



May 2, 2007

H.R. 1868 – The Technology Innovation and Manufacturing Stimulation Act of 2007

Floor Situation

H.R. 1868 is being considered on the floor pursuant to a structured rule. The rule:

- Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Republican Member of the Science and Technology Committee.
- Waives all points of order against consideration of the bill except those arising under clause 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- Makes in order only those amendments printed in the Rules Committee report. Amendments will be considered under the 5 minute rule.
- Provides one motion to recommit with or without instructions.

The bill was introduced by Representative David Wu (D-OR) on April 17, 2007. The House Committee on Science and Technology approved H.R. 1868 by voice vote on April 25, 2007.

The bill is expected to be considered on the floor on May 3, 2007.

Background

Founded in 1901, the National Institute of Standards and Technology (NIST) is a non-regulatory federal agency within the U.S. Commerce Department's Technology Administration. NIST's mission is to promote U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life.

Created in 1988 under the auspices of NIST, the Manufacturing Extension Partnership (MEP) is a program of regional centers designed to assist small and medium-sized manufacturing companies utilize technology and compete globally. Congress provided \$106 million for MEP in each of the fiscal years 2006 and 2007. The President requested \$46.3 million for MEP in FY2008.

Summary
H.R. 1868:

- Authorizes \$2.5 billion in funding for NIST activities for FY2008-FY2010 (Title 1). This includes appropriations for laboratory activities, the Malcolm Baldrige National Quality Award Program, the Manufacturing Extension Partnership, the Technology Innovation Program, and construction and maintenance related to scientific and technical research.

Program	H.R. 1868						
	FY2006 enacted	FY2007 request	FY2007 enacted	FY2008 request	FY2008	FY2009	FY2010
NIST labs	392	459	425	492	471	498	538
Construction	176*	68	59	94	94	86	50
Baldrige**	7	8	8	8	8	8	8
MEP	106	46	106	46	113	122	132
ATP/TIP	80	0	80	0	110	142	151
Total	585	581	678	640	796	856	879

**Funding table courtesy of the Science and Technology Committee*

- Establishes a Manufacturing Extension Partnership Advisory Board to (Sec. 203):
 - advise on Manufacturing Extension Partnership programs, plans, and policies;
 - assess the Manufacturing Extension Partnership plans and strategies; and
 - assess current performance against Manufacturing Extension Partnership program plans.
- Creates a grant program within the Manufacturing Extension Partnership to develop projects that solve emerging manufacturing problems and improve long-term economic stability (Sec. 203). *The House passed legislation in the 108th (H.R. 255) and 109th Congress (H.R. 3598) that included a similar grant program.*
- Establishes the Technology Innovation Program (TIP) to assist U.S. businesses and other organizations in developing high-risk technology with economic benefits for the Nation. It also creates a TIP Advisory Board to advise and review the program's efforts (Sec. 204).
- Creates a pilot program to partner universities and industry to solve problems in manufacturing technology (Sec. 206). *The House passed legislation in the 108th (H.R. 255) and 109th Congress (H.R. 3598) that included a similar pilot program.*
- Expands NIST's fellowship program to include more post-doctoral and senior research fellowships (Sec. 207).

Amendments

(Below are the summaries of the amendments that were made in order by the Rules Committee and may be offered on the floor of the House of Representatives)

1) Rep. David Wu (D-OR)/Rep. Phil Gingrey (R-GA) Manager's Amendment. The amendment makes a number of clarifications to the Technology Innovation Program, including (1) that projects should address critical national needs and be high reward; (2) that TIP should coordinate with State innovation and technology development programs; and (3) a definition of high-risk, high-reward research.

2) Rep. Albert Wynn (D-MD) The amendment adds firms and/or entities that are involved in the development and advancement of biotechnology to the definition of technology-related entities eligible for grants under the Technology Innovation Program.

3) Rep. Don Manzullo (R-IL) This amendment would authorize \$2 million for NIST to design and develop software that monitors all of the federal R&D databases. The software would allow users to search via the NIST web site various agency databases by material type and/or manufacturing processes to determine what and to whom federal manufacturing R&D dollars are being awarded and also provide basic information about where manufacturers can find assistance.

4) Rep. Nancy Boyda (D-KS) The amendment highlights that proposed technologies receiving grants under the Technology Innovation Program may include the replacement of petroleum-based materials.

5) Rep. Nancy Boyda (D-KS) #8 The amendment encourages grants under the Technology Innovation Program to include local and regional universities that are working in collaboration with small- and medium-sized businesses.

Cost

The CBO estimates that implementing H.R. 1868 would cost \$417 million in 2008 and approximately \$2.5 billion over the 2008-2012 period.

<http://www.cbo.gov/showdoc.cfm?index=8032&sequence=0>

Additional Views

The Bush Administration issued a Statement of Administration Policy ([SAP-HR 1868](#)) on May 1, 2007, in opposition to H.R. 1868 in its current form for the following reasons:

- “The bill conflicts with the Administration’s Research and Development Criteria by diverting funds from critical, high-return basic research to support subsidized management consulting activities and a Technology Innovation Program (TIP) modeled on the Advanced Technology Program that was proceeding toward

termination last Congress, as the Administration has proposed for the past five years.

- “The bill still permits grants to large corporations, limits the role of universities and national laboratories, and does not target major societal changes.”
- “The House bill would divert NIST resources from core basic research activities toward less meritorious industrial policy.”

Additional Information

[National Institute of Standards and Technology](#)

[Hollings Manufacturing Extension Partnership](#)

Staff Contact

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