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(Original Signature of Member)

112TH CONGRESS  
1ST SESSION

# H. R.

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To direct the Secretary of Commerce to establish a Make It in America Block Grant Program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

Mr. CICILLINE introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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# A BILL

To direct the Secretary of Commerce to establish a Make It in America Block Grant Program, 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 “Make It in America  
5 Block Grant Program Act of 2011”.

6 **SEC. 2. ESTABLISHMENT OF MAKE IT IN AMERICA BLOCK**  
7 **GRANT PROGRAM.**

8 Not later than 120 days after the date of enactment  
9 of this Act, the Secretary of Commerce shall establish a

1 Make It in America Block Grant Program (in this Act  
2 referred to as the “program”), under which the Secretary  
3 is authorized to make grants to support the manufac-  
4 turing industry.

5 **SEC. 3. GRANTS.**

6 (a) GRANT USES.—A grant made by the Secretary  
7 of Commerce under the program shall be used by the re-  
8 cipient of the grant to assist, through grants made to third  
9 parties, any of the following activities:

10 (1) Retooling or retrofitting a small- or me-  
11 dium-sized manufacturer, including with respect to  
12 equipment, facilities, infrastructure, or capital.

13 (2) Diversifying the business plan of a small- or  
14 medium-sized manufacturer to advance the produc-  
15 tion of clean energy technology products or compo-  
16 nents, energy efficient products or components, high-  
17 technology products or components, or other ad-  
18 vanced products (as defined by the Secretary).

19 (3) Improving the energy efficiency of a manu-  
20 facturing facility of a small- or medium-sized manu-  
21 facturer.

22 (4) Retraining the employees of a small- or me-  
23 dium-sized manufacturer to—

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

1 (B) sustain or improve the processes of  
2 that manufacturer.

3 (5) Training new employees of a small- or me-  
4 dium-sized manufacturer, including through on-the-  
5 job training.

6 (6) Providing capital and technical expertise to  
7 a small- or medium-sized manufacturer to expand  
8 the export opportunities of that manufacturer.

9 (7) Any other project that the Secretary deter-  
10 mines is appropriate to support the manufacturing  
11 industry, including the establishment of a revolving  
12 loan fund to provide loans to small- or medium-sized  
13 manufacturers to finance the costs of activities de-  
14 scribed in paragraphs (1) through (6).

15 (b) ELIGIBLE ENTITIES.—

16 (1) IN GENERAL.—The following entities are el-  
17 igible to receive a grant under the program:

18 (A) A State meeting the requirements of  
19 paragraph (2).

20 (B) A covered unit of local government  
21 meeting the requirements of paragraph (2).

22 (C) An Indian tribe meeting the require-  
23 ments of paragraph (2).

24 (D) A State, unit of local government, In-  
25 dian tribe, or consortium of such entities with-

1 out regard to whether the requirements of para-  
2 graph (2) are met.

3 (2) UNEMPLOYMENT.—An entity meets the re-  
4 quirements of this paragraph if—

5 (A) the entity experienced a seasonally ad-  
6 justed unemployment rate of at least 10 percent  
7 for any 6 consecutive months during the period  
8 beginning on January 1, 2007, and ending on  
9 December 31, 2010 (as determined by the Sec-  
10 retary of Commerce in consultation with the  
11 Secretary of Labor); or

12 (B) the entity experienced a cumulative de-  
13 cline in employment in the manufacturing sec-  
14 tor greater than or equal to 15 percent during  
15 the period beginning on January 1, 2007, and  
16 ending on December 31, 2010 (as determined  
17 by the Secretary of Commerce in consultation  
18 with the Secretary of Labor).

19 (c) ALLOCATION OF GRANT FUNDS.—In making  
20 grants each fiscal year, the Secretary may—

21 (1) use not more than 48 percent of the  
22 amounts made available for grants under the pro-  
23 gram that fiscal year to make grants to entities de-  
24 scribed in subsection (b)(1)(A);

1           (2) use not more than 48 percent of the  
2           amounts made available for grants under the pro-  
3           gram that fiscal year to make grants to entities de-  
4           scribed in subsection (b)(1)(B);

5           (3) use not more than 2 percent of the amounts  
6           made available for grants under the program that  
7           fiscal year to make grants to entities described in  
8           subsection (b)(1)(C); and

9           (4) use not more than 2 percent of the amounts  
10          made available for grants under the program that  
11          fiscal year to make grants to entities described in  
12          subsection (b)(1)(D).

13          (d) PRIORITY FOR CERTAIN ENTITIES.—In providing  
14          grants to entities described in subsection (b)(1)(D), the  
15          Secretary shall give priority to an entity that experienced  
16          a seasonally adjusted unemployment rate that was at least  
17          97 percent of the national seasonally adjusted unemploy-  
18          ment rate for any 3 consecutive months during the most  
19          recently completed fiscal year.

20          (e) PROHIBITION ON GRANTS TO CERTAIN COVERED  
21          UNITS OF LOCAL GOVERNMENT.—A covered unit of local  
22          government may not receive a grant under the program  
23          if located within a State that has received a grant under  
24          the program.

1 **SEC. 4. REQUIREMENTS FOR GRANT RECIPIENTS.**

2 (a) APPLICATION PROCESS.—To receive a grant  
3 under the program, an entity eligible for a grant under  
4 section 3(b) shall submit to the Secretary of Commerce  
5 an application at such time, in such manner, and con-  
6 taining such information as the Secretary may require,  
7 but which shall include at least the plan of that entity  
8 to carry out, through grants made to third parties, an ac-  
9 tivity described in section 3(a).

10 (b) PROPOSED MANUFACTURING ENHANCEMENT  
11 STRATEGY.—Not later than 6 months after the date on  
12 which an entity eligible for a grant under section 3(b) re-  
13 ceives notice that it has been awarded a grant under the  
14 program, the entity shall submit to the Secretary a pro-  
15 posed manufacturing enhancement strategy, which shall  
16 include—

17 (1) a description of the plans of the entity to  
18 make grants to third parties with grant funds;

19 (2) a description of the goals with respect to  
20 such grants, including—

21 (A) the number of jobs to be created or re-  
22 tained by third-party grant recipients;

23 (B) the sales to be increased or retained by  
24 third-party grant recipients;

1 (C) the cost savings to be achieved by  
2 third-party grant recipients due to energy effi-  
3 ciency savings; and

4 (D) the workforce training investments to  
5 be made by third-party grant recipients, includ-  
6 ing—

7 (i) the number of training hours to be  
8 provided;

9 (ii) the professional certifications to  
10 be obtained; and

11 (iii) other industry standards to be  
12 met that demonstrate the attainment of  
13 proficiency with respect to a skill or proce-  
14 dure;

15 (3) a written assurance that the entity intends  
16 to establish a Make It in America Partnership  
17 Board—

18 (A) to make grants to third parties; and

19 (B) which shall be comprised of, to the ex-  
20 tent practicable, representatives of—

21 (i) economic development organiza-  
22 tions and agencies;

23 (ii) departments of labor;

24 (iii) workforce investment boards and  
25 agencies;

1 (iv) institutions of higher education,  
2 including community colleges run by a  
3 State; and

4 (v) the manufacturing extension part-  
5 nership program of the National Institute  
6 of Standards and Technology; and

7 (4) a description of the plans of the entity to  
8 foster, through the Make It in America Partnership  
9 Board, collaboration between State and local eco-  
10 nomic development organizations and agencies, State  
11 and local workforce development organizations and  
12 agencies, small- or medium-sized manufacturers, and  
13 institutions of higher education (including commu-  
14 nity colleges run by a State) to—

15 (A) improve resource allocation, including  
16 through identification of—

17 (i) opportunities to leverage public  
18 and private funding; and

19 (ii) Federal funding and programs  
20 available to small- or medium-sized manu-  
21 facturers; and

22 (B) ensure comprehensive counseling, tech-  
23 nical assistance, workforce development, and ex-  
24 port assistance are provided to small- or me-  
25 dium-sized manufacturers.

1 (c) APPROVAL OF PROPOSED MANUFACTURING EN-  
2 HANCEMENT STRATEGIES.—

3 (1) IN GENERAL.—The Secretary shall approve  
4 or disapprove a proposed manufacturing enhance-  
5 ment strategy submitted under subsection (b) not  
6 later than 90 days after the date on which the Sec-  
7 retary receives such strategy.

8 (2) DISBURSEMENT OF GRANT FUNDS PROHIB-  
9 ITED WITHOUT APPROVAL.—The Secretary shall not  
10 disburse to an entity awarded a grant under the pro-  
11 gram the grant funds relating to that grant until the  
12 proposed manufacturing enhancement strategy of  
13 that entity has been approved by the Secretary.

14 (3) OPPORTUNITY FOR RESUBMISSION.—If the  
15 Secretary does not approve a proposed manufac-  
16 turing enhancement strategy submitted under sub-  
17 section (b), the Secretary shall provide to the entity  
18 that submitted the strategy—

19 (A) the reasons for disapproval; and

20 (B) an opportunity to revise and resubmit  
21 the strategy until such strategy is approved.

22 (d) LOCAL GOVERNMENTS.—In developing a pro-  
23 posed manufacturing enhancement strategy under sub-  
24 section (b), a covered unit of local government shall share  
25 information relating to potential grant activities with the

1 State that includes that government to ensure the maxi-  
2 mization of resources made available to small- or medium-  
3 sized manufacturers.

4 (e) ADMINISTRATIVE EXPENSES.—With respect to a  
5 grant, a grant recipient may use for the administrative  
6 expenses of the recipient an amount that is not more than  
7 the greater of—

- 8 (1) 10 percent of the grant amount received; or
- 9 (2) \$75,000.

10 (f) ANNUAL REPORTS.—Not later than one year after  
11 the date on which grant funds are received by a grant  
12 recipient under the program, and annually thereafter, the  
13 grant recipient shall submit to the Secretary a report de-  
14 scribing—

- 15 (1) grants made by the grant recipient to third  
16 parties with grant funds; and
- 17 (2) achievements with respect to the goals iden-  
18 tified in the proposed manufacturing enhancement  
19 strategy of the grant recipient.

20 **SEC. 5. STATE AND LOCAL ADVISORY COMMITTEE.**

21 The Secretary of Commerce shall establish an advi-  
22 sory committee to advise the Secretary with respect to im-  
23 plementing and evaluating the program, which shall be  
24 comprised of—

1 (1) individuals representing State and local en-  
2 tities;

3 (2) the Secretary of Labor; and

4 (3) other individuals determined appropriate for  
5 inclusion by the Secretary.

6 **SEC. 6. REVIEW AND EVALUATION.**

7 (a) GRANT RECIPIENTS.—The Secretary of Com-  
8 merce may review and evaluate the performance of a grant  
9 recipient under the program as the Secretary determines  
10 appropriate.

11 (b) INELIGIBILITY FOR FUTURE GRANTS.—The Sec-  
12 retary may determine a grant recipient to be ineligible to  
13 receive additional grants under the program if the Sec-  
14 retary determines that the grant recipient has failed to  
15 achieve compliance with—

16 (1) any applicable guideline or regulation of the  
17 Secretary relating to the program, including with re-  
18 spect to the misuse or misappropriation of funds  
19 provided under the program; or

20 (2) the proposed manufacturing enhancement  
21 strategy of the grant recipient.

22 **SEC. 7. GAO STUDY AND REPORT.**

23 (a) STUDY.—The Comptroller General shall conduct  
24 a study on the program, which shall include an analysis  
25 of—

1           (1) grants made by the Secretary of Commerce  
2           under the program;

3           (2) grants made to third parties by the recipi-  
4           ents of grants made by the Secretary under the pro-  
5           gram;

6           (3) outcomes relating to proposed manufac-  
7           turing enhancement strategies submitted to the Sec-  
8           retary;

9           (4) administrative costs relating to the pro-  
10          gram;

11          (5) activities of the Secretary, the recipients of  
12          grants made by the Secretary, and third party grant  
13          recipients under the program, including whether the  
14          activities of those entities are accomplishing the pur-  
15          poses of this Act; and

16          (6) other information determined appropriate  
17          by the Comptroller General for assessing the per-  
18          formance and financial accountability of the pro-  
19          gram.

20          (b) REPORT.—Not later than 2 years after the date  
21          on which the Secretary makes the first grant under the  
22          program, and every 2 years thereafter, the Comptroller  
23          General shall submit to Congress a report describing the  
24          results of the study conducted under subsection (a), which  
25          shall include any recommendations the Comptroller Gen-

1 eral determines are appropriate for modifying the pro-  
2 gram.

3 (c) ACCESS TO RECORDS.—

4 (1) IN GENERAL.—For purposes of conducting  
5 the study under subsection (a), the Comptroller Gen-  
6 eral, and any duly authorized representative of the  
7 Comptroller General, shall be permitted to access,  
8 examine, and copy any documents, records, and  
9 other recorded information—

10 (A) within the possession or control of—

11 (i) the recipient of a grant made by  
12 the Secretary under the program; or

13 (ii) the recipient of a grant made by  
14 an entity described in clause (i) with grant  
15 funds; and

16 (B) determined by the Comptroller Gen-  
17 eral, or the duly authorized representative of  
18 the Comptroller General, to be relevant to the  
19 study.

20 (2) PROPRIETARY INFORMATION.—The Comp-  
21 troller General may not make proprietary informa-  
22 tion obtained under this section available to the pub-  
23 lic without the consent of the party to whom the in-  
24 formation belongs.

1 **SEC. 8. DEFINITIONS.**

2 In this Act, the following definitions apply:

3 (1) COVERED UNIT OF LOCAL GOVERNMENT.—

4 The term “covered unit of local government” means  
5 a unit of a government of—

6 (A) a municipality—

7 (i) with a population of at least  
8 50,000 individuals; or

9 (ii) with a population that is less than  
10 50,000 individuals, but that is one of the  
11 10 largest municipalities by population in  
12 the State including that municipality; or

13 (B) a county—

14 (i) with a population of at least  
15 200,000 individuals; or

16 (ii) with a population that is less than  
17 200,000 individuals, but that is one of the  
18 10 largest counties by population in the  
19 State including that county.

20 (2) INDIAN TRIBE.—The term “Indian tribe”  
21 has the meaning given that term in section 4 of the  
22 Indian Self-Determination and Education Assistance  
23 Act (25 U.S.C. 450b).

24 (3) MANUFACTURER.—The term “manufac-  
25 turer” shall be defined by the Secretary of Com-

1 merce in accordance with the North American In-  
2 dustry Classification System.

3 (4) SMALL- OR MEDIUM-SIZED MANUFAC-  
4 Turer.—The term “small- or medium-sized manu-  
5 facturer” means a manufacturer that, as determined  
6 by the Secretary of Commerce—

7 (A) employs not more than 500 full-time  
8 equivalent employees at a manufacturing facil-  
9 ity; and

10 (B) is not owned or controlled by an auto-  
11 mobile manufacturer or other large manufac-  
12 turer.

13 (5) STATE.—The term “State” means each of  
14 the 50 States, the District of Columbia, and any ter-  
15 ritory or possession of the United States.

16 **SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

17 (a) IN GENERAL.—There are authorized to be appro-  
18 priated to the Secretary of Commerce for making grants  
19 under the program such sums as may be necessary.

20 (b) ADMINISTRATIVE EXPENSES.—There are author-  
21 ized to be appropriated to the Secretary for administrative  
22 expenses relating to the program such sums as may be  
23 necessary.

24 (c) SENSE OF CONGRESS.—It is the sense of Con-  
25 gress that amounts made available to carry out the pro-

- 1 gram should supplement and not replace other funding
- 2 provided by Federal departments and agencies to support
- 3 the manufacturing industry.