**(A) Competition required**

The Secretary shall award grants under this subsection pursuant to a full and open competition.

(B) Geographic dispersion

In conducting a competitive process, the Secretary shall consider the need to avoid undue geographic concentration among any one category of States based on their predominant rural or urban character as indicated by population density.

(C) Selection criteria

The Secretary shall publish the criteria to be utilized in any competition for the selection of recipients of grants under this subsection, which shall include requirements relating to the—

(i) effect the science park will have on regional economic growth and development;

(ii) number of jobs to be created at the science park and the surrounding regional community each year during its first 3 years;

(iii) funding to be required to construct, renovate or expand the science park during its first 3 years;

(iv) amount and type of financing and access to capital available to the applicant;

(v) types of businesses and research entities expected in the science park and surrounding regional community;

(vi) letters of intent by businesses and research entities to locate in the science park;

(vii) capability to attract a well trained workforce to the science park;

(viii) the management of the science park during its first 5 years;

(ix) expected financial risks in the construction and operation of the science park and the risk mitigation strategy;

(x) physical infrastructure available to the science park, including roads, utilities, and telecommunications;

(xi) utilization of energy-efficient building technology including nationally recognized green building design practices, renewable energy, cogeneration, and other methods that increase energy efficiency and conservation;

(xii) consideration to the transformation of military bases affected by the base realignment and closure process or the redevelopment of existing buildings, structures, or brownfield sites that are abandoned, idled, or underused into single or multiple building facilities for science and technology companies and institutions;

(xiii) ability to collaborate with other science parks throughout the world;

(xiv) consideration of sustainable development practices and the quality of life at the science park; and

(xv) other such criteria as the Secretary shall prescribe.

(4) Allocation constraints

The Secretary may not allocate less than one-third of the total grant funding allocated

under this section for any fiscal year to grants under subsection (b) or this subsection without written notification to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committees on Science and Technology and on Energy and Commerce.

(d) Loan guarantees for science park infrastructure**(1) In general**

Subject to paragraph (2), the Secretary may guarantee up to 80 percent of the loan amount for projects for the construction or expansion, including renovation and modernization, of science park infrastructure.

(2) Limitations on guarantee amounts

The maximum amount of loan principal guaranteed under this subsection may not exceed—

(A) \$50,000,000 with respect to any single project; and

(B) \$300,000,000 with respect to all projects.

(3) Selection of guarantee recipients

The Secretary shall select recipients of loan guarantees under this subsection based upon the ability of the recipient to collateralize the loan amount through bonds, equity, property, and such other things of values as the Secretary shall deem necessary. Recipients of grants under subsection (c) are not eligible for a loan guarantee during the period of the grant. To the extent that the Secretary determines it to be feasible, the Secretary may select recipients of guarantee assistance in accord with a competitive process that takes into account the factors set out in subsection (c)(3)(C) of this section.

(4) Terms and conditions for loan guarantees

The loans guaranteed under this subsection shall be subject to such terms and conditions as the Secretary may prescribe, except that—

(A) the final maturity of such loans made or guaranteed may not exceed the lesser of—

(i) 30 years; or

(ii) 90 percent of the useful life of any physical asset to be financed by the loan;

(B) a loan guaranteed under this subsection may not be subordinated to another debt contracted by the borrower or to any other claims against the borrowers in the case of default;

(C) a loan may not be guaranteed under this subsection unless the Secretary determines that the lender is responsible and that provision is made for servicing the loan on reasonable terms and in a manner that adequately protects the financial interest of the United States;

(D) a loan may not be guaranteed under this subsection if—

(i) the income from the loan is excluded from gross income for purposes of chapter 1 of title 26; or

(ii) the guarantee provides significant collateral or security, as determined by the Secretary in coordination with the Secretary of the Treasury, for other obligations the income from which is so excluded;

(E) any guarantee provided under this subsection shall be conclusive evidence that—

- (i) the guarantee has been properly obtained;
- (ii) the underlying loan qualified for the guarantee; and
- (iii) absent fraud or material misrepresentation by the holder, the guarantee is presumed to be valid, legal, and enforceable;

(F) the Secretary may not extend credit assistance unless the Secretary has determined that there is a reasonable assurance of repayment; and

(G) new loan guarantees may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required under section 661c of title 2.

(5) Payment of losses

(A) In general

If, as a result of a default by a borrower under a loan guaranteed under this subsection, after the holder has made such further collection efforts and instituted such enforcement proceedings as the Secretary may require, the Secretary determines that the holder has suffered a loss, the Secretary shall pay to the holder the percentage of the loss specified in the guarantee contract. Upon making any such payment, the Secretary shall be subrogated to all the rights of the recipient of the payment. The Secretary shall be entitled to recover from the borrower the amount of any payments made pursuant to any guarantee entered into under this section.

(B) Enforcement of rights

The Attorney General shall take such action as may be appropriate to enforce any right accruing to the United States as a result of the issuance of any guarantee under this section.

(C) Forbearance

Nothing in this section may be construed to preclude any forbearance for the benefit of the borrower which may be agreed upon by the parties to the guaranteed loan and approved by the Secretary, if budget authority for any resulting subsidy costs (as defined in section 661a(5) of title 2) is available.

(6) Evaluation of credit risk

(A) The Secretary shall periodically assess the credit risk of new and existing direct loans or guaranteed loans.

(B) Not later than 2 years after January 4, 2011, the Comptroller General of the United States shall—

- (i) conduct a review of the subsidy estimates for the loan guarantees under this section; and
- (ii) submit to Congress a report on the review conducted under this paragraph.

(7) Termination

A loan may not be guaranteed under this section after September 30, 2013.

(8) Authorization of appropriations

There are authorized to be appropriated \$7,000,000 for each of fiscal years 2011 through

2013 for the cost (as defined in section 661a(5) of title 2) of guaranteeing \$300,000,000 in loans under this section, such sums to remain available until expended.

(e) Regional innovation research and information program

(1) In general

As part of the program established under subsection (a), the Secretary shall establish a regional innovation research and information program—

(A) to gather, analyze, and disseminate information on best practices for regional innovation strategies (including regional innovation clusters), including information relating to how innovation, productivity, and economic development can be maximized through such strategies;

(B) to provide technical assistance, including through the development of technical assistance guides, for the development and implementation of regional innovation strategies (including regional innovation clusters);

(C) to support the development of relevant metrics and measurement standards to evaluate regional innovation strategies (including regional innovation clusters), including the extent to which such strategies stimulate innovation, productivity, and economic development; and

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

(i) the size, specialization, and competitiveness of regional innovation clusters;

(ii) the regional domestic product contribution, total jobs and earnings by key occupations, establishment size, nature of specialization, patents, Federal research and development spending, and other relevant information for regional innovation clusters; and

(iii) supply chain product and service flows within and between regional innovation clusters.

(2) Research grants

The Secretary may award research grants on a competitive basis to support and further the goals of the program established under this subsection.

(3) Dissemination of information

Data and analysis compiled by the Secretary under the program established in this subsection shall be made available to other Federal agencies, State and local governments, and nonprofit and for-profit entities.

(4) Regional innovation grant program

The Secretary shall incorporate data and analysis relating to any grant under subsection (b) or (c) and any loan guarantee under subsection (d) into the program established under this subsection.

(f) Interagency coordination

(1) In general

To the maximum extent practicable, the Secretary shall ensure that the activities carried out under this section are coordinated

with, and do not duplicate the efforts of, other programs at the Department of Commerce or other Federal agencies.

(2) Collaboration

(A) In general

The Secretary shall explore and pursue collaboration with other Federal agencies, including through multiagency funding opportunities, on regional innovation strategies.

(B) Small businesses

The Secretary shall ensure that such collaboration with Federal agencies prioritizes the needs and challenges of small businesses.

(g) Evaluation

(1) In general

Not later than 3 years after January 4, 2011, the Secretary shall enter into a contract with an independent entity, such as the National Academy of Sciences, to conduct an evaluation of the program established under subsection (a).

(2) Requirements

The evaluation shall include—

(A) whether the program is achieving its goals;

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

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

(h) Definitions

In this section:

(1) Regional innovation cluster

The term “regional innovation cluster” means a geographically bounded network of similar, synergistic, or complementary entities that—

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

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

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

(D) leverage the region’s unique competitive strengths to stimulate innovation and create jobs.

(2) Science park

The term “Science¹ park” means a property-based venture, which has—

(A) master-planned property and buildings designed primarily for private-public research and development activities, high technology and science-based companies, and research and development support services;

(B) a contractual or operational relationship with one or more science- or research-related institution of higher education or governmental or non-profit research laboratories;

(C) a primary mission to promote research and development through industry partnerships, assisting in the growth of new ventures and promoting innovation-driven economic development;

(D) a role in facilitating the transfer of technology and business skills between researchers and industry teams; and

(E) a role in promoting technology-led economic development for the community or region in which the science park is located. A science park may be owned by a governmental or not-for-profit entity, but it may enter into partnerships or joint ventures with for-profit entities for development or management of specific components of the park.

(3) State

The term “State” means one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

(i) Authorization of appropriations

Except as provided in subsection (d)(8), there are authorized to be appropriated \$100,000,000 for each of fiscal years 2011 through 2013 to carry out this section (other than for loan guarantees under subsection (d)).

(Pub. L. 96-480, §27, as added Pub. L. 111-358, title VI, §603, Jan. 4, 2011, 124 Stat. 4030.)

CHANGE OF NAME

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

CHAPTER 64—METHANE TRANSPORTATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION

Sec.	
3801.	Congressional statement of findings and declaration of policy.
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§ 3801. Congressional statement of findings and declaration of policy

(a) The Congress finds and declares that—

(1) gasoline and diesel fuel for vehicular use are in short supply and constitute a sizable portion of domestic petroleum consumption;

(2) methane use in fleet-operated vehicles would result in substantial reduction in oil imports;

(3) methane is in more abundant domestic supply than petroleum products, is the primary component of natural gas and can be derived in increased quantities from coal, biomass, waste products, and other renewable resources;

(4) recoverable methane presently available in the United States is not fully utilized;

¹ So in original. Probably should not be capitalized.