

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3924

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## AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Global Development  
3 Lab Act of 2016”.

4 **SEC. 2. FINDINGS.**

5 Congress finds the following:

6 (1) The effectiveness of United States foreign  
7 assistance can be greatly enhanced by fostering in-  
8 novation, applying science and technology, and  
9 leveraging the expertise and resources of the private  
10 sector to find low-cost, common sense solutions to  
11 today’s most pressing development challenges.

12 (2) Breakthroughs that accelerate economic  
13 growth and produce better health outcomes in devel-  
14 oping countries can help support the growth of  
15 healthier, more stable societies and foster trade rela-  
16 tionships that translate into jobs and economic  
17 growth in the United States.

18 (3) In 2014, the Office of Science and Tech-  
19 nology and the Office of Innovation and Develop-  
20 ment Alliances at the United States Agency for  
21 International Development (USAID) were stream-  
22 lined and merged into the United States Global De-  
23 velopment Lab.

24 (4) The Lab partners with entrepreneurs, ex-  
25 perts, nongovernmental organizations, universities,  
26 and science and research institutions to find solu-

1 tions to specific development challenges in a faster,  
2 more cost-efficient, and more sustainable way.

3 (5) The Lab utilizes competitive innovation in-  
4 centive awards, a “pay-for-success” model, whereby  
5 a development challenge is identified, competitions  
6 are launched, ideas with the greatest potential for  
7 success are selected and tested, and awards are pro-  
8 vided only after the objectives of a competition have  
9 been substantially achieved.

10 (6) Enhancing the authorities that support this  
11 pay-for-success model will better enable the Lab to  
12 diversify and expand both the number and sources  
13 of ideas that may be developed, tested, and brought  
14 to scale, thereby increasing USAID’s opportunity to  
15 apply high value, low-cost solutions to specific devel-  
16 opment challenges.

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.**—The duties of the Lab shall include—

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

1           (2) discovering, testing, and scaling develop-  
2           ment innovations to increase cost effectiveness and  
3           support United States foreign policy and develop-  
4           ment 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 of  
19           the Lab under subsection (b), the Administrator, in  
20           addition to such other authorities as may be avail-  
21           able to the Administrator, including authorities  
22           under part I of the Foreign Assistance Act of 1961  
23           (22 U.S.C. 2151 et seq.), and subject to the limita-  
24           tions described in paragraph (3), is authorized to—

1 (A) provide innovation incentive awards (as  
2 defined in section 4(5) of this Act); and

3 (B) use funds made available to carry out  
4 the provisions of part I of the Foreign Assist-  
5 ance Act of 1961 for each of the fiscal years  
6 2017 through 2021 for the employment of not  
7 more than 30 individuals on a limited term  
8 basis pursuant to schedule A of subpart C of  
9 part 213 of title 5, Code of Federal Regula-  
10 tions, or similar provisions of law or regula-  
11 tions.

12 (2) RECOVERY OF FUNDS.—

13 (A) AUTHORITY.—

14 (i) IN GENERAL.—In carrying out the  
15 duties of the Lab under subsection (b), the  
16 Administrator, subject to the limitation de-  
17 scribed in clause (ii), is authorized to re-  
18 quire a person or entity that receives fund-  
19 ing under a grant, contract, or cooperative  
20 agreement made by the Lab to return to  
21 the Lab any program income that is attrib-  
22 utable to funding under such grant, con-  
23 tract, or cooperative agreement.

24 (ii) LIMITATION.—The amount of pro-  
25 gram income that a person or entity is re-

1           required to return to the Lab under clause  
2           (i) shall not exceed the amount of funding  
3           that the person or entity received under  
4           the grant, contract, or cooperative agree-  
5           ment.

6           (B) TREATMENT OF PAYMENTS.—

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

14          (ii) AVAILABILITY.—

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

19                   (aa) shall be merged with  
20                   other funds in the account; and

21                   (bb) shall be available, sub-  
22                   ject to appropriation, for the  
23                   same purposes and period of time  
24                   for which other funds in the ac-

1 count are available for programs  
2 and activities of the Lab.

3 (II) EXCEPTION.—Amounts re-  
4 turned and credited to an account  
5 under clause (i) may not be used to  
6 pay for the employment of individuals  
7 described in paragraph (1)(B).

8 (3) LIMITATIONS.—

9 (A) IN GENERAL.—Concurrent with the  
10 submission of the Congressional Budget Jus-  
11 tification for Foreign Operations for each fiscal  
12 year, the Administrator shall submit to the ap-  
13 propriate congressional committees a detailed  
14 accounting of USAID’s use of authorities under  
15 this section, including the sources, amounts,  
16 and uses of funding under each of paragraphs  
17 (1) and (2).

18 (B) INNOVATION INCENTIVE AWARDS.—In  
19 providing innovation incentive awards under  
20 paragraph (1)(A), the Administrator shall—

21 (i) limit the amount of individual  
22 awards for fiscal year 2017 to not more  
23 than \$100,000;

1 (ii) limit the total number of awards  
2 for fiscal year 2017 to not more than 10  
3 awards; and

4 (iii) notify the appropriate congress-  
5 sional committees not later than 15 days  
6 after providing each such award.

7 (C) STAFF.—In exercising the authority  
8 under paragraph (1)(B), the Administrator  
9 should seek to ensure that increases in the  
10 number of staff assigned to the Lab are offset  
11 by an equivalent reduction in the total number  
12 of staff serving elsewhere in USAID.

13 **SEC. 4. DEFINITIONS.**

14 In this Act:

15 (1) ADMINISTRATOR.—The term “Adminis-  
16 trator” means the Administrator of the United  
17 States Agency for International Development.

18 (2) APPROPRIATE CONGRESSIONAL COMMIT-  
19 TEES.—The term “appropriate congressional com-  
20 mittees” means—

21 (A) the Committee on Foreign Affairs and  
22 the Committee on Appropriations of the House  
23 of Representatives; and



1 (B) the Committees on Foreign Relations  
2 and the Committee on Appropriations of the  
3 Senate.

4 (3) LAB.—The term “Lab” means the United  
5 States Global Development Lab established under  
6 section 3.

7 (4) USAID.—The term “USAID” means the  
8 United States Agency for International Develop-  
9 ment.

10 (5) INNOVATION INCENTIVE AWARD.—The term  
11 “innovation incentive award” means the provision of  
12 funding on a competitive basis that—

13 (A) encourages and rewards the develop-  
14 ment of solutions for a particular, well-defined  
15 problem relating to the alleviation of poverty; or

16 (B) helps identify and promote a broad  
17 range of ideas and practices, facilitating further  
18 development of an idea or practice by third par-  
19 ties.

Passed the House of Representatives September 21,  
2016.

Attest:

*Clerk.*

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