117TH CONGRESS 1ST SESSION

H. R. 476

To strengthen American economic resiliency and equitably expand economic opportunity by launching a national competition, promoting State and local strategic planning, encouraging innovation by the public and private sectors, and by substantially investing Federal resources in research and development.

IN THE HOUSE OF REPRESENTATIVES

January 25, 2021

Mr. Morelle (for himself, Ms. Sewell, Mr. Phillips, Ms. Norton, and Mr. Case) introduced the following bill; which was referred to the Committee on Science, Space, and Technology, and in addition to the Committees on Small Business, Education and Labor, Energy and Commerce, Transportation and Infrastructure, Ways and Means, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To strengthen American economic resiliency and equitably expand economic opportunity by launching a national competition, promoting State and local strategic planning, encouraging innovation by the public and private sectors, and by substantially investing Federal resources in research and development.

- 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.

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2	This Act may be cited as the "Innovation Centers Ac-
3	celeration Act".
4	SEC. 2. DEFINITIONS.
5	In this Act:
6	(1) Committee.—The term "Committee"
7	means the Innovation Center Selection Committee
8	established under section 3.
9	(2) ELIGIBLE AREA.—The term "eligible area"

- (2) ELIGIBLE AREA.—The term "eligible area" means a metropolitan statistical area that—
- 11 (A) has a population of not less than 12 500,000; and
- 13 (B) is not designated as an established 14 tech hub.
 - (3) ESTABLISHED TECH HUB.—The term "established tech hub" means the 9 metropolitan statistical areas in the United States with the largest total number of innovation sector jobs in 2019.
 - (4) HISPANIC-SERVING INSTITUTION.—The term "Hispanic-serving institution" has the meaning given the term in section 502 of the Higher Education Act of 1965 (20 U.S.C. 1101a).
 - (5) HISTORICALLY BLACK COLLEGE OR UNI-VERSITY.—The term "historically Black college or university" has the meaning given the term "part B

1	institution" in section 322 of the Higher Education
2	Act of 1965 (20 U.S.C. 1061).
3	(6) Innovation center.—The term "innova-
4	tion center" means an eligible area designated by
5	the Committee under section 3(e).
6	(7) Innovation sector job.—The term "in-
7	novation sector job" means a job in the following re-
8	search and development sectors, as categorized
9	under the North American Industry Classification
10	System:
11	(A) Basic chemical manufacturing (3251).
12	(B) Pesticide, fertilizer, and other agricul-
13	tural chemical manufacturing (3253).
14	(C) Pharmaceutical and medicine manufac-
15	turing (3254).
16	(D) Computer and peripheral equipment
17	manufacturing (3341).
18	(E) Communications equipment manufac-
19	turing (3342).
20	(F) Semiconductor and other electronic
21	components manufacturing (3344).
22	(G) Navigational, measuring,
23	electromedical, and control instruments manu-
24	facturing (3345).

1	(H) Aerospace product and parts manufac-
2	turing (3364).
3	(I) Software publishers (5112).
4	(J) Satellite telecommunications (5174).
5	(K) Data processing, hosting, and related
6	services (5182).
7	(L) Other information services (5191).
8	(M) Scientific research and development
9	services (5417).
10	(8) STEM.—The term "STEM" means science,
11	technology, engineering, and mathematics.
12	SEC. 3. INNOVATION CENTER SELECTION COMMITTEE.
13	(a) Establishment.—There is established the Inno-
14	vation Center Selection Committee, which shall—
15	(1) establish the global competitive edge of the
16	United States in the 21st century across a range of
17	innovation sectors critical to national and economic
18	security;
19	(2) enable 9 metropolitan statistical areas in
20	the United States to become innovation centers for
21	global innovation leadership and models for inclusive
22	growth, equal opportunity, and rising living stand-
23	ards for disadvantaged populations;
24	(3) inspire, within metropolitan statistical areas
25	in the United States across the country, new and

1	constructive collaboration among local, State, and
2	Federal government entities, academia, and private
3	industry by issuing a call for innovation center pro-
4	posals with clear, ambitious objectives;
5	(4) carry out a transparent, competitive, fair,
6	and rigorous process for selecting innovation centers;
7	(5) ensure the transparent, efficient and effec-
8	tive use of taxpayer funds; and
9	(6) empirically evaluate the effectiveness of in-
10	novation centers through release of publicly available
11	reports and data.
12	(b) Membership.—
13	(1) Composition.—
14	(A) VOTING MEMBERS.—The Committee
15	shall be composed of the following voting mem-
16	bers:
17	(i) The Secretary of Commerce, who
18	shall serve as chairperson of the Com-
19	mittee.
20	(ii) The Administrator of the Small
21	Business Administration.
22	(iii) The Deputy Secretary for Hous-
23	ing and Urban Development.
24	(iv) The Director of the Community
25	Development Financial Institution Fund.

1	(v) The Director of the National
2	Science Foundation.
3	(vi) The Director of the National In-
4	stitute of Standards and Technology.
5	(vii) The Director of the National
6	Economic Council.
7	(viii) The Assistant Secretary of Com-
8	merce for Economic Development.
9	(ix) The Assistant Secretary for Em-
10	ployment and Training.
11	(x) The Director of the Office of
12	Science and Technology Policy.
13	(xi) The Under Secretary of Defense
14	for Research and Engineering.
15	(xii) The Under Secretary for Science
16	of the Department of Energy.
17	(xiii) The Director of the National In-
18	stitutes of Health.
19	(xiv) The Under Secretary for Science
20	and Technology of the Department of
21	Homeland Security.
22	(xv) The Administrator of the Na-
23	tional Aeronautics and Space Administra-
24	tion.
25	(2) Nonvoting members.—

1	(A) In General.—The Committee shall
2	have 8 nonvoting members, of which, from
3	among leaders of labor organizations or re-
4	search institutions, or leaders from private in-
5	dustry or professional societies—
6	(i) 2 shall be appointed by the major-
7	ity leader of the Senate;
8	(ii) 2 shall be appointed by the minor-
9	ity leader of the Senate;
10	(iii) 2 shall be appointed by the
11	Speaker of the House of Representatives;
12	and
13	(iv) 2 shall be appointed by the minor-
14	ity leader of the House of Representatives.
15	(B) Term.—The nonvoting members ap-
16	pointed under subparagraph (A)—
17	(i) shall serve for a term of 5 years;
18	and
19	(ii) may be reappointed to subsequent
20	terms.
21	(C) VACANCIES.—A vacancy in the non-
22	voting membership of the Committee shall be
23	filled in the same manner as the original ap-
24	pointment, but the individual appointed to fill
25	the vacancy shall serve only for the unexpired

1	portion of the term for which the individual's
2	predecessor was appointed.
3	(D) DEADLINE FOR APPOINTMENTS.—The
4	nonvoting members of the Committee shall be
5	appointed under this paragraph not later than
6	30 days after the date of enactment of this Act.
7	(3) Initial meeting.—Not later than 30 days
8	after the date on which all members of the Com-
9	mittee are appointed, the Committee shall hold its
10	first meeting.
11	(c) Compensation.—A nonvoting member of the
12	Committee appointed under subsection (b)(2) shall be al-
13	lowed travel expenses, including per diem in lieu of sub-
14	sistence, at rates authorized for employees of agencies
15	under subchapter I of chapter 57 of title 5, United States
16	Code, while away from their homes or regular places of
17	business in the performance of services for the Committee.
18	(d) Staff.—
19	(1) In general.—The Committee may appoint
20	a staff director and other personnel as necessary to
21	carry out the duties of the Committee.
22	(2) Member agencies.—The Department of
23	Commerce, the Department of Labor, the Depart-
24	ment of the Treasury, the Department of Housing

and Urban Development, the Department of De-

- fense, the Department of Energy, the Department of
 Health and Human Services, the Small Business
 Administration, and the Department of Transportation shall provide necessary staffing support to the
 Committee, as determined by the Committee.
 - (e) Selection of Innovation Centers.—
 - (1) IN GENERAL.—The Committee shall select 9 eligible areas to serve as innovation centers and receive the Federal innovation supports described in section 4.

(2) Application.—

- (A) REQUEST FOR PROPOSALS.—Not later than 3 months after the date of enactment of this Act, the Committee shall issue a request for applications from eligible entities.
- (B) Submission.—Each eligible area desiring to be selected as an innovation center shall submit to the Committee an application through a proposal committee created by the eligible area, which shall include representation from each State located in the eligible area and each municipal government representing not less than 200,000 individuals located in the eligible area.

1	(3) Selection Criteria.—In selecting innova-
2	tion centers under this section, the Committee shall
3	evaluate each applicant based on—
4	(A) the performance of the applicant in—
5	(i) STEM spending per capita;
6	(ii) the number of patents per
7	100,000 residents;
8	(iii) the share of the population with
9	a Bachelor of Arts degree or a higher de-
10	gree; and
11	(iv) the number of STEM university
12	degrees per capita;
13	(B) a plan to use data-driven strategies to
14	promote innovation-based, advanced sector
15	takeoff, focused on local interplay of university,
16	Federal research institution, and industry core
17	competencies;
18	(C) a plan to increase innovation readi-
19	ness, including expanding research and tech-
20	nology development facilities and developing the
21	local STEM workforce, including through part-
22	nerships with entities with demonstrated suc-
23	cess of administering apprenticeship and other
24	workforce development models;

1	(D) a plan to build or improve areas that
2	attract and support workers and firms;
3	(E) a plan to foster racial equity and inclu-
4	sive growth, including by leveraging minority
5	serving institutions, preventing gentrification,
6	combatting segregation, promoting the inclusion
7	of underrepresented residents, and ensuring af-
8	fordable housing options;
9	(F) a plan to invest the financial resources
10	of the applicant;
11	(G) a plan to partner with local workforce
12	development boards to scale up training to meet
13	new workforce demands;
14	(H) a plan to incorporate and bring
15	growth and opportunity to a broad geographic
16	area beyond the limits of the metropolitan sta-
17	tistical area, including rural areas, through im-
18	proved transportation, high speed internet ac-
19	cess, other investments, and partnerships; and
20	(I) the relative potential for the selection
21	of the innovation center to reverse a decline, or
22	accelerate growth, in innovation sector jobs.
23	(4) Geographic diversity.—In selecting in-
24	novation centers under this section, the Committee

1	shall ensure a broad geographic representation of
2	the United States.
3	(5) Site visits.—The Committee may conduct
4	site visits to eligible areas that are finalists for selec-
5	tion as an innovation center.
6	(6) Timeline for selection.—The Com-
7	mittee shall, by secret ballot, vote to select the 9 in-
8	novation centers not later than 12 months after the
9	date of enactment of this Act.
10	(7) Evaluation and renewal.—
11	(A) In general.—Not later than 1 year
12	after the date of enactment of this Act, the
13	Committee shall establish evaluation and re-
14	newal criteria to measure—
15	(i) the progress of an innovation cen-
16	ter toward becoming a center for tech-
17	nology innovation;
18	(ii) the effectiveness of an innovation
19	center in translating innovation sector
20	growth into broadly shared economic op-
21	portunity within the innovation center; and
22	(iii) the ethical and efficient use of
23	Federal funds.
24	(B) Report to congress.—Beginning in
25	the third full year following the date of enact-

ment of this Act, and not less frequently than once every 3 years thereafter, the Committee shall submit to Congress and each agency represented on the Committee, and make publicly available, a report on the progress of each innovation center in meeting the objectives described in paragraph (3).

(C) EVALUATION.—

- (i) IN GENERAL.—During the third year in which an innovation center is in existence, the Committee shall conduct an evaluation based on established benchmarks for achieving the objectives described in paragraph (3) to determine whether the designation as an innovation center shall be renewed for 3 additional years.
- (ii) Failure to meet benchmarks.—An innovation center that fails to meet a majority of the benchmarks established under clause (i) shall not be renewed as an innovation center.
- (D) RENEWAL LIMIT.—An innovation center shall be designated as such for a period of 3 years, and the Committee may renew the des-

1	ignation for not more than 2 additional 3-year
2	terms.
3	(f) FINAL REPORT.—Not later than 1 year after the
4	date on which all innovation centers have exhausted their
5	designations and renewals as an innovation center, the
6	Committee shall submit to Congress and each agency rep
7	resented on the Committee, and make publicly available
8	a final cumulative report on the efficacy of the program
9	(g) Authorization of Appropriations.—There is
10	authorized to be appropriated to the Committee for trave
11	and administrative expenses related to carrying out the
12	duties of the Committee—
13	(1) \$5,000,000 for each of the first 2 fisca
14	years beginning after the date of enactment of this
15	Act; and
16	(2) \$1,000,000 for each of the 8 fiscal years
17	following the 2 fiscal years described in paragraph
18	(1).
19	SEC. 4. FEDERAL INNOVATION SUPPORTS.
20	(a) In General.—An innovation center shall be eli-
21	gible for the Federal innovation supports described in this
22	section.
23	(b) Direct Federal Investment.—
24	(1) NATIONAL SCIENCE FOUNDATION RE-
25	SEARCH FUNDING —

1	(A) Funding goal.—The Director of the
2	National Science Foundation shall pursue a
3	goal of awarding through a rigorous selection
4	process, for each innovation center that gets its
5	designation renewed continually for 3 terms, a
6	total of \$1,250,000,000 in grant funds to enti-
7	ties located in that innovation center by the end
8	of the 9th year of the designation of that inno-
9	vation center, by proportionally increasing the
10	total amount of the grants awarded over the 9-
11	year period.
12	(B) Additional funding.—In addition
13	to awarding grants in pursuit of the goal de-
14	scribed in subparagraph (A), the Director shall
15	award grants—
16	(i) with a focus on universities or
17	other research institutions that commit to
18	expanding research and workforce capabili-
19	ties aligned with industries and tech-
20	nologies and with a preference for univer-
21	sities or institutions that are—
22	(I) concentrated in an innovation
23	center; or
24	(II) key to national challenges; or

1	(ii) that include industry-university
2	research partnership programs.
3	(C) Tracking.—In each year, the Direc-
4	tor of the National Science Foundation shall
5	track the aggregate amount of grants awarded
6	by the Director to entities in that year,
7	disaggregated by innovation center.
8	(D) AUTHORIZATION OF ADDITIONAL AP-
9	PROPRIATIONS.—There are authorized to be ap-
10	propriated to carry out this paragraph, in addi-
11	tion to amounts that would otherwise be appro-
12	priated in a year for the National Science
13	Foundation, amounts as follows:
14	(i) For fiscal year 2022, \$0.
15	(ii) For fiscal year 2023,
16	\$1,110,000,000.
17	(iii) For fiscal year 2024,
18	\$2,220,000,000.
19	(iv) For fiscal year 2025,
20	\$3,330,000,000.
21	(v) For fiscal year 2026,
22	\$4,440,000,000.
23	(vi) For fiscal year 2027,
24	\$5,550,000,000.

1	(vii) For fiscal year 2	2028,
2	\$6,660,000,000.	
3	(viii) For fiscal year 2	2029,
4	\$7,770,000,000.	
5	(ix) For fiscal year 2	2030,
6	\$8,880,000,000.	
7	(x) For fiscal year 2	2031,
8	\$9,990,000,000.	
9	(2) NATIONAL SCIENCE FOUNDATION G	RAD-
10	UATE RESEARCH FELLOWSHIPS AND UN	DER-
11	GRADUATE RESEARCH PROGRAMS.—	
12	(A) Expansion.—The Director of the	Na-
13	tional Science Foundation shall expand	grad-
14	uate research fellowships and programs for	cused
15	on undergraduate research opportunities	, in-
16	cluding—	
17	(i) research experiences for u	nder-
18	graduates;	
19	(ii) advanced technological educ	ation
20	programs;	
21	(iii) historically Black colleges	and
22	universities undergraduate programs;	and
23	(iv) Hispanic-serving institutions.	
24	(B) Allocation.—The amounts expe	ended
25	by the Director to carry out subparagraph	(A)

1	35 percent of such amounts shall be expended
2	for the expansion of graduate research fellow-
3	ships and undergraduate research opportunities
4	in innovation centers.
5	(C) AUTHORIZATION OF APPROPRIA-
6	TIONS.—There are authorized to be appro-
7	priated to carry out this paragraph amounts as
8	follows:
9	(i) In fiscal year 2023, \$57,000,000.
10	(ii) In fiscal year 2024, \$114,000,000.
11	(iii) In fiscal year 2025,
12	\$171,000,000.
13	(iv) In fiscal year 2026,
14	\$228,000,000.
15	(v) In fiscal year 2027, \$285,000,000.
16	(vi) In fiscal year 2028,
17	\$342,000,000.
18	(vii) In fiscal year 2029,
19	\$399,000,000.
20	(viii) In fiscal year 2030,
21	\$456,000,000.
22	(ix) In fiscal year 2031,
23	\$513,000,000.
24	(3) National science foundation indus-
25	TRY-UNIVERSITY COOPERATIVE RESEARCH CENTERS

1	PROGRAM.—The Director of the National Science
2	Foundation shall consider the location of a univer-
3	sity within an innovation center to be a strength for
4	purposes of selection criteria under the Industry-
5	University Cooperative Research Centers program.
6	(4) SMALL BUSINESS INNOVATION RE-
7	SEARCH.—Section 9(j) of the Small Business Act
8	(15 U.S.C. 638(j)) is amended by adding at the end
9	the following:
10	"(5) Modifications relating to innova-
11	TION CENTERS.—
12	"(A) DEFINITION.—In this paragraph, the
13	term 'innovation center' has the meaning given
14	the term in section 2 of the Innovation Centers
15	Acceleration Act.
16	"(B) Requirement.—Not later than 6
17	months after the date of enactment of the Inno-
18	vation Centers Acceleration Act, the Adminis-
19	trator shall modify the policy directives issued
20	pursuant to this subsection—
21	"(i) to provide that, during the 10-
22	year period beginning on the date of enact-
23	ment of the Innovation Centers Accelera-
24	tion Act, the location of a small business
25	concern within an innovation center shall

1	be considered a strength under the selec-
2	tion criteria for Phase I and Phase II pro-
3	posals under the SBIR program of a Fed-
4	eral agency; and
5	"(ii) to require the Administrator to
6	track and publish on an annual basis the
7	total value of SBIR awards made to small
8	business concerns located in innovation
9	centers.".
10	(5) Manufacturing usa program.—
11	(A) Definitions.—In this paragraph:
12	(i) Manufacturing usa program.—
13	The term "Manufacturing USA Program"
14	means the program established under sec-
15	tion 34(b) of the National Institute of
16	Standards and Technology Act (15 U.S.C.
17	278s(b)).
18	(ii) Manufacturing usa insti-
19	TUTE.—The term "Manufacturing USA
20	institute" means an institute described in
21	section 34(d) of the National Institute of
22	Standards and Technology Act (15 U.S.C.
23	278s(d)).
24	(B) Expansion.—Under section 34(e) of
25	the National Institute of Standards and Tech-

1	nology Act (15 U.S.C. 278s(e)), the Secretary
2	shall award financial assistance to assist in the
3	establishment and support of—
4	(i) 9 new Manufacturing USA insti-
5	tutes; or
6	(ii) a combination of satellites to ex-
7	isting Manufacturing USA institutes or
8	new Manufacturing USA institutes.
9	(C) Selection.—
10	(i) In General.—Manufacturing
11	USA institutes and satellites shall be iden-
12	tified and funded under subparagraph (B)
13	from among proposals submitted to the
14	Secretary for purposes of this paragraph.
15	(ii) Proposal elements.—Any pro-
16	posal submitted to the Secretary in accord-
17	ance with clause (i) shall include—
18	(I) a plan for the institute or sat-
19	ellite concerned to support or other-
20	wise align with existing Manufac-
21	turing USA institutes, including
22	through—
23	(aa) membership in, or part-
24	nership or formal affiliation with,

1	an existing Manufacturing USA
2	institute; or
3	(bb) a plan to reach a seg-
4	ment, population, or geographic
5	area not already covered by or
6	engaged with existing Manufac-
7	turing USA institutes; and
8	(II) a plan for cost-sharing for
9	the activities of the institute or sat-
10	ellite concerned, including the sources
11	of funds and amounts to be contrib-
12	uted.
13	(iii) Selection of satellites.—
14	Any selection of a satellite to an existing
15	Manufacturing USA institute under this
16	subparagraph shall be made by the Sec-
17	retary in consultation with exiting Manu-
18	facturing USA institutes.
19	(iv) Priority relating to innova-
20	TION CENTERS.—In identifying and fund-
21	ing a new Manufacturing USA institute or
22	a combination of satellites to existing or
23	new Manufacturing USA institutes under
24	subparagraph (B), the Secretary shall give
25	priority to proposals for identification and

1	funding of Manufacturing USA institutes
2	in an innovation center, in whole or in sub-
3	stantial part.
4	(v) Prevention of overlap and
5	REDUNDANCY.—In identifying and funding
6	Manufacturing USA institutes or satellites
7	to Manufacturing USA institutes under
8	subparagraph (B), the Secretary shall, to
9	the extent practicable, avoid overlap or re-
10	dundancy in mission, technology focus, or
11	funding with existing Manufacturing USA
12	institutes.
13	(D) Amount of financial assist-
14	ANCE.—
15	(i) NEW MANUFACTURING USA INSTI-
16	TUTES.—For each Manufacturing USA in-
17	stitute identified and funded under sub-
18	paragraph (B), the Secretary may expend
19	up to \$70,000,000 during the period of fis-
20	cal years 2022 through 2033.
21	(ii) Manufacturing usa institute
22	SATELLITES.—For each Manufacturing
23	USA institute satellite or expansion sup-
24	ported under subparagraph (B), the Sec-
25	retary may expend up to \$25,000,000 dur-

1	ing the period of fiscal years 2022 through
2	2033.
3	(E) Allocation.—Not less than 33 per-
4	cent of the financial assistance provided under
5	subparagraph (B) shall be for identifying and
6	funding Manufacturing USA institutes in inno-
7	vation centers.
8	(6) Manufacturing universities.—The Sec-
9	retary of Commerce and the Secretary of Defense
10	shall consider the location of a university within an
11	innovation center to be a strength for purposes of
12	selection criteria under the Manufacturing Univer-
13	sities Program.
14	(7) Minority business development agen-
15	CY.—
16	(A) In General.—The National Director
17	of the Minority Business Development Agency
18	may, acting through the Inner City Innovation
19	Hub program, award not more than 2 grants to
20	eligible entities located within each innovation
21	center.
22	(B) Amount of grant.—A grant award-
23	ed under subparagraph (A) may not exceed
24	\$1,500,000.

1	(C) AUTHORIZATION OF APPROPRIA-
2	TIONS.—There are authorized to be appro-
3	priated to the National Director of the Minority
4	Business Development Agency \$27,000,000 for
5	each of fiscal years 2023 through 2031.
6	(8) Additional regional innovations
7	STRATEGIES GRANTS.—
8	(A) DEFINITION OF INNOVATION CEN-
9	TER.—Section 4 of the Stevenson-Wydler Tech-
10	nology Innovation Act of 1980 (15 U.S.C.
11	3703) is amended by adding at the end the fol-
12	lowing:
13	"(12) 'Innovation center' has the meaning given
14	the term in section 2 of the Innovation Centers Ac-
15	celeration Act.".
16	(B) Grants.—Section 27 of the Steven-
17	son-Wydler Technology Innovation Act of 1980
18	(15 U.S.C. 3722) is amended—
19	(i) in subsection (e)—
20	(I) in paragraph (1), by striking
21	"As part of the program" and insert-
22	ing the following:
23	"(A) IN GENERAL.—As part of the pro-
24	gram''; and

1	(II) by adding at the end the fol-
2	lowing:
3	"(B) Innovation center grants.—As a
4	part of the program established pursuant to
5	subsection (b), the Assistant Secretary of Com-
6	merce for Economic Development may award
7	grants, on a competitive basis, to eligible recipi-
8	ents described in subsection (a)(1)(D) located
9	within innovation centers."; and
10	(ii) in subsection (h)—
11	(I) by striking "From amounts
12	appropriated" and inserting the fol-
13	lowing:
14	"(1) In general.—From amounts appro-
15	priated"; and
16	(II) by adding at the end the fol-
17	lowing:
18	"(2) Innovation center grants.—There are
19	authorized to be appropriated to the Secretary to
20	award grants under subsection (c)(1)(B) \$5,000,000
21	for each of fiscal years 2023 through 2031.".
22	(9) Workforce investment activities in
23	CONSULTATION WITH INNOVATION CENTERS.—
24	(A) Youth workforce activities.—Sec-
25	tion 129 of the Workforce Innovation and Op-

1	portunity Act (29 U.S.C. 3164) is amended by
2	adding at the end the following:
3	"(d) Youth Workforce Activities in Consulta-
4	TION WITH INNOVATION CENTERS.—
5	"(1) Funding.—
6	"(A) In General.—Using funds made
7	available under section 136(d), the Secretary
8	shall provide a grant to each local area that—
9	"(i) is within the area covered by an
10	innovation center selected under subsection
11	(e) of section 3 of the Innovation Centers
12	Acceleration Act; and
13	"(ii) the Innovation Center Selection
14	Committee established under that section 3
15	certifies is working in partnership with
16	that innovation center.
17	"(B) Amount.—The amount of the grant
18	for a fiscal year shall be equal to the allocation
19	that the local area receives under section 128(b)
20	for that fiscal year.
21	"(C) Prohibition.—The Secretary may
22	not reduce the amount that any local area re-
23	ceives through an allocation under section
24	128(b) because local areas described in sub-

1	paragraph (A) receive grants under this sub-
2	section.
3	"(2) USE OF FUNDS.—The local area shall use
4	the grant funds in accordance with subsection (c),
5	after consultation with the innovation center.".
6	(B) ADULT AND DISLOCATED WORKER EM-
7	PLOYMENT AND TRAINING ACTIVITIES.—Section
8	134 of the Workforce Innovation and Oppor-
9	tunity Act (29 U.S.C. 3174) is amended by
10	adding at the end the following:
11	"(e) Adult and Dislocated Worker Employ-
12	MENT AND TRAINING ACTIVITIES IN CONSULTATION
13	WITH INNOVATION CENTERS.—
14	"(1) Funding.—
15	"(A) In General.—Using funds made
16	available under section 136(d), the Secretary
17	shall provide a grant to each local area that—
18	"(i) is within the area covered by an
19	innovation center selected under subsection
20	(e) of section 3 of the Innovation Centers
21	Acceleration Act; and
22	"(ii) the Innovation Center Selection
23	Committee established under that section 3
24	certifies is working in partnership with
25	that innovation center

1	"(B) Amount.—The amount of the grant
2	for a fiscal year shall be equal to the sum of the
3	allocations that the local area receives under
4	paragraphs (1) and (2) of section 133(b) for
5	that fiscal year.
6	"(C) Prohibition.—The Secretary may
7	not reduce the amount that any local area re-
8	ceives through an allocation under paragraph
9	(1) or (2) of section $133(b)(3)$ because local
10	areas described in subparagraph (A) receive
11	grants under this subsection.
12	"(2) USE OF FUNDS.—The local area shall use
13	the grant funds in accordance with subsections (b),
14	(c), and (d), after consultation with the innovation
15	center.".
16	(C) AUTHORIZATION OF APPROPRIA-
17	Tions.—Section 136 of the Workforce Innova-
18	tion and Opportunity Act (29 U.S.C. 3181) is
19	amended—
20	(i) in subsections (a), (b), and (c), by
21	inserting before the first comma the fol-
22	lowing: "(except for activities funded from
23	amounts appropriated under subsection
24	(d))"; and

1	(ii) by adding at the end the fol-
2	lowing:
3	"(d) Workforce Investment Activities in Con-
4	SULTATION WITH INNOVATION CENTERS.—There are au-
5	thorized to be appropriated to carry out sections 129(d)
6	and 134(e) such sums as may be necessary for each fiscal
7	year that an innovation center designation is in effect.".
8	(10) Additional stem apprenticeship
9	GRANTS.—Section 28 of the Stevenson-Wydler Tech-
10	nology Innovation Act of 1980 (15 U.S.C. 3723) is
11	amended by adding at the end the following:
12	"(e) Innovation Center Grants.—
13	"(1) Definition of Eligible Entity.—In
14	this subsection, the term 'eligible entity' means an
15	eligible recipient that is—
16	"(A) described in subsection (b)(4); and
17	"(B) located within an innovation center.
18	"(2) Grants authorized.—The Assistant
19	Secretary of Commerce for Economic Development
20	shall provide to not less than 1 eligible entity located
21	in each innovation center a grant to develop infra-
22	structure to expand STEM apprenticeship programs.
23	"(3) Amount: renewal.—

1	"(A) Amount.—The amount of a grant
2	under paragraph (2) shall be not more than
3	\$5,000,000 for each year over a 3-year period.
4	"(B) Renewal.—The Secretary may pro-
5	vide an eligible entity that receives a grant
6	under paragraph (2) not more than 2 additional
7	grants under that paragraph.
8	"(4) Preference.—The Assistant Secretary
9	of Commerce for Economic Development shall give
10	preference for a grant under this subsection to an el-
11	igible entity with demonstrated success of admin-
12	istering apprenticeship and other workforce develop-
13	ment models and that demonstrates a commitment
14	to serving individuals—
15	"(A) from underrepresented populations;
16	or
17	"(B) who face barriers to employment, in-
18	cluding—
19	"(i) long-term unemployment;
20	"(ii) past incarceration; or
21	"(iii) veteran or disability status.
22	"(f) AUTHORIZATION OF APPROPRIATIONS.—There
23	are authorized to be appropriated to carry out this section
24	\$50,000,000 for each of fiscal years 2023 through 2031.".

1	(11) National institutes of health re-
2	SEARCH FUNDING.—
3	(A) Funding goal.—The Director of the
4	National Institutes of Health shall pursue a
5	goal of awarding through a rigorous selection
6	process and subject to peer review, for each in-
7	novation center that gets its designation re-
8	newed continually for 3 terms, a total of
9	\$1,250,000,000 in meritorious research awards
10	in priority areas of biomedical science to enti-
11	ties located in that innovation center by the end
12	of the 9th year of the designation of that inno-
13	vation center, by proportionally increasing the
14	total amount of the grants, contracts, or other
15	transactions awarded in each innovation center
16	each year over the 9-year period.
17	(B) Additional funding.—In addition
18	to awarding grants, contracts, or other trans-
19	actions in pursuit of the goal described in sub-
20	paragraph (A), the Director of the National In-
21	stitutes of Health shall award grants—
22	(i) with a focus on universities or
23	other research institutions that commit to
24	expanding research capabilities aligned
25	with industries and technologies and with a

1	preference for universities or institutions
2	that are—
3	(I) concentrated in an innovation
4	center; or
5	(II) key to national challenges; or
6	(ii) that include industry-university
7	research partnership programs.
8	(C) Tracking.—In each year, the Direc-
9	tor of the National Institutes of Health shall
10	track the aggregate amount of grants, con-
11	tracts, or other transactions awarded by the Di-
12	rector to entities in that year, disaggregated by
13	innovation center.
14	(D) AUTHORIZATION OF ADDITIONAL AP-
15	PROPRIATIONS.—There are authorized to be ap-
16	propriated to carry out this paragraph, in addi-
17	tion to amounts that would otherwise be appro-
18	priated in a year for the National Institutes of
19	Health, amounts as follows:
20	(i) For fiscal year 2022, \$0.
21	(ii) For fiscal year 2023,
22	\$140,000,000.
23	(iii) For fiscal year 2024
24	\$280.000.000.

1	(iv)	For	fiscal	year	2025,
2	\$420,000,000.				
3	(v)	For	fiscal	year	2026,
4	\$560,000,0	000.			
5	(vi)	For	fiscal	year	2027,
6	\$700,000,0	000.			
7	(vii)	For	fiscal	year	2028,
8	\$840,000,0	000.			
9	(viii)	For	fiscal	year	2029,
10	\$980,000,0	000.			
11	(ix)	For	fiscal	year	2030,
12	\$1,120,000	0,000.			
13	(x)	For	fiscal	year	2031,
14	\$1,260,000	0,000.			
15	(c) TAX INCENTIVES	S.—			
16	(1) New Ma	RKETS	TAX CH	REDIT A	ALLOCA-
17	TIONS.—Subsection	(f) of s	section 45	D of th	e Inter-
18	nal Revenue Code o	f 1986	is amend	ed by ac	lding at
19	the end the following	g new p	aragraph:		
20	"(4) Special	ALLOCA	ATION FO	OR INNO	OVATION
21	CENTERS.—In the c	ease of	any calen	ıdar yea	r begin-
22	ning after 2021—				
23	"(A) the	limitatio	on under	paragra	aph (1)
24	(including in ca	alendar	years for	which t	he limi-
25	tation under pa	ıragrapl	n (1) is z	ero) sha	ll be in-

1		creased by \$50,000,000 for each metropolitan
2		statistical area which is designated as an inno-
3		vation center under section 3(e) of the Innova-
4		tion Centers Acceleration Act for such calendar
5		year, and
6		"(B) the additional limitation under sub-
7		paragraph (A) shall be divided equally among
8		such innovation centers and allocated (as pro-
9		vided in paragraph (2)) among qualified com-
10		munity development entities in such innovation
11		centers.".
12		(2) Research Credit.—
13		(A) IN GENERAL.—Section 41 of such
14		Code is amended by adding at the end the fol-
15		lowing new subsection:
16	"(i)	SPECIAL RULES RELATING TO INNOVATION
17	CENTERS	.—
18		"(1) In general.—In the case of—
19		"(A) any qualified research expenses paid
20		or incurred for qualified services or qualified re-
21		search,
22		"(B) any basic research payments for basic
23		research, and
24		"(C) amounts paid or incurred by the tax-
25		payer in carrying on any trade or business of

1	the taxpayer (including as contributions) to an
2	energy research consortium for energy research,
3	during the taxable year at a location in a metropoli-
4	tan statistical area which is an innovation center for
5	such taxable year, this section shall be applied as
6	provided in paragraphs (2) and (3).
7	"(2) Credit rate.—Subsection (a) shall be
8	applied by substituting '30 percent' for '20 percent'
9	each place it appears.
10	"(3) Alternative simplified credit.—Sub-
11	section $(c)(4)$ shall be applied—
12	"(A) by substituting '21 percent' for '14
13	percent' in subparagraph (A), and
14	"(B) by substituting '9 percent' for '6 per-
15	cent' in subparagraph (B)(ii).
16	"(4) Credit for qualified small busi-
17	NESSES.—In the case of a trade or business located
18	primarily within a metropolitan statistical area
19	which is an innovation center for the taxable year,
20	subsection (h) shall be applied—
21	(A) by substituting $$15,000,000$ for
22	' $5,000,000$ ' in paragraph (3)(A)(i)(I),
23	"(B) by substituting '8-taxable-year' for
24	'5-taxable-year' in paragraph (3)(A)(i)(II), and

1	"(C) by substituting $\$500,000$ ' for
2	'\$250,000' both places it appears in paragraphs
3	(4)(B)(i) and $(5)(B)(ii)$.
4	"(5) Innovation center.—For purposes of
5	this subsection, for any taxable year, the term 'inno-
6	vation center' means a metropolitan statistical area
7	with a designation as an innovation center under
8	section 3(e) of the Innovation Centers Acceleration
9	Act in effect for calendar years beginning in such
10	year.
11	"(6) Termination.—This subsection shall not
12	apply to expenses paid or incurred after December
13	31, 2030.".
14	(B) Training included as research
15	EXPENSES.—
16	(i) In General.—Paragraph (1) of
17	section 41(b) of such Code is amended—
18	(I) by striking "and" at the end
19	of subparagraph (A),
20	(II) by striking the period at the
21	end of subparagraph (B) and insert-
22	ing ", and", and
23	(III) by adding at the end the
24	following new subparagraph:
25	"(C) employee training expenses.".

1	(ii) Employee training ex-
2	PENSES.—Subsection (b) of section 41 of
3	such Code is amended—
4	(I) by redesignating paragraph
5	(4) as paragraph (5), and
6	(II) by inserting after paragraph
7	(3) the following new paragraph:
8	"(4) Employee training expenses.—
9	"(A) IN GENERAL.—The term 'employee
10	training expenses' means any wages paid or in-
11	curred to an employee in connection with train-
12	ing for the employee to perform qualified serv-
13	ices described in clause (i) or (ii) of paragraph
14	(2)(B). Such term does not include wages paid
15	or incurred in connection with general employer
16	training which does not specifically pertain to
17	such qualified services.
18	"(B) Wages, etc.—For purposes of this
19	paragraph—
20	"(i) In general.—The term 'wages'
21	shall not include any amount taken into
22	account under paragraph (2)(A)(i).
23	"(ii) Rules.—The rules of paragraph
24	(2)(D) shall apply.

1	"(C) TERMINATION.—The term 'employee
2	training expenses' does not include any wages
3	paid or incurred after December 31, 2030.".
4	(C) Effective date.—The amendments
5	made by this paragraph shall apply to taxable
6	years beginning after December 31, 2021.
7	(d) Regulatory Modernization.—
8	(1) Definition.—In this paragraph, the term
9	"startup" means a small business concern (as de-
10	fined in section 3(a) of the Small Business Act (15
11	U.S.C. 632(a))) that—
12	(A) has been in existence for less than 3
13	years; and
14	(B) has annual average gross receipts of
15	less than \$3,000,000.
16	(2) Requirement.—Notwithstanding any
17	other provision of law, in the case of a startup that
18	is operating within an innovation center, any re-
19	quirement related to a Federal grant that prohibits
20	the use of university laboratory or other research as-
21	sets purchased or supposed by the grant from being
22	used for commercial purposes for an initial time pe-
23	riod shall be waived.
24	(e) Business Access to Capital.—
25	(1) Innovation center debentures.—

1	(A) In General.—Section 303 of the
2	Small Business Investment Act of 1958 (15
3	U.S.C. 683) is amended by adding at the end
4	the following:
5	"(l) Innovation Center Debentures.—In addi-
6	tion to any other authority under this Act, on and after
7	the first day of the first fiscal year beginning after the
8	date of enactment of this subsection, a small business in-
9	vestment company may issue innovation center deben-
10	tures.".
11	(B) Definitions.—Section 103 of the
12	Small Business Investment Act of 1958 (15
13	U.S.C. 662) is amended—
14	(i) in paragraph (19), by striking
15	"and" at the end;
16	(ii) in paragraph (20), by striking the
17	period at the end and inserting a semi-
18	colon; and
19	(iii) by adding at the end the fol-
20	lowing:
21	"(21) the term 'innovation center debenture'
22	means a deferred interest debenture that—
23	"(A) is issued at a discount;
24	"(B) has a 5-year maturity or a 10-year
25	maturity;

1	"(C) requires no interest payment or an-
2	nual charge for the first 5 years;
3	"(D) is restricted to companies located
4	within an innovation center, as defined in sec-
5	tion 2 of the Innovation Centers Acceleration
6	Act; and
7	"(E) is issued at no cost (as defined in
8	section 502 of the Credit Reform Act of 1990
9	(2 U.S.C. 661a)) with respect to purchasing
10	and guaranteeing the debenture; and
11	"(22) the term 'innovation center startup'
12	means any company that—
13	"(A) is primarily located within an innova-
14	tion center (as defined in section 2 of the Inno-
15	vation Centers Acceleration Act);
16	"(B) is innovation- or technology-oriented;
17	and
18	"(C) has been in existence for less than 5
19	years.".
20	(C) Exemption from Capital Require-
21	MENTS.—Section 301(c) of the Small Business
22	Investment Act of 1958 (15 U.S.C. 681(c)) is
23	amended by adding at the end the following:
24	"(5) Exception for applications located
25	IN INNOVATION CENTERS.—An applicant that is lo-

1	cated in an innovation center (as defined in section
2	2 of the Innovation Centers Acceleration Act) and
3	that does not satisfy the requirements of section
4	302(a) shall be limited to 1 tier of leverage available
5	under section 302(b) until the applicant meets the
6	requirements of section 302(a).".
7	(2) 7(a) Loan financing for innovation
8	CENTER STARTUPS.—
9	(A) Loan guarantee percentage.—
10	Section 7(a)(2) of the Small Business Act (15
11	U.S.C. 636(a)(2)) is amended—
12	(i) in subparagraph (A), in the matter
13	preceding clause (i), by striking "and (F)"
14	and inserting "(F), and (G)"; and
15	(ii) by adding at the end the fol-
16	lowing:
17	"(G) Participation for innovation
18	CENTER STARTUPS.—
19	"(i) Definition.—In this subpara-
20	graph, the term 'innovation center startup'
21	means any small business concern that—
22	"(I) is primarily located within
23	an innovation center (as defined in
24	section 2 of the Innovation Centers
25	Acceleration Act);

1	"(II) is innovation- or tech-
2	nology-oriented; and
3	"(III) has been in existence for
4	less than 5 years.
5	"(ii) Participation.—In an agree-
6	ment to participate in a loan on a deferred
7	basis under this subsection for an innova-
8	tion center startup, the participation by
9	the Administration shall be 90 percent.".
10	(B) Guarantee fee reduction.—Sec-
11	tion 7(a)(18) of the Small Business Act (15
12	U.S.C. 636(a)(18)) is amended—
13	(i) in subparagraph (A), by striking
14	"With respect" and inserting "Except as
15	provided in subparagraph (C), with re-
16	spect"; and
17	(ii) by adding at the end the fol-
18	lowing:
19	"(C) Innovation center startups.—
20	With respect to a loan guaranteed under this
21	subsection for a small business concern de-
22	scribed in paragraph (2)(G)(i)—
23	"(i) the Administration may not col-
24	lect a guarantee fee under this paragraph
25	for a loan of not more than \$350,000; and

1	"(ii) for a loan of more than
2	\$350,000, the Administration shall collect
3	a guarantee fee under this paragraph equal
4	to 50 percent of the guarantee fee that the
5	Administration would otherwise collect for
6	the loan.".
7	(3) CERTIFIED DEVELOPMENT COMPANY LOANS
8	FOR INNOVATION CENTER STARTUPS.—
9	(A) MAXIMUM LOAN AMOUNT.—Section
10	502(2)(A) of the Small Business Investment
11	Act of 1958 (15 U.S.C. 696(2)(A)) is amend-
12	ed —
13	(i) in clause (iv), by striking "and" at
14	the end;
15	(ii) in clause (v), by striking the pe-
16	riod at the end and inserting "; and"; and
17	(iii) by adding at the end the fol-
18	lowing:
19	"(vi) \$10,000,000 for each project of
20	an innovation center startup.".
21	(B) Contribution requirement.—Sec-
22	tion 502(3)(C) of the Small Business Invest-
23	ment Act of 1958 (15 U.S.C. 696(3)(C)) is
24	amended—

1	(i) in clause (iii), by striking "or" at
2	the end;
3	(ii) by redesignating clause (iv) as
4	clause (v); and
5	(iii) by inserting after clause (iii) the
6	following:
7	"(iv) for an innovation startup—
8	"(I) at least 5 percent of the
9	total cost of the project financed, if
10	the innovation startup has been in op-
11	eration for a period of 2 years or less;
12	and
13	"(II) at least 5 percent of the
14	total cost of the project financed if the
15	project involves the construction of a
16	limited or single purpose building or
17	structure.".
18	(4) SBA RESOURCES.—
19	(A) In General.—The Small Business
20	Administration shall provide innovation center
21	startups (as defined in section 7(a)(2)(G) of the
22	Small Business Act (15 U.S.C. 636(a)(2)(G)))
23	access to financing resources of the Administra-
24	tion and assist those startups in navigating the
25	application process.

1	(B) AUTHORIZATION OF APPROPRIA-
2	TIONS.—There is authorized to be appropriated
3	to the Small Business Administration
4	\$2,500,000 for fiscal year 2022 and every fiscal
5	year thereafter to carry out subparagraph (A).
6	(f) Neighborhood, Property, and Infrastruc-
7	TURE MODERNIZATION.—
8	(1) Community Development block grant
9	FUNDING.—
10	(A) Definitions.—In this paragraph—
11	(i) the term "eligible entity" means a
12	unit of general local government or Indian
13	tribe that receives assistance under title I
14	of the Housing and Community Develop-
15	ment Act of 1974 (42 U.S.C. 5301 et
16	seq.);
17	(ii) the terms "Indian tribe" and
18	"unit of general local government" have
19	the meanings given those terms in section
20	102 of the Housing and Community Devel-
21	opment Act of 1974 (42 U.S.C. 5302);
22	(iii) the term "qualified affordable
23	housing" means a housing development
24	that consists of 5 or more dwelling units of

1	which 20 percent or more are made avail-
2	able—
3	(I) for rental only by a low-in-
4	come family (as defined in section
5	3(b) of the United States Housing Act
6	of 1937 (42 U.S.C. 1437a(b)));
7	(II) at a monthly rent amount
8	that does not exceed 30 percent of the
9	monthly adjusted income (as defined
10	in such section 3(b)) of the tenant
11	low-income family; and
12	(III) maintains affordability for
13	residents who are low-income families
14	for a period of not less than 30 years;
15	and
16	(iv) the term "Secretary" means the
17	Secretary of Housing and Urban Develop-
18	ment.
19	(B) Funding.—
20	(i) In General.—The Secretary shall
21	provide a grant to each eligible entity
22	that—
23	(I) is within the area covered by
24	an innovation center; and

1	(II) the Committee certifies is
2	working in partnership with that inno-
3	vation center.
4	(ii) Amount.—The amount of a grant
5	provided to an eligible entity under clause
6	(i) for a fiscal year shall be equal to the
7	allocation that the eligible entity receives
8	under title I of the Housing and Commu-
9	nity Development Act of 1974 (42 U.S.C.
10	5301 et seq.) for that fiscal year.
11	(iii) Prohibition.—The Secretary
12	may not reduce the amount that any eligi-
13	ble entity receives under title I of the
14	Housing and Community Development Act
15	of 1974 (42 U.S.C. 5301 et seq.) because
16	eligible entities receive grants under this
17	subparagraph.
18	(C) USE OF FUNDS.—An eligible entity
19	shall use grant funds provided under subpara-
20	graph (B) for the development and preservation
21	of qualified affordable housing, including the
22	construction of such housing, within the area
23	covered by an innovation center, in accordance
24	with title I of the Housing and Community De-

velopment Act of 1974 (42 U.S.C. 5301 et seq.)

25

1	and after consultation with the innovation cen-
2	ter.
3	(D) AUTHORIZATION OF APPROPRIA-
4	TIONS.—There are authorized to be appro-
5	priated such sums as may be necessary to carry
6	out this paragraph for each fiscal year in which
7	an innovation center designation is in effect.
8	(2) Infrastructure financing.—
9	(A) BUILD GRANTS.—
10	(i) Definition of Build Pro-
11	GRAM.—In this subparagraph, the term
12	"BUILD program" means the program for
13	national infrastructure investments (com-
14	monly known as the "Better Utilizing In-
15	vestments to Leverage Development
16	(BUILD) discretionary grant program") of
17	the Department of Transportation.
18	(ii) Authorization of Appropria-
19	TIONS.—There is authorized to be appro-
20	priated to the Secretary of Transportation
21	\$300,000,000 for each of fiscal years 2023
22	through 2033 to carry out projects under
23	the BUILD program in innovation centers.
24	(iii) Supplement, not supplant.—
25	Amounts authorized to be appropriated

1	under clause (ii) shall supplement and not
2	supplant any other amounts authorized to
3	be appropriated for the BUILD program.
4	(B) INFRA GRANTS.—
5	(i) Authorization of appropria-
6	TIONS.—There is authorized to be appro-
7	priated to the Secretary of Transportation
8	\$300,000,000 for each of fiscal years 2023
9	through 2033 to carry out projects under
10	the nationally significant freight and high-
11	way projects program under section 117 of
12	title 23, United States Code, in innovation
13	centers.
14	(ii) Supplement, not supplant.—
15	Amounts authorized to be appropriated
16	under clause (i) shall supplement and not
17	supplant any other amounts authorized to
18	be appropriated for the nationally signifi-
19	cant freight and highway projects program
20	under section 117 of title 23, United
21	States Code.
22	(C) TIFIA PROGRAM.—
23	(i) Lines of credit.—Section
24	604(b)(2) of title 23, United States Code
25	is amended—

1	(I) by striking "The total" and
2	inserting the following:
3	"(A) In general.—Except as provided in
4	subparagraph (B), the total"; and
5	(II) by adding at the end the fol-
6	lowing:
7	"(B) Projects in innovation cen-
8	TERS.—In the case of a project in an innova-
9	tion center (as defined in section 2 of the Inno-
10	vation Centers Acceleration Act), the total
11	amount of a line of credit under this section
12	shall not exceed 49 percent of the reasonably
13	anticipated eligible project costs.".
14	(ii) Fee Waiver.—Section 605 of
15	title 23, United States Code, is amended
16	by adding at the end the following:
17	"(g) Projects in Innovation Centers.—Notwith-
18	standing any other provision of this chapter, in the case
19	of a project in an innovation center (as defined in section
20	2 of the Innovation Centers Acceleration Act), the Sec-
21	retary shall not require the payment of any fees under
22	section 603(b)(7), section 604(b)(9), or subsection (b).".