

the marketplace as they identify and pursue prize competitions to further the policy objectives of the Federal Government.

(o) Compliance with existing law

(1) In general

The Federal Government shall not, by virtue of offering or providing a prize under this section, be responsible for compliance by registered participants in a prize competition with Federal law, including licensing, export control, and nonproliferation laws, and related regulations.

(2) Other prize authority

Nothing in this section affects the prize authority authorized by any other provision of law.

(p) Annual report

(1) In general

Not later than March 1 of each year, the Director shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives a report on the activities carried out during the preceding fiscal year under the authority in subsection (b).

(2) Information included

The report for a fiscal year under this subsection shall include, for each prize competition under subsection (b), the following:

(A) Proposed goals

A description of the proposed goals of each prize competition.

(B) Preferable method

An analysis of why the utilization of the authority in subsection (b) was the preferable method of achieving the goals described in subparagraph (A) as opposed to other authorities available to the agency, such as contracts, grants, and cooperative agreements.

(C) Amount of cash prizes

The total amount of cash prizes awarded for each prize competition, including a description of amount of private funds contributed to the program, the sources of such funds, and the manner in which the amounts of cash prizes awarded and claimed were allocated among the accounts of the agency for recording as obligations and expenditures.

(D) Solicitations and evaluation of submissions

The methods used for the solicitation and evaluation of submissions under each prize competition, together with an assessment of the effectiveness of such methods and lessons learned for future prize competitions.

(E) Resources

A description of the resources, including personnel and funding, used in the execution of each prize competition together with a detailed description of the activities for which such resources were used and an accounting

of how funding for execution was allocated among the accounts of the agency for recording as obligations and expenditures.

(F) Results

A description of how each prize competition advanced the mission of the agency concerned.

(Pub. L. 96-480, §24, as added Pub. L. 111-358, title I, §105(a), Jan. 4, 2011, 124 Stat. 3989.)

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (k)(4), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.

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.

§ 3720. Office of Innovation and Entrepreneurship

(a) In general

The Secretary shall establish an Office of Innovation and Entrepreneurship to foster innovation and the commercialization of new technologies, products, processes, and services with the goal of promoting productivity and economic growth in the United States.

(b) Duties

The Office of Innovation and Entrepreneurship shall be responsible for—

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

(2) identifying existing barriers to innovation and commercialization, including access to capital and other resources, and ways to overcome those barriers, particularly in States participating in the Experimental Program to Stimulate Competitive Research;

(3) providing access to relevant data, research, and technical assistance on innovation and commercialization;

(4) strengthening collaboration on and coordination of policies relating to innovation and commercialization, including those focused on the needs of small businesses and rural communities, within the Department of Commerce, between the Department of Commerce and other Federal agencies, and between the Department of Commerce and appropriate State government agencies and institutions, as appropriate; and

(5) any other duties as determined by the Secretary.

(c) Advisory committee

The Secretary shall establish an Advisory Council on Innovation and Entrepreneurship to provide advice to the Secretary on carrying out subsection (b).

(Pub. L. 96-480, §25, as added Pub. L. 111-358, title VI, §601, Jan. 4, 2011, 124 Stat. 4026.)

§ 3721. Federal loan guarantees for innovative technologies in manufacturing

(a) Establishment

The Secretary shall establish a program to provide loan guarantees for obligations to small- or medium-sized manufacturers for the use or production of innovative technologies.

(b) Eligible projects

A loan guarantee may be made under the program only for a project that re-equips, expands, or establishes a manufacturing facility in the United States—

- (1) to use an innovative technology or an innovative process in manufacturing;
- (2) to manufacture an innovative technology product or an integral component of such a product; or
- (3) to commercialize an innovative product, process, or idea that was developed by research funded in whole or in part by a grant from the Federal government.

(c) Eligible borrower

A loan guarantee may be made under the program only for a borrower who is a small- or medium-sized manufacturer, as determined by the Secretary under the criteria established pursuant to subsection (l).

(d) Limitation on amount

A loan guarantee shall not exceed an amount equal to 80 percent of the obligation, as estimated at the time at which the loan guarantee is issued.

(e) Limitations on loan guarantee

No loan guarantee shall be made unless the Secretary determines that—

- (1) there is a reasonable prospect of repayment of the principal and interest on the obligation by the borrower;
- (2) the amount of the obligation (when combined with amounts available to the borrower from other sources) is sufficient to carry out the project;
- (3) the obligation is not subordinate to other financing;
- (4) the obligation bears interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks; and
- (5) the term of an obligation requires full repayment over a period not to exceed the lesser of—
 - (A) 30 years; or
 - (B) 90 percent of the projected useful life, as determined by the Secretary, of the physical asset to be financed by the obligation.

(f) Defaults

(1) Payment by Secretary

(A) In general

If a borrower defaults (as defined in regulations promulgated by the Secretary and specified in the loan guarantee) on the obligation, the holder of the loan guarantee shall have the right to demand payment of the unpaid amount from the Secretary.

(B) Payment required

Within such period as may be specified in the loan guarantee or related agreements,

the Secretary shall pay to the holder of the loan guarantee the unpaid interest on and unpaid principal of the obligation as to which the borrower has defaulted, unless the Secretary finds that there was no default by the borrower in the payment of interest or principal or that the default has been remedied.

(C) Forbearance

Nothing in this subsection precludes any forbearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the obligation and approved by the Secretary.

(2) Subrogation

(A) In general

If the Secretary makes a payment under paragraph (1), the Secretary shall be subrogated to the rights, as specified in the loan guarantee, of the recipient of the payment or related agreements including, if appropriate, the authority (notwithstanding any other provision of law)—

- (i) to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such loan guarantee or related agreement; or
- (ii) to permit the borrower, pursuant to an agreement with the Secretary, to continue to pursue the purposes of the project if the Secretary determines that such an agreement is in the public interest.

(B) Superiority of rights

The rights of the Secretary, with respect to any property acquired pursuant to a loan guarantee or related agreements, shall be superior to the rights of any other person with respect to the property.

(3) Notification

If the borrower defaults on an obligation, the Secretary shall notify the Attorney General of the default.

(g) Terms and conditions

A loan guarantee under this section shall include such detailed terms and conditions as the Secretary determines appropriate—

- (1) to protect the interests of the United States in the case of default; and
- (2) to have available all the patents and technology necessary for any person selected, including the Secretary, to complete and operate the project.

(h) Consultation

In establishing the terms and conditions of a loan guarantee under this section, the Secretary shall consult with the Secretary of the Treasury.

(i) Fees

(1) In general

The Secretary shall charge and collect fees for loan guarantees in amounts the Secretary determines are sufficient to cover applicable administrative expenses.

(2) Availability

Fees collected under this subsection shall—