113TH CONGRESS
1ST SESSION

H. R. ______

To require the Secretary of Commerce and the Secretary of Labor to establish the Make It In America Incentive Grant Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. Cicilline introduced the following bill; which was referred to the Committee on ______

A BILL

To require the Secretary of Commerce and the Secretary of Labor to establish the Make It In America Incentive Grant Program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Make It In America Manufacturing Act of 2013”.

SEC. 2. DEFINITIONS.

In this Act:
(1) Industry Cluster.—The term “industry cluster” means a concentration of interconnected businesses, suppliers, research and development entities, service providers, and associated institutions in a particular field that are linked by common manufacturing and workforce needs.

(2) Manufacturer.—The term “manufacturer” shall be defined by the Secretary of Commerce in accordance with the North American Industry Classification System.

(3) Nationally Portable.—The term “nationally portable”, with respect to a credential, means a credential that is sought or accepted by businesses within the industry sector involved, across multiple States, as a recognized, preferred, or required credential for recruitment, screening, advancement, or hiring purposes.

(4) Program.—The term “Program” means the program established under section 3(a).

(5) Regional Partnership.—The term “regional partnership” means a collaborative group that—

(A) organizes key stakeholders in a targeted industry cluster or broader manufacturing partnership into a working group that
focuses on the needs of manufacturers in order to implement a manufacturing enhancement strategy;

(B) includes, at the appropriate stage of development of the partnership—

(i) representatives of multiple firms or employers in the targeted industry cluster, including small- or medium-sized manufacturers and large manufacturers when practicable;

(ii) one or more representatives of State labor organizations, central labor coalitions, or other labor organizations, except in instances where no labor representation exists;

(iii) one or more representatives of postsecondary educational institutions or other training providers;

(iv) one or more representatives of State workforce agencies or other entities providing employment services; and

(v) one or more representatives of a State or local government or Indian tribe (as defined in section 4 of the Indian Self-
Determination and Education Assistance Act (25 U.S.C. 450b));

(C) may include representatives of—

(i) State or local economic development agencies;

(ii) other State or local agencies;

(iii) chambers of commerce;

(iv) nonprofit organizations;

(v) philanthropic organizations;

(vi) economic development organizations;

(vii) industry associations;

(viii) a local or regional Hollings Manufacturing Extension Center; and

(ix) other organizations, as determined necessary by the members comprising the industry or sector partnership;

and

(D) designates as the fiscal agent for the collaborative group a not-for-profit organization or government entity that is a member of the collaborative group.

(6) Small-sized manufacturer.—The term “small-sized manufacturer” means a manufacturer that is a small business concern.
(7) **Small business concern.**—The term “small business concern” has the meaning given such term under section 3 of the Small Business Act (15 U.S.C. 632).

(8) **State.**—The term “State” means each of the 50 States, the District of Columbia, and any territory or possession of the United States.

**SEC. 3. ESTABLISHMENT OF THE MAKE IT IN AMERICA INCENTIVE GRANT PROGRAM.**

(a) **Establishment.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of Commerce and the Secretary of Labor shall jointly establish a program under which the secretaries shall jointly award incentive grants to eligible entities to support the manufacturing industry in the United States.

(b) **Administration.**—The Secretary of Labor shall administer the Program with respect to all matters relating to the use of incentive grants for job training and the Secretary of Commerce shall administer the Program with respect to all other matters.

(c) **Eligible entities.**—For purposes of the Program, an eligible entity is any of the following:

(1) A State.

(2) A regional partnership.
(d) DESIGNATION.—The program established under subsection (a) shall be known as the “Make It In America Incentive Grant Program”.

(e) COORDINATION.—In carrying out the Program, the Secretary of Commerce and the Secretary of Labor shall coordinate with such other heads of Federal agencies as the secretaries consider appropriate.

SEC. 4. INCENTIVE GRANTS.

(a) MAXIMUM AMOUNT.—An incentive grant awarded by the Secretary of Commerce and the Secretary of Labor under the Program may not exceed $20,000,000.

(b) USE OF FUNDS.—An incentive grant awarded by the Secretary of Commerce and the Secretary of Labor under the Program shall be used by the recipient of the incentive grant to carry out a manufacturing enhancement strategy through the following:

(1) Establishing a revolving loan fund to issue loans to manufacturers to finance the cost of any of the following:

(A) Retooling, retrofitting, expanding, or establishing (including applicable engineering costs) a manufacturer in the United States, including with respect to equipment, facilities, infrastructure, or capital.
(B) Activities relating to improving the energy or process efficiency of a manufacturer, but not relating to or involving training.

(2) Retraining the employees of the manufacturers, including through the awarding of grants to not-for-profit third-parties—

(A) to provide skills necessary to operate new or advanced manufacturing equipment; or

(B) to sustain or improve the processes of the manufacturer.

(3) Training new employees of the manufacturers, including through the awarding of grants to not-for-profit third-parties—

(A) to provide on-the-job training;

(B) to provide off-site training;

(C) for classroom and on-site experiential learning;

(D) for the development and implementation of registered apprenticeship programs; and

(E) for such other activities as the Secretary of Labor considers appropriate for training new employees of the manufacturers.

(4) Creating or expanding export activity and domestic supply chain opportunities by providing
capital and technical expertise to the manufacturers—

(A) to facilitate new connections in domestic supply chains between small-sized manufacturers and other manufacturers; and

(B) for such other activities as the Secretary of Commerce considers appropriate.

(5) Such other activities as the Secretary of Commerce and the Secretary of Labor consider appropriate to carry out a manufacturing enhancement strategy.

(c) Interest Rates.—Loans issued under subsection (b)(1) shall bear an interest rate determined by the entity receiving the incentive grant as follows:

(1) The interest rate shall enable the loan recipient to accomplish the activities described in subparagraphs (A) and (B) of subsection (b)(1).

(2) The interest rate may be set below market interest rates.

(3) The interest rate may not be less than zero percent.

(4) The interest rate may not exceed the current prime rate plus 500 basis points.

(d) Use of Funds in United States.—A recipient of an incentive grant under the Program may only use
such grant to carry out activities in the United States and to improve manufacturing in the United States.

SEC. 5. REQUIREMENTS FOR INCENTIVE GRANT RECIPIENTS.

(a) Application.—

(1) In general.—An entity seeking an incentive grant under the Program shall submit to the Secretary of Commerce and the Secretary of Labor an application therefor at such time, in such form, and in such manner as the Secretary of Commerce and the Secretary of Labor may require.

(2) Elements.—Each application submitted under paragraph (1) shall include the following:

(A) The manufacturing enhancement strategy for which the entity is seeking an incentive grant under the Program.

(B) Such other information as the Secretary of Commerce and the Secretary of Labor consider appropriate.

(3) Proposed manufacturing enhancement strategy.—Each manufacturing enhancement strategy submitted under paragraph (2)(A) by an entity for an incentive grant shall include the following:
(A) A description of the plans of the entity to make loans or grants to third parties with funds from the incentive grant and how such plans will improve the competitiveness of a particular industry cluster identified by the entity and of manufacturing in the United States in one or more industries.

(B) A description of the expected economic return on investment of the entity's manufacturing enhancement strategy with respect to the incentive grant, including the following:

   (i) The number of jobs to be created or retained by third-party recipients of loans or grants issued or awarded by the entity under the Program.

   (ii) The sales to be increased or retained by such third-party recipients.

   (iii) The cost savings to be achieved by such third-party recipients due to energy efficiency savings or other activities supported by loans issued or grants awarded by the entity under the Program.

   (iv) The workforce training investments to be made by the entity or such third-party recipients, including—
(I) the number of training hours to be provided; and

(II) a description of the nationally portable, industry recognized credentials or, if not available, other credentials, related to the targeted industry cluster that the entity proposes to support, develop, or use as a performance measure, in order to carry out the goals of the entity with respect to the proposed manufacturing enhancement strategy.

(v) The amount of capital and technical assistance to be provided to manufacturers to expand the export opportunities, facilitate new domestic supply chains, or carry out other authorized activities.

(vi) Private investments from the third party recipients or affiliated private investors leveraged by grant funding.

(vii) How the entity will address, to the extent practicable, economic distress, including high rates of unemployment, situations of sudden and severe economic dislocation, in particular where mass layoffs
result in a precipitous increase in unemployment, and such other similar issues of economic distress as the Secretary of Commerce considers appropriate.

(C) A description of how the entity intends to establish a Make It In America Partnership Board—

(i) to assist the entity in issuing loans and awarding grants to third parties;

(ii) to ensure the coordination and best use of Federal, State, regional, and local assets and resources for the implementation of the proposed manufacturing enhancement strategy; and

(iii) which shall be comprised of, to the extent practicable, representatives of—

(I) economic development agencies of State and local governments;

(II) departments of labor;

(III) workforce investment boards and agencies;

(IV) institutions of higher education, including community colleges run by a State;
(V) economic development organizations;

(VI) chambers of commerce;

(VII) nonprofit organizations;

(VIII) philanthropic organizations;

(IX) industry associations;

(X) labor organizations;

(XI) a local or regional Hollings Manufacturing Extension Center; and

(XII) such other organizations or entities as the entity considers appropriate.

(D) A description of the plans of the entity to foster, through the Make It In America Partnership Board established by the entity, collaboration between Federal entities, State and local economic development organizations and agencies, State and local workforce development organizations and agencies, manufacturers, and institutions of higher education (including community colleges run by a State)—

(i) to improve resource allocation, including coordinating the use of other Fed-
eral, State, and local funding sources to improve intended results;

(ii) to identify opportunities to leverage additional public and private funding for the purposes of implementing the manufacturing enhancement strategy; and

(iii) to ensure comprehensive counseling, technical assistance, workforce development, and export assistance are provided to manufacturers.

(b) **Priority for Entities With Matching Funds.**—

(1) **In General.**—In awarding incentive grants under the Program to entities to carry out manufacturing enhancement strategies, the Secretary of Commerce and the Secretary of Labor shall give priority to an entity that, with respect to the costs to be incurred by the entity in carrying out a manufacturing enhancement strategy under the Program, the entity identifies and commits contributions in an amount equal to not less than 50 percent of Federal funds provided under the incentive grant.

(2) **Source of Contributions.**—A contribution described in paragraph (1) may consist of non-Federal funds, in-kind contributions, including con-
tributions of space, equipment, services, and such other kinds of funds and contributions as the Secretary of Commerce and the Secretary of Labor consider appropriate.

(c) Coordination With Hollings Manufacturing Extension Centers.—Each recipient of an incentive grant under the Program shall coordinate with a Hollings Manufacturing Extension Center as a preferred provider of services to implement the manufacturing enhancement strategy of the recipient as determined by the Secretary of Commerce and the Secretary of Labor.

(d) Workforce Training Investments.—

(1) In general.—Not more than half of amounts appropriated or otherwise made available to carry out the Program may be used as described in paragraphs (2) and (3) of section 4(b).

(2) Training and retraining of employees.—Each recipient of an incentive grant under the Program shall, with respect to training new employees and retraining employees of manufacturers, help postsecondary educational institutions, training institutions, apprenticeship programs, and other training programs align curricula, entrance requirements, and programs to industry demand and nationally portable, industry-recognized credentials (or,
if not available for the targeted industry, other credentials, as the Secretary of Labor considers appropriate), particularly for higher skill, high-priority occupations (as determined by the Secretary of Labor).

(e) Administrative Expenses.—A recipient of an incentive grant under the Program may only use such amount of the incentive grant for costs associated with administering the incentive grant as the Secretary of Commerce and the Secretary of Labor shall specify in solicitations for applications for incentive grants.

(f) Annual Reports.—For each recipient of an incentive grant awarded under the Program, not later than 1 year after the date on which the recipient first receives funds under the Program, and not less frequently than once each year thereafter, the recipient shall submit to the Secretary of Commerce and the Secretary of Labor a report describing—

(1) the loans and grants issued and awarded by the recipient to third parties using incentive grant funds;

(2) the achievements with respect to the goals identified in the proposed manufacturing enhancement strategy of the grant recipient;
(3) for each third party recipient, the achievements of such third party with respect to relevant goals specified in the proposed manufacturing enhancement strategy of the grant recipient; and

(4) in the case of a recipient who used grants amounts as described in paragraphs (2) and (3) of section 4(b), common employment outcomes using measures established by the Secretary of Labor.

SEC. 6. ESTABLISHMENT OF STATE AND LOCAL ADVISORY COMMITTEE REQUIRED.

The Secretary of Commerce and the Secretary of Labor shall jointly establish an advisory committee to advise the secretaries with respect to implementing and evaluating the Program, which shall be comprised of the following:

(1) One or more individuals who represent a State government.

(2) One or more individuals who represent a local government.

(3) One or more individuals who represent a regional planning organization or economic development organization.

(4) One or more individuals who represent the education sector.
(5) One or more individuals who represent the manufacturing sector.

(6) One or more individuals who represent a labor organization.

(7) Such other individuals as the Secretary considers appropriate.

SEC. 7. REVIEW AND EVALUATION.

(a) GRANT RECIPIENTS.—The Secretary of Commerce and the Secretary of Labor may review and evaluate the performance of a recipient of an incentive grant under the Program as the secretaries consider appropriate.

(b) INELIGIBILITY FOR FUTURE GRANTS.—The Secretary of Commerce and the Secretary of Labor may determine a recipient of an incentive grant under the Program to be ineligible to receive additional incentive grants under the Program if the Secretary determines that the recipient has failed to achieve compliance with—

(1) any applicable guideline or regulation of the Secretary relating to the Program, including with respect to the misuse or misappropriation of funds provided under the Program; or

(2) the proposed manufacturing enhancement strategy of the recipient.