118TH CONGRESS 2D SESSION

# S. 1956

## **AN ACT**

To improve the commercialization of Federal research by domestic manufacturers, 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,

### 1 SECTION 1. SHORT TITLE.

- This Act may be cited as the "Invent Here, Make
- 3 Here Act of 2024".
- 4 SEC. 2. IMPROVEMENT OF COMMERCIALIZATION OF FED-
- 5 ERAL RESEARCH BY DOMESTIC MANUFAC-
- 6 TURERS.
- 7 Section 2 of the National Institute of Standards and
- 8 Technology Act (15 U.S.C. 272) is amended by adding
- 9 at the end the following:
- 10 "(f) Commercialization of Federal Research
- 11 BY DOMESTIC MANUFACTURERS.—In order for the Insti-
- 12 tute to meet the need described in section 1(a)(1) and
- 13 most effectively carry out the activities under subsection
- 14 (c)(1) of this section, the Director shall—
- 15 "(1) coordinate with the Secretary of Defense,
- the Secretary of Energy, the Director of the Na-
- tional Science Foundation, and industry organiza-
- tions to identify domestic manufacturers that can
- develop commercial products based on completed re-
- search conducted by Federal agencies;
- 21 "(2) work with the Administrator of the Small
- 22 Business Administration to identify domestic inves-
- tors to support the development of commercial prod-
- 24 ucts based on research conducted by Federal agen-
- cies; and

1	"(3) maintain a publicly accessible and search-
2	able database of domestic manufacturers and their
3	capabilities with respect to commercialization of fed-
4	erally funded research.".
5	SEC. 3. STUDY AND COMPREHENSIVE REVIEW OF COMMER-
6	CIALIZATION OF FEDERAL RESEARCH BY DO-
7	MESTIC MANUFACTURERS.
8	Not later than 540 days after the date of enactment
9	of this Act, the Director of the National Institute of
10	Standards and Technology shall—
11	(1) complete a study and comprehensive review
12	of the commercialization of Federal research by do-
13	mestic manufacturers that—
14	(A) addresses—
15	(i) what barriers currently (as of the
16	date on which the study is completed) exist
17	for domestic manufacturers to commer-
18	cialize Federal research; and
19	(ii) what role investment and the
20	availability of investors plays in the en-
21	couragement or discouragement of the
22	commercialization of Federal research by
23	domestic manufacturers; and
24	(B) provides recommendations for modi-
25	fications to the comprehensive strategic plan de-

- 1 veloped and implemented pursuant to section 2 107 of the American Innovation and Competitiveness Act (15 U.S.C. 272 note) to ensure 3 that Federal science, engineering, and tech-4 nology research is being transferred to domestic 6 manufacturers to modernize manufacturing 7 processes in accordance with section 2(b)(1) of 8 the National Institute of Standards and Tech-9 nology Act (15 U.S.C. 272(b)(1)); and
- 10 (2) submit to the Committee on Commerce, 11 Science, and Transportation of the Senate, the Com-12 mittee on the Judiciary of the Senate, the Com-13 mittee on Science, Space, and Technology of the 14 House of Representatives, and the Committee on the 15 Judiciary of the House of Representatives a report 16 on the findings of the Director with respect to the 17 study and review completed under paragraph (1).

### 18 SEC. 4. PREFERENCE FOR UNITED STATES INDUSTRY.

- 19 Section 204 of title 35, United States Code, is
- 20 amended to read as follows:

### 21 "§ 204. Preference for United States industry

- 22 "(a) Definitions.—In this section:
- 23 "(1) Country of Concern.—The term 'coun-
- 24 try of concern' has the meaning given the term 'cov-
- ered nation' in section 4872(d) of title 10.

1	"(2) Relevant congressional commit-
2	TEES.—The term 'relevant congressional commit-
3	tees' means—
4	"(A) the Committee on Commerce,
5	Science, and Transportation of the Senate;
6	"(B) the Committee on the Judiciary of
7	the Senate;
8	"(C) the Committee on Science, Space, and
9	Technology of the House of Representatives;
10	and
11	"(D) the Committee on the Judiciary of
12	the House of Representatives.
13	"(b) General Preference.—Notwithstanding any
14	other provision of this chapter, and subject to subsection
15	(c), no small business firm or nonprofit organization which
16	receives title to any subject invention and no assignee of
17	any such small business firm or nonprofit organization
18	shall grant to any person the exclusive right to use or sell
19	any subject invention in the United States unless such per-
20	son agrees that any products embodying the subject inven-
21	tion or produced through the use of the subject invention
22	will be manufactured substantially in the United States.
23	"(c) Waivers.—
24	"(1) IN GENERAL.—In individual cases, subject
25	to paragraphs (2) and (3), the Federal agency under

whose funding agreement the applicable subject invention was made may waive the requirement for an agreement described in subsection (b) upon a showing by the applicable small business firm, nonprofit organization, or assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.

- "(2) REVIEW TIMELINE.—Not later than 90 days after the date on which a Federal agency receives a request for a waiver described in paragraph (1) and with respect to which paragraph (3) does not apply, the Federal agency shall issue a decision regarding whether to grant the request.
- "(3) Prohibition on Granting Certain waivers without presidential authorization.—If granting a waiver under paragraph (1) would result in products embodying the applicable subject invention or produced through the use of the applicable subject invention being manufactured substantially in a country of concern, the applicable Federal agency may not grant the waiver without

1	the written authorization of the President (or a des-
2	ignee of the President).
3	"(4) Annual report to congressional
4	COMMITTEES.—
5	"(A) In general.—Not later than 1 year
6	after the date of enactment of the Invent Here,
7	Make Here Act of 2024, and annually there-
8	after, each Federal agency with respect to
9	which, during the preceding year, a nonprofit
10	organization or small business firm that is a
11	party to a funding agreement with the Federal
12	agency elected to retain title under section 202
13	to the subject invention that was the subject of
14	that funding agreement shall submit to the rel-
15	evant congressional committees a report that
16	includes the information described in subpara-
17	graph (B).
18	"(B) Contents.—Each report required
19	under subparagraph (A) shall include, for the
20	period covered by the report—
21	"(i) with respect to each request re-
22	ceived by the applicable Federal agency for
23	a waiver under this subsection, information
24	regarding—

1	"(I) the subject invention that is
2	the subject of the request;
3	"(II) the efforts made by the en-
4	tity seeking the waiver to grant the
5	exclusive right to use or sell the appli-
6	cable subject invention to a person
7	that would agree that any products
8	embodying the subject invention or
9	produced through the use of the sub-
10	ject invention would be manufactured
11	substantially in the United States;
12	and
13	"(III) in which markets the prod-
14	ucts embodying the applicable subject
15	invention or produced through the use
16	of the applicable subject invention will
17	be sold; and
18	"(ii) with respect to a small business
19	firm or nonprofit organization that is
20	based in the United States and has elected
21	to retain title to a subject invention pursu-
22	ant to section 202, whether that firm or
23	organization intends to manufacture that
24	subject invention in a foreign country for
25	a foreign market.

1	"(C) Preservation of confiden-
2	TIALITY.—Each Federal agency that is required
3	to submit a report under this paragraph shall
4	preserve the confidentiality or trade sensitive
5	nature of all information included in each such
6	report.".
7	SEC. 5. AMENDMENTS TO THE DIRECTORATE FOR TECH-
8	NOLOGY, INNOVATION, AND PARTNERSHIPS.
9	Subtitle G of title III of the Research and Develop-
10	ment, Competition, and Innovation Act (42 U.S.C. 19101
11	et seq.) is amended—
12	(1) in section 10382—
13	(A) in paragraph (2), by striking "and"
14	after the semicolon;
15	(B) in paragraph (3), by striking the pe-
16	riod at the end and inserting "; and"; and
17	(C) by adding at the end the following:
18	"(4) strongly encourage that products developed
19	through research funded by the Directorate will be
20	manufactured in the United States.";
21	(2) in section 10383—
22	(A) in paragraph (2), in the matter pre-
23	ceding subparagraph (A), by striking "prod-
24	ucts," and inserting "products that will be
25	manufactured in the United States,";

1	(B) in paragraph $(4)(C)$ , by inserting
2	"producing," after "capable of";
3	(C) in paragraph (6), by striking "and"
4	after the semicolon;
5	(D) in paragraph (7), by striking the pe-
6	riod at the end and inserting "; and"; and
7	(E) by adding at the end the following:
8	"(8) develop industrial capacity to produce in-
9	novations competitively in the United States for the
10	global marketplace.";
11	(3) in section 10384—
12	(A) in paragraph (1), by striking "and"
13	after the semicolon;
14	(B) in paragraph (2), by striking the pe-
15	riod at the end and inserting "; and"; and
16	(C) by adding at the end the following:
17	"(3) maximizes economic benefits by ensuring
18	that innovations developed from research awards are
19	produced in the United States.";
20	(4) in section 10385—
21	(A) in subsection (b)(1), by striking "and
22	commercialization" and inserting "commer-
23	cialization, and domestic production"; and

1	(B) in subsection $(c)(2)$ , by striking "and
2	commercialization" and inserting "commer-
3	cialization, and domestic production";
4	(5) in section 10386(b)(2), by inserting "with
5	domestic manufacturing operations" after "private
6	sector'';
7	(6) in section 10389(a), by striking "and com-
8	mercialization" and inserting "commercialization,
9	and domestic production";
10	(7) in section 10391(a), by striking "and com-
11	mercialization" and inserting "commercialization,
12	and domestic production"; and
13	(8) in section 10394(f)(5), by striking "and, as
14	appropriate, commercializing" and inserting ", com-
15	mercializing, and producing".
	Passed the Senate December 3, 2024.
	Attest:

Secretary.

# 118TH CONGRESS S. 1956

# AN ACT

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