

1 Part D--Agency for Technological Innovation

2 Subpart 1--General Provisions

3 FINDINGS

4 Sec. 231. The Congress finds and declares that--

5 (1) the ability of many American industries to
6 compete in international markets has declined in the last
7 ten years;

8 (2) increased technological innovation is a
9 prerequisite for increased economic competitiveness;

10 (3) technological innovation is only indirectly
11 responsive to macroeconomic factors, such as capital
12 investments and tax credits, as well as regulatory
13 reforms;

14 (4) the United States has no integrated or coherent
15 policy to promote technological innovation, and has
16 little knowledge concerning the effects of current or
17 potential programs for innovation; and

18 (5) in order to stimulate technological innovation,
19 the United States must--

20 (A) enhance the transfer and utilization of
21 scientific and technological information between
22 employees, management, educational institutions,
23 Federal, State, and local governments, business and
24 industrial concerns, and other organizations involved
25 in technological development;

26 (B) make optimal use of human resources,
27 including efforts to improve labor management
28 relations;

29 (C) encourage research and development of new and
30 improved manufacturing processes; and

31 (D) promote the creation and growth of small
32 business concerns and new enterprises.

33 PURPOSES

34 Sec. 232. It is the purpose of this part--

1 (1) to provide the private sector with an environment
2 which fosters innovation, productivity, and international
3 competitiveness; and

4 (2) to provide a coherent Federal approach toward the
5 stimulation of technological innovation by establishing
6 an independent agency which--

7 (A) consolidates existing Federal programs with
8 the purpose of stimulating technological innovation;

9 (B) conducts research to identify problems
10 relating to technological innovation and formulates
11 effective solutions for such problems;

12 (C) provides a forum for employees, management,
13 educational institutions, State and local
14 governments, business and industrial concerns, and
15 other organizations involved in technological
16 innovation to express their concerns and influence
17 the policies and programs of the Federal Government;

18 (D) ensures effective dissemination and transfer
19 of scientific information and technology in order to
20 increase the commercialization of technology, as well
21 as to enhance the use of general scientific and
22 technical information;

23 (E) demonstrates and develops new technologies
24 for manufacturing processes;

25 (F) coordinates Federal, State, and local efforts
26 to promote new enterprise development; and

27 (G) encourages and conducts research and
28 development in human resource aspects of
29 technological innovation, including the retraining
30 and training of workers and improved managerial
31 practices.

32 DEFINITIONS

33 Sec. 233. For purposes of this part--

34 (1) the term "Agency" means the Agency for

1 Technological Innovation established under section 241;

2 (2) the term "Board" means the National Innovation
3 Board established under section 244;

4 (3) the term "Council" means the Interagency
5 Coordinating Council on Innovation established under
6 section 245;

7 (4) the term "Director" means the Director of the
8 Agency appointed under section 241 (b);

9 (5) the term "Deputy Director" means the Deputy
10 Director of the Agency appointed under section 241 (c);

11 (6) the term "Federal agency" has the same meaning
12 as in section 551 (1) of title 5, United States Code;

13 (7) the term "function" includes any duty,
14 obligation, power, authority, responsibility, right,
15 privilege, activity, or program;

16 (8) the term "office" includes any office,
17 administration, agency, institute, unit, division,
18 directorate, organizational entity, or any component
19 thereof;

20 (9) the term "small business concern" has the same
21 meaning as in section 3 of the Small Business Act; and

22 (10) the term "technological innovation" means the
23 process whereby knowledge derived from basic science is
24 transformed to marketable technology.

25 Subpart 2--Establishment of Agency

26 ESTABLISHMENT

27 Sec. 241. (a) There is established the Agency for
28 Technological Innovation. The Agency shall be composed of--

29 (1) the Office of Innovation Policy established by
30 section 242;

31 (2) the Office of Program Evaluation and Development
32 established by section 243;

33 (3) the National Innovation Board established by
34 section 244;

1 (4) the Interagency Coordinating Council on
2 Innovation established by section 245;

3 (5) the Directorate for Human and Organizational
4 Resources established by section 246;

5 (6) the Directorate for Enterprise Development
6 established by section 247;

7 (7) the Directorate for Production Research and
8 Development established by section 248; and

9 (8) the Directorate for Information and Technology
10 Transfer established by section 249.

11 (b) The Agency shall be headed by a Director, who shall
12 be appointed by the President, by and with the advice and
13 consent of the Senate. The Director shall be responsible for
14 the administration of all functions transferred to, and
15 specified for, the Agency by this part.

16 (c) (1) There shall be in the Agency a Deputy Director,
17 who shall be appointed by the President, by and with the
18 advice and consent of the Senate. The Deputy Director shall--

19 (A) administer the Office of Program Evaluation and
20 Development established by section 243;

21 (B) be Chairman of the Interagency Coordinating
22 Council on Innovation established by section 245; and

23 (C) perform such additional functions as the
24 Secretary may prescribe.

25 (2) The Deputy Director shall act for and exercise the
26 functions of the Director during the absence or disability if
27 the office of the Director becomes vacant. The Deputy
28 Director shall act for and exercise the functions of the
29 Director until the absence or disability of the Director no
30 longer exists or until a successor to the Director has been
31 appointed by the President and confirmed by the Senate.

32 OFFICE OF INNOVATION POLICY

33 Sec. 242. (a) There shall be in the Office of the
34 Director the Office of Innovation Policy. The Office of

1 Innovation Policy shall be administered by the Assistant
2 Director, who shall be appointed by the President, by and
3 with the advice and consent of the Senate.

4 (b) The Director, through the Assistant Director, shall--

5 (1) conduct research, studies, and analyses
6 concerning policy trends, policy alternatives, and
7 current issues relating to technological innovation,
8 including issues relating to antitrust, patents,
9 taxation, procurement, regulation, human resources
10 utilization, research and development, and domestic and
11 international trade;

12 (2) publish in appropriate publications the findings
13 and results of research, studies, and analyses conducted
14 pursuant to paragraph (1); and

15 (3) prepare and transmit to the Congress, by January
16 1 of each year, a report concerning important current
17 issues relating to technological innovation in the United
18 States.

19 OFFICE OF PROGRAM EVALUATION AND DEVELOPMENT

20 Sec. 243. (a) There is established in the Agency the
21 Office of Program Evaluation and Development, which shall be
22 administered by the Deputy Director.

23 (b) The Director, through the Office, shall--

24 (1) develop, evaluate, and assess programs and
25 studies conducted and supported by the Agency; and

26 (2) conduct and support basic research on the process
27 of technological innovation, including research on the
28 effect of economic factors, management practices, and
29 employee utilization on technological innovation.

30 NATIONAL INNOVATION BOARD

31 Sec. 244. (a) There is established in the Agency the
32 National Innovation Board, which shall provide advice and
33 assistance to the Director concerning the policies and
34 programs of the Agency.

1 (b) The Board shall be composed of ten members, who shall
2 be appointed by the President from among individuals who
3 represent business and industrial concerns, employees,
4 educational institutions, and State and local governments. In
5 appointing members to the Board, the President shall select
6 members in a manner which assures a balanced representation
7 of the concerns, employees, institutions, and governments
8 described in the preceding sentence.

9 (c) Each member of the Board shall be appointed for a
10 four-year term, except that the term of office of the members
11 first appointed shall expire, as designated by the President
12 at the time of appointment, two at the end of one year, two
13 at the end of two years, three at the end of three years, and
14 three at the end of four years.

15 (d) The Board shall elect one of its members as Chairman
16 of the Board.

17 (e) Six members of the Board shall constitute a quorum for
18 the transaction of business, but a lesser number may hold
19 hearings. A vacancy in the Board shall not impair its powers.

20 (f) The Board shall meet at least twice each year, and
21 shall meet at the call of the Chair or the Director.

22 (g) Members of the Board shall not hold any other Federal
23 office or be a full-time employee of the United States while
24 serving as a member of the Board.

25 (h) Each member of the Board shall receive compensation
26 at a rate equal to the daily rate prescribed for GS-18 under
27 the General Schedule under section 5332 of title 5, United
28 States Code, for each day, including traveltime, such member
29 is engaged in the actual performance of duties as a member of
30 the Board, and shall be reimbursed for travel, subsistence,
31 and other necessary expenses incurred in the performance of
32 the duties as a member of the Board.

33 (i) To carry out the provisions of this section, the
34 Board is authorized to--

1 (1) hold such hearings and sit and act at such times
2 and places, either as a whole or by subcommittee, and
3 request the attendance and testimony of such witnesses
4 and the production of such books, records,
5 correspondence, memorandums, papers, and documents as the
6 Board or such subcommittee may deem advisable; and

7 (2) request the cooperation and assistance of Federal
8 agencies in carrying out the provisions of this section,
9 and such Federal agencies are authorized to provide such
10 cooperation and assistance.

11 (j) The Director shall provide the Board with such
12 support, staff, and facilities as may be necessary to enable
13 the Board to carry out this section.

14 INTERAGENCY COORDINATING COUNCIL ON INNOVATION

15 Sec. 245. (a) There is established the Interagency
16 Coordinating Council on Innovation. The Council shall be
17 composed of--

18 (1) the Deputy Director, who shall be Chairman of the
19 Council;

20 (2) the Secretaries of Commerce, Defense, Education,
21 Energy, and Labor (or the designee of each such
22 Secretary);

23 (3) the Director of the National Science Foundation
24 (or the designee of the Director);

25 (4) the Administrators of the National Aeronautics
26 and Space Administration and the Small Business
27 Administration (or the designee of each such
28 Administrator); and

29 (5) the heads of such other Federal agencies as the
30 Deputy Director considers appropriate (or the designees
31 of such agency heads).

32 (b) The Council shall meet at least once each month, and
33 at the call of the Deputy Director.

34 (c) Every three months, the Council shall prepare and

1 transmit to the Director a report concerning its activities.
2 Each report shall contain recommendations for legislation and
3 administrative action to coordinate and consolidate programs
4 carried out by Federal agencies which affect policies and
5 practices relating to technological innovation.

6 (d) The Director shall provide the Council with such
7 support, staff, and facilities as may be necessary to enable
8 the Council to carry out this section.

9 DIRECTORATE FOR HUMAN AND ORGANIZATIONAL RESOURCES

10 Sec. 246. (a) There is established in the Agency the
11 Directorate for Human and Organizational Resources. The
12 Directorate shall be composed of--

13 (1) the Division of Technical Education established
14 by subsection (c);

15 (2) the Division of Manpower Training established by
16 subsection (d); and

17 (3) the Division of Managerial Innovation established
18 by subsection (e).

19 (b) The Director, through the Directorate for Human and
20 Organizational Resources, shall--

21 (1) promote improvements in the productivity of the
22 American work force and in managerial methods that
23 enhance technological innovation;

24 (2) study and evaluate programs conducted by Federal
25 agencies, State and local governments, business and
26 industrial concerns, and educational institutions
27 concerning--

28 (A) employee training and retraining practices;
29 and

30 (B) employer organizational arrangements which
31 affect technological innovation; and

32 (3) make grants or enter into contracts to carry out
33 projects to demonstrate methods to improve--

34 (A) employee training and retraining practices;

1 and

2 (B) employer organizational arrangements which
3 affect technological innovation.

4 (c) There is established in the Directorate for Human and
5 Organizational Resources the Division of Technical Education.
6 The Director, through the Division of Technical Education,
7 shall--

8 (1) study and evaluate programs providing technical
9 training to entry level employees and the impact of such
10 programs on promoting the adjustment of such employees to
11 technological innovation, including programs conducted by
12 secondary schools, vocational and technical schools,
13 junior colleges, colleges and universities, and
14 employers; and

15 (2) make grants to secondary schools, junior
16 colleges, colleges and universities, and employers for
17 projects to demonstrate technical training programs for
18 entry level employees that will improve the adjustment of
19 such employees to technological innovation.

20 (d) There is established in the Directorate for Human and
21 Organizational Resources the Division of Manpower Retraining.
22 The Director, through the Division of Manpower Retraining,
23 shall--

24 (1) study and evaluate the effectiveness of all types
25 of programs to retrain employees who are displaced by
26 technological innovation and foreign competition;

27 (2) assess and identify needs for new programs to
28 retrain such employees, including an assessment of types
29 of occupational retraining needed, appropriate
30 institutions which may conduct such retraining, and
31 alternative approaches for retraining programs; and

32 (3) make grants to appropriate public and private
33 nonprofit institutions for the conduct of projects to
34 demonstrate alternative approaches to improve the quality

1 and availability of educational programs for the
2 retraining of employees who are displaced by
3 technological innovation and foreign competition,
4 including a program under which--

5 (A) such employees are provided with vouchers to
6 be used by such employees to pay providers of
7 educational retraining for education and training
8 received by such employees; and

9 (B) such providers present such vouchers for
10 redemption for cash payments for the provision of
11 such education and training.

12 (e) There is established in the Directorate for Human and
13 Organizational Resources the Division of Managerial
14 Innovation. The Director, through the Division of Managerial
15 Innovation, shall study and evaluate management practices and
16 innovations which enhance technological innovation,
17 productivity, labor-management relations, and the quality of
18 the work place.

19 DIRECTORATE FOR ENTERPRISE DEVELOPMENT

20 Sec. 247. (a) There is established in the Agency the
21 Directorate for Enterprise Development. The Directorate for
22 Enterprise Development shall be composed of--

23 (1) the Division of Cooperative Research and
24 Development established by subsection (c);

25 (2) the Division of State and Local Initiatives
26 established by subsection (d);

27 (3) the Division of Small Business Innovation
28 established by subsection (e); and

29 (4) the Division of Capital Resources for Innovation
30 established by subsection (f).

31 (b) The Director through the Directorate for Enterprise
32 Development, shall--

33 (1) study the development and formation of new
34 enterprises;

1 (2) make grants to appropriate public and private
2 nonprofit institutions for projects to demonstrate models
3 for the development and formation of cooperative
4 enterprises; and

5 (3) promote successful models for the development and
6 formation of new enterprises, including the dissemination
7 of information concerning such models and the provision
8 of grants for the planning, development, and initial
9 operation of new enterprises which use such models.

10 (c) There is established in the Directorate for
11 Enterprise Development the Division of Cooperative Research
12 and Development. The Director, through the Division of
13 Cooperative Research and Development, shall--

14 (1) evaluate and disseminate information on existing
15 and potential models of cooperative research and
16 development arrangements, including models of
17 arrangements among business and industrial concerns and
18 models of arrangements between business and industrial
19 concerns and educational institutions;

20 (2) assess potential and existing governmental
21 barriers to such cooperative research and development
22 arrangements, such as the provisions of antitrust laws
23 and tax policies, and suggest methods to eliminate such
24 barriers; and

25 (3) make grants to appropriate institutions and
26 organizations to support demonstrations of cooperative
27 research and development arrangements, including grants
28 to support--

29 (A) research programs at university centers
30 concerning specific technologies relevant to business
31 and industrial concerns;

32 (B) cooperative research projects between
33 business and industrial concerns and educational
34 institutions which focus on fundamental research of

1 potential industrial relevance; and

2 (C) cooperative arrangements among business and
3 industrial concerns which include financial
4 participation by such concerns, such as limited
5 partnerships for research and development.

6 (d) There is established in the Directorate for
7 Enterprise Development the Division of State and Local
8 Initiatives. The Director, through the Division of State and
9 Local Initiatives, shall--

10 (1) evaluate the role of State and local governments
11 in the promotion of technological innovation and new
12 enterprise development, including an assessment of
13 existing State and local programs to promote such
14 development and innovation;

15 (2) make grants to appropriate institutions and
16 organizations for projects to demonstrate potential
17 models of cooperative research and development
18 arrangements between State and local governments and
19 business and industrial concerns which include
20 significant financial participation by such governments
21 and concerns; and

22 (3) facilitate information dissemination and the
23 development of networks among programs supported by State
24 and local governments to promote technological
25 innovation.

26 (e) There is established in the Directorate for
27 Enterprise Development the Division of Small Business
28 Innovation. The Director, through the Division of Small
29 Business Innovation, shall--

30 (1) coordinate and monitor small business innovation
31 research programs conducted under the Small Business Act,
32 and, in consultation with the Office of Program
33 Evaluation and Development, evaluate activities by
34 Federal agencies to carry out such programs;

1 (2) study and evaluate methods (other than such small
2 business innovation research programs) by which Federal
3 programs for the procurement of research and development
4 services can more effectively promote innovation by small
5 business concerns; and

6 (3) provide, in cooperation with the Division of
7 State and Local Initiatives, technical assistance to
8 State governments and regional organizations to enable
9 such governments and organizations to establish State and
10 regional programs similar to the small business
11 innovation research programs established under the Small
12 Business Act.

13 (f) There is established in the Directorate for
14 Enterprise Development the Division of Capital Resources for
15 Innovation. The Director, through the Division of Capital
16 Resources for Innovation, shall--

17 (1) study and evaluate capital markets for the
18 establishment of new enterprises and for the
19 commercialization and development of products of small
20 business concerns and individual inventors; and

21 (2) assess the cost and availability of capital for
22 such enterprises and products.

23 DIRECTORATE FOR PRODUCTION RESEARCH AND DEVELOPMENT

24 Sec. 248. (a) There is established in the Agency the
25 Directorate for Production Research and Development. The
26 Directorate for Production Research and Development shall be
27 composed of--

28 (1) the Division of Manufacturing Technology
29 established by subsection (c);

30 (2) the Division of Process Technology established by
31 subsection (d); and

32 (3) the Division of Sociotechnical Design established
33 by subsection (e).

34 (b) The Director, through the Directorate for Production

1 Research and Development, shall--

2 (1) study and evaluate the state of the American
3 manufacturing technologies and process technologies;

4 (2) provide guidance and financial assistance to
5 universities, colleges, and vocational and technical
6 schools for curriculum development and equipment
7 acquisition in order to improve manufacturing
8 technologies and process technologies;

9 (3) support cooperative arrangements among
10 universities, colleges, business concerns, the Federal
11 Government, and State and local governments for the
12 conduct of research concerning manufacturing technologies
13 and process technologies, especially technologies
14 applicable to a wide range of industries; and

15 (4) make grants to appropriate public and private
16 nonprofit institutions to support field experiments with
17 a high potential for commercial success in the
18 development of process technologies and the successful
19 implementation of such technologies.

20 (c) There is established in the Directorate for
21 Production Research and Development the Division of
22 Manufacturing Technology. The Director, through the Division
23 of Manufacturing Technology, shall--

24 (1) support and stimulate redevelopment of the
25 scientific and technical infrastructure in manufacturing
26 research and development, including the dissemination of
27 the latest developments in applied research and
28 technology to all participants in the manufacturing
29 process;

30 (2) study the factors involved in the successful
31 implementation of new manufacturing technologies,
32 including factors such as managerial practices, and
33 develop strategies to improve the utilization of such
34 technologies; and

1 (3) provide measurement services, test procedures,
2 and reliable technical data with respect to automated
3 manufacturing processes.

4 (d) There is established in the Directorate for
5 Production Research and Development the Division of Process
6 Technology. The Director, through the Division of Process
7 Technology, shall support research concerning the development
8 of improved manufacturing processes in new and developing
9 product areas such as biotechnology and microelectronics.

10 (e) There is established in the Directorate for
11 Production Research and Development the Division of
12 Sociotechnical Design. The Director, through the Division of
13 Sociotechnical Design and in cooperation with the Division of
14 Managerial Innovation, shall conduct research on
15 organizational arrangements, designs, and methods which
16 will--

17 (1) prevent the dislocation of employees which may
18 result from technological innovation; and

19 (2) enable employees affected by technological
20 innovation to be integrated in business and industrial
21 concerns which have benefited from technological
22 innovation.

23 DIRECTORATE FOR INFORMATION AND TECHNOLOGY TRANSFER

24 Sec. 249. (a) There is established in the Agency the
25 Directorate for Information and Technology Transfer. The
26 Directorate for Information and Technology Transfer shall be
27 composed of--

28 (1) the Division of Mission-Oriented Transfer
29 established by subsection (c); and

30 (2) the Division of Information Systems established
31 by subsection (d).

32 (b) The Director, through the Directorate for Information
33 and Technology Transfer, shall conduct a program to
34 disseminate information concerning, and to promote the

1 successful use of, new products and technology. Such program
2 shall--

3 (1) evaluate the factors which contribute to the
4 failure of processes for the transfer of information
5 concerning new products and technologies to employees,
6 educational institutions, business and industrial
7 concerns, and State and local governments; and

8 (2) develop new mechanisms for the transfer of such
9 information and methods to improve existing mechanisms to
10 transfer such information.

11 (c) There is established in the Directorate of
12 Information and Technology Transfer the Division of Mission-
13 Oriented Transfer. The Director, through the Division of
14 Mission-Oriented Transfer, shall--

15 (1) identify products and processes developed by
16 Federal agencies such as the Department of Defense, the
17 National Aeronautics and Space Administration, and the
18 Department of Energy, which have potential for commercial
19 applications;

20 (2) operate a center to make inventions and technical
21 information which are developed from federally funded
22 research available to business and industrial concerns;
23 and

24 (3) evaluate, promote, and license to business and
25 industrial concerns Government patents which have
26 potential commercial applications, especially patents for
27 exemplary inventions relating to the development,
28 production, and conservation of energy.

29 (d) (1) There is established in the Directorate for
30 Information and Technology Transfer the Division of
31 Information Systems. The Director, through the Division of
32 Information Systems, shall--

33 (A) operate a national technical information service
34 to make Federal technological, scientific, economic, and

1 engineering information readily accessible to business
2 and industrial concerns, State and local governments,
3 educational institutions, and other interested
4 individuals and organizations;

5 (B) act as a repository of all scientific and
6 technical information collected by Federal agencies,
7 including information on processes of technological
8 innovation and foreign manufacturing technologies;

9 (C) operate a clearinghouse for data relating to
10 technological innovation by using a computerized network
11 to coordinate available informational resources in the
12 private sector;

13 (D) promote the identification and dissemination of
14 important findings and successful technologies which
15 relate to technological innovation; and

16 (E) establish a national technology extension center
17 program in accordance with paragraph (2).

18 (2) The Director, through the Division of Information
19 Systems, shall establish twelve centers in cooperation with
20 State and local governments, business and industrial
21 concerns, and educational institutions. Each such center
22 shall--

23 (A) enhance the transfer to, and utilization by,
24 business and industrial concerns of technological
25 knowledge and information developed by educational
26 institutions;

27 (B) with respect to one or more types of
28 technologies, establish an intellectual center and a
29 comprehensive clearinghouse for research and development;

30 (C) facilitate the demonstration of new technologies
31 and enable adaptation of such technologies by industries
32 according to the particular needs of such industries;

33 (D) provide technical assistance to business and
34 industrial concerns which have adopted and implemented

1 the technologies referred to in subparagraph (C);

2 (E) provide practical training for university
3 personnel and new employee retraining for structurally
4 unemployed individuals; and

5 (F) conduct research and collect empirical data
6 concerning the effects of current programs or the likely
7 effects of new programs which are designed to stimulate
8 technological innovation.

9 Subpart 3--Transfers

10 TRANSFERS FROM THE NATIONAL SCIENCE FOUNDATION

11 Sec. 251. (a) There are transferred to the Director all
12 functions of the National Science Foundation with respect to
13 or administered through--

14 (1) the Division of Policy Research and Analysis of
15 the Foundation; and

16 (2) the Division of Industrial Science and
17 Technological Innovation of the Foundation.

18 (b) There are transferred to the Director all functions
19 of the National Science Foundation relating to--

20 (1) the enhancement of scientific and technological
21 resources of State and local governments, including
22 functions relating to the conduct of demonstration
23 projects to enhance such resources, the evaluation of
24 State and local projects to improve technological
25 innovation, and the promotion of networks between State
26 and local governments conducting such projects; and

27 (2) the study and evaluation of programs providing
28 technical training to entry level employees and the
29 impact of such programs on promoting the adjustment of
30 such employees to technological innovation, including the
31 study and evaluation of programs conducted by secondary
32 schools, vocational and technical schools, junior
33 colleges, colleges and universities, and employers.

34 TRANSFERS FROM THE DEPARTMENT OF COMMERCE

1 Sec. 252. (a) There are transferred to the Director all
2 functions of the Secretary of Commerce with respect to or
3 administered through--

4 (1) the Assistant Secretary of Commerce for
5 Productivity, Technology, and Innovation;

6 (2) the Director of the National Technical
7 Information Service; and

8 (3) the Director of the Center for the Utilization of
9 Federal Technology.

10 (b) There are transferred to the Director all functions
11 of the Secretary of Commerce relating to the identification,
12 promotion, and licensing to business and industrial concerns
13 of inventions developed by Federal agencies.

14 TRANSFER FROM THE DEPARTMENT OF ENERGY

15 Sec. 253. There are transferred to the Director all
16 functions of the Secretary of Energy relating to the
17 identification and promotion of exemplary inventions relating
18 to the development, production, and conservation of energy.

19 TRANSFER FROM THE SMALL BUSINESS ADMINISTRATION

20 Sec. 254. There are transferred to the Director all
21 functions of the Administrator of the Small Business
22 Administration relating to the small business innovation
23 research program under the Small Business Act.

24 Subpart 4--Administrative Provisions

25 PERSONNEL PROVISIONS

26 Sec. 261. (a) The Director may appoint and fix the
27 compensation of such officers and employees, including
28 investigators, attorneys, and administrative law judges, as
29 may be necessary to carry out the functions of the Director
30 and the Agency. Except as otherwise provided by law, such
31 officers and employees shall be appointed in accordance with
32 the civil service laws and compensated in accordance with
33 title 5, United States Code.

34 (b)(1) At the request of the Director, the Director of

1 the Office of Personnel Management shall, under section 5108
2 of title 5, United States Code, provide for the establishment
3 in each of the grade levels GS-16, GS-17, and GS-18, and in
4 the Senior Executive Service, of a number of positions in the
5 Agency equal to the number of positions in that grade level
6 which were used primarily for the performance of functions
7 transferred by this part and which were assigned and filled
8 on the day before the effective date of this part.

9 (2) Appointments to positions provided for under this
10 subsection may be made without regard to the provisions of
11 section 3324 of title 5, United States Code, if the
12 individual appointed in such position is an individual who is
13 transferred in connection with the transfer of functions
14 under this part and, on the day before the effective date of
15 this part, holds a position and has duties comparable to
16 those of the position to which appointed under this
17 subsection.

18 (3) The authority under this subsection with respect to
19 any position established at the grade level GS-16, GS-17, or
20 GS-18 shall terminate when the person first appointed to fill
21 such position ceases to hold such position.

22 (4) For purposes of section 414(a)(3)(A) of the Civil
23 Service Reform Act of 1978, an individual appointed under
24 this subsection shall be deemed to occupy the same position
25 as the individual occupied on the day before the effective
26 date of this part.

27 (c) The Director may obtain the services of experts and
28 consultants in accordance with section 3109 of title 5,
29 United States Code, and compensate such experts and
30 consultants for each day (including traveltime) at rates not
31 in excess of the rate of pay for grade GS-18 of the General
32 Schedule under section 5332 of such title. The Director may
33 pay experts and consultants who are serving away from their
34 homes or regular place of business travel expenses and per

1 diem in lieu of subsistence at rates authorized by sections
2 5702 and 5703 of such title for persons in Government service
3 employed intermittently.

4 (d)(1)(A) The Director is authorized to accept voluntary
5 and uncompensated services without regard to the provisions
6 of section 1342 of title 31, United States Code, if such
7 services will not be used to displace Federal employees
8 employed on a full-time, part-time, or seasonal basis.

9 (B) The Director is authorized to accept volunteer
10 service in accordance with the provisions of section 3111 of
11 title 5, United States Code.

12 (2) The Director is authorized to provide for incidental
13 expenses, including but not limited to transportation,
14 lodging, and subsistence for individuals who provide
15 voluntary services under subparagraph (A) or (B) of paragraph
16 (1).

17 (3) An individual who provides voluntary services under
18 paragraph (1)(A) shall not be considered a Federal employee
19 for any purpose other than for purposes of chapter 81 of
20 title 5, United States Code, relating to compensation for
21 work injuries, and chapter 171 of title 28, United States
22 Code, relating to tort claims.

23 GENERAL AUTHORITY

24 Sec. 262. In carrying out any functions transferred by
25 this part, the Director, or any officer or employee of the
26 Agency, may exercise any authority available by law with
27 respect to the function to the official or agency from which
28 the function is transferred. Any action of the Director in
29 exercising such authority shall have the same force and
30 effect as when exercised by the official or agency from which
31 the function was transferred.

32 DELEGATION AND ASSIGNMENT

33 Sec. 263. Except where otherwise expressly prohibited by
34 law or otherwise provided by this part, the Director may

1 delegate any function specified for or transferred to the
2 Director by this part and any function transferred or granted
3 to the Director after the effective date of this part to such
4 officers and employees of the Agency as the Director may
5 designate, and may authorize successive redelegations of such
6 functions as may be necessary or appropriate. No delegation
7 of functions by the Director under this section or under any
8 other provision of this part shall relieve the Director of
9 responsibility for the administration of such functions.

10

SUCCESSION

11 Sec. 264. (a) Subject to the authority of the President,
12 and except as provided in section 241 (c) (2), the Director
13 shall prescribe the order by which officers of the Agency
14 shall act for, and perform the functions of, the Director or
15 any other officer of the Agency during the absence or
16 disability of the Director or such other officer, or in the
17 event of a vacancy in the office of the Director or such
18 other officer.

19 (b) Notwithstanding any other provision of law, and
20 unless the President directs otherwise, an individual acting
21 for the Director or another officer of the Agency pursuant to
22 subsection (a) shall continue to serve in that capacity until
23 the absence or disability of the Director or such other
24 officer no longer exists or a successor to the Director or
25 such other officer has been appointed by the President and
26 confirmed by the Senate.

27

REORGANIZATION

28 Sec. 265. (a) Subject to subsection (b), the Director is
29 authorized to allocate or reallocate functions among the
30 officers of the Agency, and to establish, consolidate, alter,
31 or discontinue such offices in the Agency as may be necessary
32 or appropriate.

33 (b) The authority of the Director under subsection (a)
34 does not extend to any function which this part specifies

1 shall be performed through a particular office or officer of
2 the Agency, or to any office established by this part.

3 . RULES

4 Sec. 266. The Director is authorized to prescribe, in
5 accordance with the provisions of chapters 5 and 6 of title
6 5, United States Code, such rules and regulations as the
7 Director determines necessary or appropriate to administer
8 and manage the functions of the Director or the Agency.

9 CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS

10 Sec. 267. (a) Subject to the provisions of the Federal
11 Property and Administrative Services Act of 1949, the
12 Director may make, enter into, and perform such contracts,
13 leases, cooperative agreements, grants, or other similar
14 transactions with public agencies, private organizations, and
15 persons, and make payments (in lump sum or installments, and
16 by way of advance or reimbursement, and, in the case of any
17 grant, with necessary adjustments on account of overpayments
18 and underpayments) as the Director considers necessary or
19 appropriate to carry out the functions of the Director or the
20 Agency.

21 (b) Notwithstanding any other provision of this part, the
22 authority to enter into contracts or to make payments under
23 this part shall be effective only to such extent or in such
24 amounts as are provided in advance in appropriation Acts.
25 This subsection does not apply with respect to the authority
26 granted under section 270.

27 PUBLICATIONS

28 Sec. 268. Subject to such procedures as the Director of
29 the Office of Management and Budget may prescribe, the
30 Director may disseminate in the form of reports or
31 publications such information as the Director considers
32 appropriate.

33 USE OF FACILITIES

34 Sec. 269. (a) With their consent, the Director, with or

1 without reimbursement, may use the research, services,
2 equipment, and facilities of--

3 (1) an individual;

4 (2) any public or private nonprofit agency or
5 organization, including any agency or instrumentality of
6 the United States or of any State, the District of
7 Columbia, the Commonwealth of Puerto Rico, or any
8 territory or possession of the United States;

9 (3) any political subdivision of any State, the
10 District of Columbia, the Commonwealth of Puerto Rico, or
11 any territory or possession of the United States; or

12 (4) any foreign government,

13 in carrying out any function of the Director or the Agency.

14 (b) The Director, under terms, at rates, and for periods
15 that the Director considers to be in the public interest, may
16 permit the use by public and private agencies, corporations,
17 associations or other organizations, or by individuals, of
18 any real property, or any facility, structure or other
19 improvement thereon, under the custody of the Director. The
20 Director may require permittees under this section to
21 maintain or recondition, at their own expense, the real
22 property, facilities, structures, and improvements used by
23 such permittees.

24 GIFTS AND BEQUESTS

25 Sec. 270. (a) The Director is authorized to accept, hold,
26 administer, and utilize gifts and bequests of property, both
27 real and personal, for the purpose of aiding or facilitating
28 the work of the Agency. Gifts and bequests of money and the
29 proceeds from sales of other property received as gifts or
30 bequests shall be deposited in the United States Treasury in
31 a separate fund and shall be disbursed on order of the
32 Director. Property accepted pursuant to this paragraph, and
33 the proceeds thereof, shall be used as nearly as possible in
34 accordance with the terms of the gift or bequest.

1 (b) For the purpose of Federal income, estate, and gift
2 taxes, and State taxes, property accepted under subsection
3 (a) shall be considered a gift or bequest to or for use of
4 the United States.

5 (c) Upon the request of the Director, the Secretary of
6 the Treasury may invest and reinvest in securities of the
7 United States or in securities guaranteed as to principal and
8 interest by the United States any moneys contained in the
9 fund provided for in subsection (a). Income accruing from
10 such securities, and from any other property held by the
11 Director pursuant to subsection (a), shall be deposited to
12 the credit of the fund, and shall be disbursed upon order of
13 the Director.

14 SEAL OF AGENCY

15 Sec. 271. The Director shall cause a seal to be made for
16 the Agency of such design as the Director shall approve.
17 Judicial notice shall be taken of such seal.

18 ANNUAL REPORT

19 Sec. 272. The Director shall, as soon as practicable
20 after the end of each fiscal year, prepare and transmit a
21 written report to the President for transmission to the
22 Congress on the activities of the Agency during such fiscal
23 year.

24 Subpart 5--Transitional, Savings, and Conforming Provisions

25 TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL

26 Sec. 281. Except as otherwise provided in this part, the
27 personnel employed in connection with, and the assets,
28 liabilities, contracts, property, records, and unexpended
29 balances of appropriations, authorizations, allocations, and
30 other funds employed, used, held, arising from, available to,
31 or to be made available in connection with the functions
32 transferred by this part, subject to section 1531 of title
33 31, United States Code, shall be transferred to the Director.
34 Unexpended funds transferred pursuant to this section shall

1 be used only for the purposes for which the funds were
2 originally authorized and appropriated.

3 INCIDENTAL TRANSFERS

4 Sec. 282. (a) The Director of the Office of Management
5 and Budget, at such time or times as the Director shall
6 provide, is authorized to make such determinations as may be
7 necessary with regard to the functions transferred by this
8 part, and to make such additional incidental dispositions of
9 personnel, assets, liabilities, grants, contracts, property,
10 records, and unexpended balances of appropriations,
11 authorizations, allocations, and other funds held, used,
12 arising from, available to, or to be made available in
13 connection with such functions, as may be necessary to carry
14 out the provisions of this part. The Director of the Office
15 of Management and Budget shall provide for the termination of
16 the affairs of all entities terminated by this part and for
17 such further measures and dispositions as may be necessary to
18 effectuate the purposes of this part.

19 (b) After consultation with the Director of the Office of
20 Personnel Management, the Director of the Office of
21 Management and Budget is authorized, at such times as the
22 Director of the Office of Management and Budget may provide,
23 to make such determinations as may be necessary with regard
24 to the transfer of positions within the Senior Executive
25 Service in connection with the functions transferred by this
26 part.

27 EFFECT ON PERSONNEL

28 Sec. 283. (a) Except as otherwise provided by this part,
29 the transfer pursuant to this part of full-time personnel
30 (except special Government employees) and part-time personnel
31 holding permanent positions shall not cause any such employee
32 to be separated or reduced in grade or compensation for one
33 year after the date of transfer of such employee under this
34 part.

1 (b) Any person who, on the day preceding the effective
2 date of this part, held a position compensated in accordance
3 with the Executive Schedule prescribed in chapter 53 of title
4 5, United States Code, and who, without a break in service,
5 is appointed in the Agency to a position having duties
6 comparable to the duties performed immediately preceding such
7 appointment shall continue to be compensated in such new
8 position at not less than the rate provided for such previous
9 position, for the duration of the service of such person in
10 such new position.

11 AGENCY TERMINATIONS

12 Sec. 284. Except as otherwise provided by this part,
13 whenever all the functions of any office of a Federal agency
14 have been transferred by this part from that agency, such
15 agency shall terminate. If an office terminates pursuant to
16 the provisions of the preceding sentence, each position and
17 component therein which was expressly authorized by law, or
18 the incumbent of which was authorized to receive compensation
19 at the rates prescribed for a position at level II, III, IV,
20 or V of the Executive Schedule contained in sections 5313
21 through 5316 of title 5, United States Code, shall terminate.

22 SAVINGS PROVISIONS

23 Sec. 285. (a) All orders, determinations, rules,
24 regulations, permits, contracts, certificates, licenses, and
25 privileges that--

26 (1) have been issued, made, granted, or allowed to
27 become effective by the President, any Federal agency or
28 official thereof, or by a court of competent
29 jurisdiction, in the performance of functions which are
30 transferred by this part; and

31 (2) are in effect when this part takes effect,
32 shall continue in effect according to their terms until
33 modified, terminated, superseded, set aside, or revoked in
34 accordance with law by the President, the Director, a court

1 of competent jurisdiction, or by operation of law.

2 (b)(1) The provisions of this part shall not affect any
3 proceedings, including notices of proposed rule making, or
4 any application for any license, permit, certificate, or
5 financial assistance pending on the effective date of this
6 part before a Federal agency or any office thereof with
7 respect to functions transferred by this part; but such
8 proceedings or applications, to the extent that they relate
9 to functions transferred, shall be continued. Orders shall be
10 issued in such proceedings, appeals shall be taken therefrom,
11 and payments shall be made under such orders, as if this part
12 had not been enacted; and orders issued in any such
13 proceedings shall continue in effect until modified,
14 terminated, superseded, or revoked by the Director, by a
15 court of competent jurisdiction, or by operation of law.
16 Nothing in this subsection prohibits the discontinuance or
17 modification of any such proceeding under the same terms and
18 conditions and to the same extent that such proceeding could
19 have been discontinued or modified if this part had not been
20 enacted.

21 (2) The Director and the head of each Federal agency from
22 which functions are transferred by this part are authorized
23 to issue regulations providing for the orderly transfer of
24 proceedings continued under paragraph (1).

25 (c) Except as provided in subsection (e)--

26 (1) the provisions of this part do not affect actions
27 commenced prior to the effective date of this part, and

28 (2) in all such actions, proceedings shall be had,
29 appeals taken, and judgments rendered in the same manner
30 and effect as if this part had not been enacted.

31 (d) No action or other proceeding commenced by or against
32 any officer in his official capacity as an officer of any
33 Federal agency with respect to functions transferred by this
34 part shall abate by reason of the enactment of this part. No

1 cause of action by or against any Federal agency with respect
2 to functions transferred by this part, or by or against any
3 officer thereof in his official capacity, shall abate by
4 reason of the enactment of this part. Causes of action and
5 actions with respect to a function transferred by this part,
6 or other proceedings may be asserted by or against the United
7 States or the Director, as may be appropriate, and, in an
8 action pending when this part takes effect, the court may at
9 any time, on its own motion or that of any party, enter an
10 order which will give effect to the provisions of this
11 subsection.

12 (e) If, before the date on which this part takes effect,
13 any Federal agency or any officer thereof in his official
14 capacity, is a party to an action, and under this part any
15 function of such Federal agency is transferred to the
16 Director, then such action shall be continued with the
17 Director substituted or added as a party.

18 (f) Orders and actions of the Director in the exercise of
19 functions transferred by this part shall be subject to
20 judicial review to the same extent and in the same manner as
21 if such orders and actions had been by the head of the
22 Federal agency exercising such functions immediately
23 preceding their transfer. Any statutory requirements relating
24 to notice, hearings, action upon the record, or
25 administrative review that apply to any function transferred
26 by this part shall apply to the exercise of such function by
27 the Director.

28 AMENDMENTS

29 Sec. 286. (a) Section 5313 of title 5, United States
30 Code, is amended by adding at the end thereof the following
31 new item:

''Director, Agency for Technological Innovation.''

32 (b) Section 5314 of such title is amended--

33 (1) by striking out the item relating to the

1 Assistant Secretaries of Commerce and inserting in lieu
2 thereof the following:

3 ``Assistant Secretaries of Commerce (7).``; and
4 (2) by adding at the end thereof the following new
5 item:

6 ``Deputy Director, Agency for Technological
7 Innovation.``.

8 (c) Section 5316 of such title is amended by adding at
9 the end thereof the following new item:

10 ``Assistant Director, Agency for Technological
11 Innovation.``.

12 SEPARABILITY

13 Sec. 287. If a provision of this part or its application
14 to any person or circumstance is held invalid, neither the
15 remainder of this part nor the application of the provision
16 to other persons or circumstances shall be affected.

17 REFERENCE

18 Sec. 288. With respect to any functions transferred by
19 this part and exercised after the effective date of this
20 part, reference in any other Federal law to the Federal
21 agency from which such functions were transferred or the head
22 of such Federal agency, shall be considered to refer to the
23 Director.

24 TRANSITION

25 Sec. 289. With the consent of the head of each Federal
26 agency from which functions are transferred by this part, the
27 Director is authorized to utilize--

28 (1) the services of officers, employees, and other
29 personnel of each such Federal agency with respect to
30 functions or offices transferred to the Agency by this
part; and

(2) funds appropriated to such functions for such
period of time as may reasonably be needed to facilitate
the orderly implementation of this Act.

1 EFFECTIVE DATE

2 Sec. 291. (a) This part shall take effect one hundred and
3 twenty days after the date of enactment of this Act, except
4 that--

5 (1) section 289 shall take effect on the date of
6 enactment of this Act; and

7 (2) at any time after the date of enactment of this
8 Act--

9 (A) the officers provided for in subpart 2 may be
10 nominated and appointed, as provided in such subpart;
11 and

12 (B) the Director and the head of each Federal
13 agency from which functions are transferred by this
14 part may promulgate regulations under section 285

15 (b)(2).

16 (b) Funds available to a Federal agency, with respect to
17 functions transferred by this part, may be used, with
18 approval of the Director of the Office of Management and
19 Budget, to pay the compensation and expenses of an officer
20 appointed under subsection (a)(2)(A) who will carry out such
21 functions until funds for that purpose are otherwise
22 available.

23 INTERIM APPOINTMENTS

24 Sec. 292. (a) If one or more officers required by this
25 part to be appointed by and with the advice and consent of
26 the Senate have not entered upon office on the effective date
27 of this part and notwithstanding any other provision of law,
28 the President may designate any officer who was appointed by
29 and with the advice and consent of the Senate, and who was
30 such an officer on the day before the effective date of this
31 part, to act in the office until it is filled as provided by
32 this part.

33 (b) Any officer acting in an office pursuant to
34 subsection (a) shall receive compensation at the rate

1 prescribed by this part for such office.

2 AUTHORIZATION OF APPROPRIATIONS

3 Sec. 293. To carry out this part, there are authorized to
4 be appropriated \$100,000,000 for fiscal year 1985 and each of
5 the four succeeding fiscal years.