

114TH CONGRESS  
2D SESSION

# S. 2526

To improve the competitiveness of United States manufacturing by designating and supporting manufacturing communities, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 2016

Mrs. GILLIBRAND (for herself, Mr. KIRK, Mr. MORAN, Mr. BLUMENTHAL, and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To improve the competitiveness of United States manufacturing by designating and supporting manufacturing communities, 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 “Made in America Man-  
5 ufacturing Communities Act of 2016”.

6 **SEC. 2. PROGRAM TO DESIGNATE AND SUPPORT MANUFAC-**  
7 **TURING COMMUNITIES.**

8 (a) DEFINITIONS.—In this section:

1           (1) INSTITUTION OF HIGHER EDUCATION.—The  
2 term “institution of higher education” has the  
3 meaning given such term in section 101 of the High-  
4 er Education Act of 1965 (20 U.S.C. 1001).

5           (2) SECRETARY.—The term “Secretary” means  
6 the Secretary of Commerce.

7           (b) ESTABLISHMENT OF PROGRAM.—The Secretary  
8 shall establish a program to improve the competitiveness  
9 of United States manufacturing by—

10           (1) designating consortiums as manufacturing  
11 communities under subsection (d); and

12           (2) supporting manufacturing communities, as  
13 so designated, under subsection (c).

14           (c) SUPPORT FOR DESIGNATED MANUFACTURING  
15 COMMUNITIES.—

16           (1) PREFERENTIAL CONSIDERATION.—

17           (A) IN GENERAL.—Except as provided in  
18 subparagraph (D), in any case in which a mem-  
19 ber of a consortium designated as a manufac-  
20 turing community under subsection (d) seeks fi-  
21 nancial or technical assistance under a partici-  
22 pating program of a participating agency, the  
23 head of such agency may give preferential con-  
24 sideration to such member with respect to the

1           awarding of such financial or technical assist-  
2           ance if—

3                   (i) such head considers the award of  
4                   the financial or technical assistance con-  
5                   sistent with the economic development  
6                   strategy of the consortium; and

7                   (ii) the member otherwise meets all  
8                   applicable requirements for the financial or  
9                   technical assistance.

10           (B) PARTICIPATING AGENCIES.—For pur-  
11           poses of the program, the participating agencies  
12           are the following:

13                   (i) The Department of Agriculture.

14                   (ii) The Department of Commerce.

15                   (iii) The Department of Defense.

16                   (iv) The Department of Education.

17                   (v) The Department of Energy.

18                   (vi) The Department of Housing and  
19           Urban Development.

20                   (vii) The Department of Labor.

21                   (viii) The Department of Transpor-  
22           tation.

23                   (ix) The Appalachian Regional Com-  
24           mission.

25                   (x) The Delta Regional Authority.

1 (xi) The Environmental Protection  
2 Agency.

3 (xii) The National Science Founda-  
4 tion.

5 (xiii) The Small Business Administra-  
6 tion.

7 (C) PARTICIPATING PROGRAMS.—

8 (i) IN GENERAL.—The head of each  
9 participating agency shall identify each  
10 program administered by such partici-  
11 pating agency that is applicable to the pro-  
12 gram established under subsection (b).

13 (ii) DESIGNATION.—For purposes of  
14 this section, a participating program is a  
15 program identified under clause (i).

16 (D) MULTIPLE MEMBERS OF THE SAME  
17 CONSORTIUM SEEKING THE SAME FINANCIAL  
18 OR TECHNICAL ASSISTANCE.—

19 (i) IN GENERAL.—In a case in which  
20 a participating agency receives applications  
21 for the same financial or technical assist-  
22 ance from more than one member of the  
23 same consortium designated as a manufac-  
24 turing community under subsection (d),  
25 the head of such agency may determine

1           how preference is given under subpara-  
2           graph (A), including by requiring the con-  
3           sortium to select which of the members  
4           should be given preference.

5           (ii) COORDINATION.—In a case de-  
6           scribed in clause (i) in which the head of  
7           the agency determines that more than one  
8           member of a consortium should be given  
9           preference under subparagraph (A) for fi-  
10          nancial or technical assistance, the head of  
11          the agency may require such members to  
12          demonstrate coordination with each other  
13          in developing their applications for the fi-  
14          nancial or technical assistance.

15          (E) REPORT.—Not later than 90 days  
16          after the date of the enactment of this Act, the  
17          head of each participating agency shall submit  
18          to the Secretary a report specifying how the  
19          head will give preferential consideration under  
20          subparagraph (A).

21          (2) TECHNICAL ASSISTANCE.—The Secretary  
22          may make available to each consortium designated  
23          as a manufacturing community under subsection (d)  
24          a Federal point of contact to help the members of

1 the consortium access Federal funds and technical  
2 assistance.

3 (3) FINANCIAL AND TECHNICAL ASSISTANCE.—

4 (A) IN GENERAL.—Under the program es-  
5 tablished under subsection (b), the head of a  
6 participating agency may award financial or  
7 technical assistance to a member of a consor-  
8 tium designated as a manufacturing community  
9 under subsection (d) as the head considers ap-  
10 propriate for purposes of such program and  
11 consistent with the economic development strat-  
12 egy of the consortium.

13 (B) USE OF FUNDS.—

14 (i) IN GENERAL.—A recipient of fi-  
15 nancial or technical assistance under sub-  
16 paragraph (A) may use the amount of such  
17 financial or technical assistance to support  
18 an investment in an ecosystem that will  
19 improve the competitiveness of United  
20 States manufacturing.

21 (ii) INVESTMENTS SUPPORTED.—In-  
22 vestments supported under this subpara-  
23 graph may include the following:

24 (I) Infrastructure.

25 (II) Access to capital.

1 (III) Promotion of exports and  
2 foreign direct investment.

3 (IV) Equipment or facility up-  
4 grades.

5 (V) Workforce training or re-  
6 training.

7 (VI) Energy or process efficiency.

8 (VII) Business incubators.

9 (VIII) Site preparation.

10 (IX) Advanced research.

11 (X) Supply chain development.

12 (4) COORDINATION.—

13 (A) COORDINATION BY SECRETARY OF  
14 COMMERCE.—The Secretary shall coordinate  
15 with the heads of the participating agencies to  
16 identify programs under paragraph (1)(C)(i).

17 (B) INTER-AGENCY COORDINATION.—The  
18 heads of the participating agencies shall coordi-  
19 nate with each other—

20 (i) to leverage complementary activi-  
21 ties, including from non-Federal sources  
22 such as philanthropies; and

23 (ii) to avoid duplication of efforts.

24 (d) DESIGNATION OF MANUFACTURING COMMU-  
25 NITIES.—

1           (1) IN GENERAL.—Except as provided in para-  
2 graph (7), for purposes of the program established  
3 under subsection (b), the Secretary shall designate  
4 eligible consortiums as manufacturing communities  
5 through a competitive process.

6           (2) ELIGIBLE CONSORTIUMS.—

7           (A) IN GENERAL.—For purposes of this  
8 section, an eligible consortium is a consortium  
9 that—

10                   (i) represents a region defined by the  
11 consortium in accordance with subpara-  
12 graph (B);

13                   (ii) includes at least one—

14                           (I) institution of higher edu-  
15 cation;

16                           (II) a private sector entity; and

17                           (III) a government entity;

18                   (iii) may include one or more—

19                           (I) private sector partners;

20                           (II) institutions of higher edu-  
21 cation;

22                           (III) government entities;

23                           (IV) economic development and  
24 other community and labor groups;

25                           (V) financial institutions; or



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(VI) utilities;

(iv) has, as a lead applicant—

(I) a district organization (as defined in section 300.3 of title 13, Code of Federal Regulations, or successor regulation);

(II) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) or a consortium of Indian tribes;

(III) a State or a political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions;

(IV) an institution of higher education or a consortium of institutions of higher education; or

(V) a public or private nonprofit organization or association that is acting in cooperation with officials of a political subdivision of a State.

1 (B) REGIONS.—For purposes of this sec-  
2 tion and subject to approval by the Secretary,  
3 a consortium may define the region that it rep-  
4 represents pursuant to paragraph (2)(A)(i), except  
5 that a region so defined shall be—

6 (i) large enough to contain critical ele-  
7 ments of the key technologies or supply  
8 chain prioritized by the consortium; and

9 (ii) small enough to enable close col-  
10 laboration among members of the consor-  
11 tium.

12 (3) DURATION.—Each designation under para-  
13 graph (1) shall be for a period of 2 years.

14 (4) RENEWAL.—

15 (A) IN GENERAL.—Upon receipt of an ap-  
16 plication submitted under subparagraph (B),  
17 the Secretary may, as the Secretary considers  
18 appropriate, renew a designation made under  
19 paragraph (1) for a period of 2 years.

20 (B) APPLICATION FOR RENEWAL.—An eli-  
21 gible consortium seeking a renewal under sub-  
22 paragraph (A) shall submit to the Secretary an  
23 application therefor at such time, in such man-  
24 ner, and containing such information as the  
25 Secretary may require.

1 (C) MODIFICATIONS AUTHORIZED.—The  
2 Secretary may renew a designation under sub-  
3 paragraph (A) for an eligible consortium that—

4 (i) has changed its own composition,  
5 either by adding or removing members; or

6 (ii) submits under subparagraph (B) a  
7 revision to the plan submitted under clause  
8 (iv) of paragraph (5)(B) or the strategy  
9 submitted under clause (v) of such para-  
10 graph.

11 (D) EVALUATION FOR RENEWAL.—In de-  
12 termining whether to renew a designation of an  
13 eligible consortium under paragraph (1), the  
14 Secretary shall assess the eligible consortium  
15 using the following criteria:

16 (i) The performance of the consortium  
17 against the terms of the consortium’s most  
18 recent designation under paragraph (1)  
19 and any post-designation awards the con-  
20 sortium may have received.

21 (ii) The progress the consortium has  
22 made with respect to project-specific  
23 metrics the consortium proposed in the  
24 consortium’s application for the most re-  
25 cent designation under paragraph (1), par-

1           ticularly with respect to those metrics that  
2           were designed to help communities track  
3           their own progress.

4           (iii) Whether any changes to the com-  
5           position of the eligible consortium, as de-  
6           scribed in clause (i) of subparagraph (C),  
7           or revisions to the plan or strategy de-  
8           scribed in clause (ii) of such subparagraph  
9           would improve the competitiveness of  
10          United States manufacturing.

11          (iv) Such other criteria as the Sec-  
12          retary considers appropriate.

13          (5) APPLICATION FOR DESIGNATION.—

14          (A) IN GENERAL.—An eligible consortium  
15          seeking a designation under paragraph (1) shall  
16          submit to the Secretary an application therefor  
17          at such time and in such manner as the Sec-  
18          retary may require.

19          (B) CONTENTS.—Each application sub-  
20          mitted to the Secretary by an eligible consor-  
21          tium shall contain the following:

22                  (i) Description of the regional bound-  
23                  aries of the consortium.

24                  (ii) A description of the manufac-  
25                  turing concentration of the consortium, in-

1 cluding an assessment of how the manufac-  
2 turing concentration of the consortium  
3 competitively ranks nationally according to  
4 measures relating to employment, sales, lo-  
5 cation quotients for an industry's level of  
6 concentration, or such other measures as  
7 the Secretary considers appropriate.

8 (iii) An integrated assessment of the  
9 local industrial ecosystem of the region of  
10 the consortium, which may include assess-  
11 ment of workforce and training, supplier  
12 network, research and innovation, infra-  
13 structure or site development, trade and  
14 international investment, operational im-  
15 provements, and capital access components  
16 needed for manufacturing activities in such  
17 region.

18 (iv) An evidence-based plan for devel-  
19 oping components of such ecosystem (se-  
20 lected by the consortium) by making—

21 (I) specific investments to ad-  
22 dress gaps in such ecosystem; and

23 (II) the manufacturing of the re-  
24 gion of the consortium uniquely com-  
25 petitive.

1 (v) A description of the investments  
2 the consortium proposes and the imple-  
3 mentation strategy the consortium intends  
4 to use to address gaps in such ecosystem.

5 (vi) A description of outcome-based  
6 metrics, benchmarks, and milestones that  
7 the consortium will track and the evalua-  
8 tion methods the consortium will use while  
9 designated as a manufacturing community  
10 to gauge performance of the strategy of  
11 the consortium to improve the manufac-  
12 turing in the region of the consortium.

13 (vii) Such other matters as the Sec-  
14 retary considers appropriate.

15 (6) EVALUATION OF APPLICATIONS.—The Sec-  
16 retary shall evaluate each application received under  
17 paragraph (5) with respect to the following:

18 (A) Whether the applicant demonstrates a  
19 significant level of regional cooperation in their  
20 proposal.

21 (B) How the manufacturing concentration  
22 of the applicant competitively ranks nationally  
23 according to measures described in paragraph  
24 (5)(B)(ii).

1           (7) CERTAIN COMMUNITIES PREVIOUSLY REC-  
2           OGNIZED.—Subject to subparagraph (B), each con-  
3           sortium that was designated as a manufacturing  
4           community by the Secretary in carrying out the In-  
5           vesting in Manufacturing Communities Partnership  
6           initiative of the Department of Commerce before the  
7           date of the enactment of this Act shall be deemed  
8           a manufacturing community designated under this  
9           subsection as long as such consortium is still des-  
10          ignated as a manufacturing community by the Sec-  
11          retary as part of such initiative.

12          (e) RECEIPT OF TRANSFERRED FUNDS.—The Sec-  
13          retary may accept amounts transferred to the Secretary  
14          from the head of another participating agency to carry out  
15          this section.

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