

Jerry Moran

115TH CONGRESS  
1ST SESSION

S. \_\_\_\_\_

To jump-start economic recovery through the formation and growth of new businesses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. MORAN (for himself, Mr. WARNER, Mr. BLUNT, and Ms. KLOBUCHAR) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

**A BILL**

To jump-start economic recovery through the formation and growth of new businesses, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Startup Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Conditional permanent resident status for immigrants with an advanced degree in a STEM field.
- Sec. 4. Immigrant entrepreneurs.

- Sec. 5. Elimination of the per country numerical limitation for employment-based visas.
- Sec. 6. Accelerated commercialization of taxpayer-funded research.
- Sec. 7. Regional innovation program.
- Sec. 8. Economic impact of significant Federal agency rules.
- Sec. 9. Biennial State startup business report.
- Sec. 10. New business formation report.
- Sec. 11. Rescission of unspent Federal funds.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) Achieving economic recovery will require the  
4 formation and growth of new companies.

5 (2) Between 1980 and 2005, companies less  
6 than 5 years old accounted for nearly all net job cre-  
7 ation in the United States.

8 (3) New firms in the United States create an  
9 average of 3,000,000 jobs per year.

10 (4) To get Americans back to work, entre-  
11 preneurs must be free to innovate, create new com-  
12 panies, and hire employees.

13 **SEC. 3. CONDITIONAL PERMANENT RESIDENT STATUS FOR**  
14 **IMMIGRANTS WITH AN ADVANCED DEGREE**  
15 **IN A STEM FIELD.**

16 (a) IN GENERAL.—Chapter 2 of title II of the Immi-  
17 gration and Nationality Act (8 U.S.C. 1181 et seq.) is  
18 amended by inserting after section 216A the following:

1 **“SEC. 216B. CONDITIONAL PERMANENT RESIDENT STATUS**  
2 **FOR ALIENS WITH AN ADVANCED DEGREE IN**  
3 **A STEM FIELD.**

4 “(a) IN GENERAL.—Notwithstanding any other pro-  
5 vision of this Act, the Secretary of Homeland Security  
6 may adjust the status of not more than 50,000 aliens who  
7 have earned a master’s degree or a doctorate degree at  
8 an institution of higher education in a STEM field to that  
9 of an alien conditionally admitted for permanent residence  
10 and authorize each alien granted such adjustment of sta-  
11 tus to remain in the United States—

12 “(1) for up to 1 year after the expiration of the  
13 alien’s student visa under section 101(a)(15)(F)(i) if  
14 the alien is diligently searching for an opportunity to  
15 become actively engaged in a STEM field; and

16 “(2) indefinitely if the alien remains actively en-  
17 gaged in a STEM field.

18 “(b) APPLICATION FOR CONDITIONAL PERMANENT  
19 RESIDENT STATUS.—Every alien applying for a condi-  
20 tional permanent resident status under this section shall  
21 submit an application to the Secretary of Homeland Secu-  
22 rity before the expiration of the alien’s student visa in  
23 such form and manner as the Secretary shall prescribe  
24 by regulation.

25 “(c) INELIGIBILITY FOR FEDERAL GOVERNMENT AS-  
26 SISTANCE.—An alien granted conditional permanent resi-

1 dent status under this section shall not be eligible, while  
2 in such status, for—

3           “(1) any unemployment compensation (as de-  
4 fined in section 85(b) of the Internal Revenue Code  
5 of 1986); or

6           “(2) any Federal means-tested public benefit  
7 (as that term is used in section 403 of the Personal  
8 Responsibility and Work Opportunity Reconciliation  
9 Act of 1996 (8 U.S.C. 1613)).

10       “(d) EFFECT ON NATURALIZATION RESIDENCY RE-  
11 QUIREMENT.—An alien granted conditional permanent  
12 resident status under this section shall be deemed to have  
13 been lawfully admitted for permanent residence for pur-  
14 poses of meeting the 5-year residency requirement under  
15 section 316(a)(1).

16       “(e) REMOVAL OF CONDITION.—The Secretary of  
17 Homeland Security shall remove the conditional basis of  
18 an alien’s conditional permanent resident status under  
19 this section on the date that is 5 years after the date such  
20 status was granted if the alien maintained his or her eligi-  
21 bility for such status during the entire 5-year period.

22       “(f) DEFINITIONS.—In this section:

23           “(1) ACTIVELY ENGAGED IN A STEM FIELD.—  
24 The term ‘actively engaged in a STEM field’—

25           “(A) means—

1           “(i) gainfully employed in a for-profit  
2           business or nonprofit organization in the  
3           United States in a STEM field;

4           “(ii) teaching 1 or more STEM field  
5           courses at an institution of higher edu-  
6           cation; or

7           “(iii) employed by a Federal, State, or  
8           local government entity; and

9           “(B) includes any period of up to 6  
10          months during which the alien does not meet  
11          the requirement under subparagraph (A) if  
12          such period was immediately preceded by a 1-  
13          year period during which the alien met the re-  
14          quirement under subparagraph (A).

15          “(2) INSTITUTION OF HIGHER EDUCATION.—  
16          The term ‘institution of higher education’ has the  
17          meaning given the term in section 101(a) of the  
18          Higher Education Act of 1965 (20 U.S.C. 1001(a)).

19          “(3) STEM FIELD.—The term ‘STEM field’  
20          means any field of study or occupation included on  
21          the most recent STEM-Designated Degree Program  
22          List published in the Federal Register by the De-  
23          partment of Homeland Security (as described in sec-  
24          tion 214.2(f)(11)(i)(C)(2) of title 8, Code of Federal  
25          Regulations).”.

1           (b) CLERICAL AMENDMENT.—The table of contents  
2 of the Immigration and Nationality Act (8 U.S.C. 1101  
3 et seq.) is amended by inserting after the item relating  
4 to section 216A the following:

“Sec. 216B. Conditional permanent resident status for aliens with an advanced  
degree in a STEM field.”

5           (c) GOVERNMENT ACCOUNTABILITY OFFICE  
6 STUDY.—

7           (1) IN GENERAL.—Not later than 3 years after  
8 the date of the enactment of this Act, the Comp-  
9 troller General of the United States shall submit to  
10 Congress a report on the alien college graduates  
11 granted immigrant status under section 216B of the  
12 Immigration and Nationality Act, as added by sub-  
13 section (a).

14           (2) CONTENTS.—The report required under  
15 paragraph (1) shall include—

16           (A) the number of aliens described in para-  
17 graph (1) who have earned a master’s degree,  
18 broken down by the number of such degrees in  
19 science, technology, engineering, and mathe-  
20 matics;

21           (B) the number of aliens described in  
22 paragraph (1) who have earned a doctorate de-  
23 gree, broken down by the number of such de-

1 grees in science, technology, engineering, and  
2 mathematics;

3 (C) the number of aliens described in para-  
4 graph (1) who have founded a business in the  
5 United States in a STEM field;

6 (D) the number of aliens described in  
7 paragraph (1) who are employed in the United  
8 States in a STEM field, broken down by em-  
9 ployment sector (for profit, nonprofit, or gov-  
10 ernment); and

11 (E) the number of aliens described in para-  
12 graph (1) who are employed by an institution of  
13 higher education.

14 (3) DEFINITIONS.—The terms “institution of  
15 higher education” and “STEM field” have the  
16 meaning given such terms in section 216B(f) of the  
17 Immigration and Nationality Act, as added by sub-  
18 section (a).

19 **SEC. 4. IMMIGRANT ENTREPRENEURS.**

20 (a) **QUALIFIED ALIEN ENTREPRENEURS.**—

21 (1) **ADMISSION AS IMMIGRANTS.**—Chapter 1 of  
22 title II of the Immigration and Nationality Act (8  
23 U.S.C. 1151 et seq.) is amended by adding at the  
24 end the following:

1 **“SEC. 210A. QUALIFIED ALIEN ENTREPRENEURS.**

2       “(a) **ADMISSION AS IMMIGRANTS.**—The Secretary of  
3 Homeland Security, in accordance with the provisions of  
4 this section and of section 216A, may issue a conditional  
5 immigrant visa to not more than 75,000 qualified alien  
6 entrepreneurs.

7       “(b) **APPLICATION FOR CONDITIONAL PERMANENT**  
8 **RESIDENT STATUS.**—Every alien applying for a condi-  
9 tional immigrant visa under this section shall submit an  
10 application to the Secretary of Homeland Security in such  
11 form and manner as the Secretary shall prescribe by regu-  
12 lation.

13       “(c) **REVOCAATION.**—If, during the 4-year period be-  
14 ginning on the date on which an alien is granted a visa  
15 under this section, the Secretary of Homeland Security de-  
16 termines that such alien is no longer a qualified alien en-  
17 trepreneur, the Secretary shall—

18               “(1) revoke such visa; and

19               “(2) notify the alien that the alien—

20                       “(A) may voluntarily depart from the  
21 United States in accordance to section 240B; or

22                       “(B) will be subject to removal proceedings  
23 under section 240 if the alien does not depart  
24 from the United States not later than 6 months  
25 after receiving notification under this para-  
26 graph.

1           “(d) REMOVAL OF CONDITIONAL BASIS.—The Sec-  
2 retary of Homeland Security shall remove the conditional  
3 basis of the status of an alien issued an immigrant visa  
4 under this section on that date that is 4 years after the  
5 date on which such visa was issued if such visa was not  
6 revoked pursuant to subsection (c).

7           “(e) DEFINITIONS.—In this section:

8           “(1) FULL-TIME EMPLOYEE.—The term ‘full-  
9 time employee’ means a United States citizen or  
10 legal permanent resident who is paid by the new  
11 business entity registered by a qualified alien entre-  
12 preneur at a rate that is comparable to the median  
13 income of employees in the region.

14           “(2) QUALIFIED ALIEN ENTREPRENEUR.—The  
15 term ‘qualified alien entrepreneur’ means an alien  
16 who—

17           “(A) at the time the alien applies for an  
18 immigrant visa under this section—

19           “(i) is lawfully present in the United  
20 States; and

21           “(ii)(I) holds a nonimmigrant visa  
22 pursuant to section 101(a)(15)(H)(i)(b); or

23           “(II) holds a nonimmigrant visa pur-  
24 suant to section 101(a)(15)(F)(i);

1           “(B) during the 1-year period beginning on  
2           the date the alien is granted a visa under this  
3           section—

4                   “(i) registers at least 1 new business  
5                   entity in a State;

6                   “(ii) employs, at such business entity  
7                   in the United States, at least 2 full-time  
8                   employees who are not relatives of the  
9                   alien; and

10                   “(iii) invests, or raises capital invest-  
11                   ment of, not less than \$100,000 in such  
12                   business entity; and

13           “(C) during the 3-year period beginning on  
14           the last day of the 1-year period described in  
15           paragraph (2), employs, at such business entity  
16           in the United States, an average of at least 5  
17           full-time employees who are not relatives of the  
18           alien.”.

19           (2) CLERICAL AMENDMENT.—The table of con-  
20           tents in the first section of the Immigration and Na-  
21           tionality Act (8 U.S.C. 1101 et seq.) is amended by  
22           adding after the item relating to section 210 the fol-  
23           lowing:

“Sec. 210A. Qualified alien entrepreneurs.”.

1 (b) CONDITIONAL PERMANENT RESIDENT STA-  
2 TUS.—Section 216A of the Immigration and Nationality  
3 Act (8 U.S.C. 1186b) is amended—

4 (1) by striking “Attorney General” each place  
5 such term appears and inserting “Secretary of  
6 Homeland Security”;

7 (2) in subsection (b)(1)(C), by striking  
8 “203(b)(5),” and inserting “203(b)(5) or 210A, as  
9 appropriate,”;

10 (3) in subsection (c)(1), by striking “alien en-  
11 trepreneur must” each place such term appears and  
12 inserting “alien entrepreneur shall”;

13 (4) in subsection (d)(1)(B), by striking the pe-  
14 riod at the end and inserting “or 210A, as appro-  
15 priate.”; and

16 (5) in subsection (f)(1), by striking the period  
17 at the end and inserting “or 210A.”.

18 (c) GOVERNMENT ACCOUNTABILITY OFFICE  
19 STUDY.—

20 (1) IN GENERAL.—Not later than 3 years after  
21 the date of the enactment of this Act, the Comp-  
22 troller General of the United States shall submit to  
23 Congress a report on the qualified alien entre-  
24 preneurs granted immigrant status under section

1 210A of the Immigration and Nationality Act, as  
2 added by subsection (a).

3 (2) CONTENTS.—The report described in para-  
4 graph (1) shall include information regarding—

5 (A) the number of qualified alien entre-  
6 preneurs who have received immigrant status  
7 under section 210A of the Immigration and Na-  
8 tionality Act, as added by subsection (a), listed  
9 by country of origin;

10 (B) the localities in which such qualified  
11 alien entrepreneurs have initially settled;

12 (C) whether such qualified alien entre-  
13 preneurs generally remain in the localities in  
14 which they initially settle;

15 (D) the types of commercial enterprises  
16 that such qualified alien entrepreneurs have es-  
17 tablished; and

18 (E) the types and number of jobs created  
19 by such qualified alien entrepreneurs.

20 **SEC. 5. ELIMINATION OF THE PER COUNTRY NUMERICAL**  
21 **LIMITATION FOR EMPLOYMENT-BASED**  
22 **VISAS.**

23 (a) IN GENERAL.—Section 202(a)(2) of the Immi-  
24 gration and Nationality Act (8 U.S.C. 1152(a)(2)) is  
25 amended—

1 (1) in the paragraph heading, by striking “AND  
2 EMPLOYMENT-BASED”;

3 (2) by striking “(3), (4), and (5),” and insert-  
4 ing “(3) and (4),”;

5 (3) by striking “subsections (a) and (b) of sec-  
6 tion 203” and inserting “section 203(a)”;

7 (4) by striking “7” and inserting “15”; and

8 (5) by striking “such subsections” and inserting  
9 “such section”.

10 (b) CONFORMING AMENDMENTS.—Section 202 of the  
11 Immigration and Nationality Act (8 U.S.C. 1152) is  
12 amended—

13 (1) in subsection (a)—

14 (A) in paragraph (3), by striking “both  
15 subsections (a) and (b) of section 203” and in-  
16 serting “section 203(a)”;

17 (B) by striking paragraph (5); and

18 (2) by amending subsection (e) to read as fol-  
19 lows:

20 “(e) SPECIAL RULES FOR COUNTRIES AT CEILING.—

21 If the total number of immigrant visas made available  
22 under section 203(a) to natives of any single foreign state  
23 or dependent area will exceed the numerical limitation  
24 specified in subsection (a)(2) in any fiscal year, in deter-  
25 mining the allotment of immigrant visa numbers to natives

1 under section 203(a), visa numbers with respect to natives  
2 of that state or area shall be allocated (to the extent prac-  
3 ticable and otherwise consistent with this section and sec-  
4 tion 203) in a manner so that, except as provided in sub-  
5 section (a)(4), the proportion of the visa numbers made  
6 available under each of paragraphs (1) through (4) of sec-  
7 tion 203(a) is equal to the ratio of the total number of  
8 visas made available under the respective paragraph to the  
9 total number of visas made available under section  
10 203(a).”.

11 (c) COUNTRY-SPECIFIC OFFSET.—Section 2 of the  
12 Chinese Student Protection Act of 1992 (8 U.S.C. 1255  
13 note) is amended—

14 (1) in subsection (a), by striking “subsection  
15 (e)” and inserting “subsection (d)”; and

16 (2) by striking subsection (d) and redesignating  
17 subsection (e) as subsection (d).

18 (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall take effect on September 30, 2017, and  
20 shall apply to fiscal years beginning with fiscal year 2018.

21 (e) TRANSITION RULES FOR EMPLOYMENT-BASED  
22 IMMIGRANTS.—

23 (1) IN GENERAL.—Subject to of this subsection  
24 and notwithstanding title II of the Immigration and

1       Nationality Act (8 U.S.C. 1151 et seq.), the fol-  
2       lowing rules shall apply:

3               (A) For fiscal year 2018, 15 percent of the  
4       immigrant visas made available under each of  
5       paragraphs (2) and (3) of section 203(b) of  
6       such Act (8 U.S.C. 1153(b)) shall be allotted to  
7       immigrants who are natives of a foreign state  
8       or dependent area that was not one of the two  
9       states with the largest aggregate numbers of  
10      natives obtaining immigrant visas during fiscal  
11      year 2016 under such paragraphs.

12              (B) For fiscal year 2019, 10 percent of the  
13      immigrant visas made available under each of  
14      such paragraphs shall be allotted to immigrants  
15      who are natives of a foreign state or dependent  
16      area that was not one of the two states with the  
17      largest aggregate numbers of natives obtaining  
18      immigrant visas during fiscal year 2017 under  
19      such paragraphs.

20              (C) For fiscal year 2020, 10 percent of the  
21      immigrant visas made available under each of  
22      such paragraphs shall be allotted to immigrants  
23      who are natives of a foreign state or dependent  
24      area that was not one of the two states with the  
25      largest aggregate numbers of natives obtaining

1 immigrant visas during fiscal year 2018 under  
2 such paragraphs.

3 (2) PER-COUNTRY LEVELS.—

4 (A) RESERVED VISAS.—With respect to  
5 the visas reserved under each of subparagraphs  
6 (A) through (C) of paragraph (1), the number  
7 of such visas made available to natives of any  
8 single foreign state or dependent area in the ap-  
9 propriate fiscal year may not exceed 25 percent  
10 (in the case of a single foreign state) or 2 per-  
11 cent (in the case of a dependent area) of the  
12 total number of such visas.

13 (B) UNRESERVED VISAS.—With respect to  
14 the immigrant visas made available under each  
15 of paragraphs (2) and (3) of section 203(b) of  
16 the Immigration and Nationality Act (8 U.S.C.  
17 1153(b)) and not reserved under paragraph (1),  
18 for each of fiscal years 2018, 2019, and 2020,  
19 not more than 85 percent shall be allotted to  
20 immigrants who are natives of any single for-  
21 eign state.

22 (3) SPECIAL RULE TO PREVENT UNUSED  
23 VISAS.—If, with respect to fiscal year 2018, 2019, or  
24 2020, the operation of paragraphs (1) and (2) would  
25 prevent the total number of immigrant visas made

1 available under paragraph (2) or (3) of section  
2 203(b) of the Immigration and Nationality Act (8  
3 U.S.C. 1153(b)) from being issued, such visas may  
4 be issued during the remainder of such fiscal year  
5 without regard to such paragraphs (1) and (2).

6 (4) RULES FOR CHARGEABILITY.—Section  
7 202(b) of the Immigration and Nationality Act (8  
8 U.S.C. 1152(b)) shall apply in determining the for-  
9 eign state to which an alien is chargeable for pur-  
10 poses of this subsection.

11 **SEC. 6. ACCELERATED COMMERCIALIZATION OF TAX-**  
12 **PAYER-FUNDED RESEARCH.**

13 (a) DEFINITIONS.—In this section:

14 (1) COUNCIL.—The term “Council” means the  
15 Advisory Council on Innovation and Entrepreneur-  
16 ship of the Department of Commerce established  
17 pursuant to section 25(c) of the Stevenson-Wydler  
18 Technology Innovation Act of 1980 (15 U.S.C.  
19 3720(c)).

20 (2) ELIGIBLE ENTITY.—The term “eligible enti-  
21 ty” means—

22 (A) an institution of higher education; or

23 (B) a venture development organization.

24 (3) EXTRAMURAL BUDGET.—The term “extra-  
25 mural budget” means the sum of the total obliga-

1        tions minus amounts obligated for such activities by  
2        employees of the agency in or through Government-  
3        owned, Government-operated facilities, except that  
4        for the Department of Energy it shall not include  
5        amounts obligated for atomic energy defense pro-  
6        grams solely for weapons activities or for naval reac-  
7        tor programs, and except that for the Agency for  
8        International Development it shall not include  
9        amounts obligated solely for general institutional  
10       support of international research centers or for  
11       grants to foreign countries.

12        (4) INSTITUTION OF HIGHER EDUCATION.—The  
13        term “institution of higher education” has the  
14        meaning given the term in section 101(a) of the  
15        Higher Education Act of 1965 (20 U.S.C. 1001(a)).

16        (5) NONPROFIT ORGANIZATION.—The term  
17        “nonprofit organization” means an entity or organi-  
18        zation—

19                (A)(i) described in section 501(c)(3) of the  
20                Internal Revenue Code of 1986; and

21                (ii) exempt from taxation under 501(a) of  
22                such Act; or

23                (B) described in paragraph (1) or (2) of  
24                section 170(c) of such Act.

1           (6) RESEARCH OR RESEARCH AND DEVELOP-  
2           MENT.—The terms “research” and “research and  
3           development” mean any activity that is—

4                   (A) a systematic, intensive study directed  
5                   toward greater knowledge or understanding of  
6                   the subject studied;

7                   (B) a systematic study directed specifically  
8                   toward applying new knowledge to meet a rec-  
9                   ognized need; or

10                   (C) a systematic application of knowledge  
11                   toward the production of useful materials, de-  
12                   vices, and systems or methods, including design,  
13                   development, and improvement of prototypes  
14                   and new processes to meet specific require-  
15                   ments.

16           (7) SECRETARY.—The term “Secretary” means  
17           the Secretary of Commerce.

18           (8) STATE ORGANIZATION.—The term “State  
19           organization” means an entity that has been created  
20           by a State, Puerto Rico, or the District of Columbia.

21           (9) VENTURE DEVELOPMENT ORGANIZATION.—  
22           The term “venture development organization”  
23           means a nonprofit organization or a State organiza-  
24           tion that contributes to regional or sector-based eco-  
25           nomic prosperity by providing a portfolio of services

1 intended to accomplish at least 3 of the following  
2 purposes:

3 (A) Accelerating the commercialization of  
4 research or research and development.

5 (B) Assisting in the creation of high-  
6 growth private enterprises that are commer-  
7 cializing technology.

8 (C) Strengthening the competitive position  
9 of existing small and medium-sized enterprises  
10 through the development, commercial adoption,  
11 or deployment of technology.

12 (D) Providing expert assistance to—

13 (i) private companies;

14 (ii) faculty, staff, and students of in-  
15 stitutions of higher education who are com-  
16 mercializing new products or services; or

17 (iii) entrepreneurs who are commer-  
18 cializing new products or services;

19 (E) Providing financial grants, loans, or  
20 direct financial investment in companies that  
21 are commercializing technology.

22 (b) GRANT PROGRAM AUTHORIZED.—

23 (1) IN GENERAL.—Each Federal agency that  
24 has an extramural budget for research or research  
25 and development that is in excess of \$100,000,000

1 for each of fiscal years 2018 through 2022, shall  
2 transfer 0.15 percent of such extramural budget for  
3 each of such fiscal years to the Secretary to enable  
4 the Secretary to carry out a grant program in ac-  
5 cordance with this subsection.

6 (2) GRANTS.—

7 (A) AWARDING OF GRANTS.—

8 (i) IN GENERAL.—From funds trans-  
9 ferred under paragraph (1), the Secretary  
10 shall use the criteria developed by the  
11 Council to award grants to eligible entities  
12 for initiatives to improve commercialization  
13 and transfer of technology.

14 (ii) REQUEST FOR PROPOSALS.—Not  
15 later than 30 days after the Council sub-  
16 mits the recommendations for criteria to  
17 the Secretary under subsection (c)(4)(B),  
18 and annually thereafter for each fiscal year  
19 for which the grant program is authorized,  
20 the Secretary shall release a request for  
21 proposals.

22 (iii) APPLICATIONS.—Eligible entities  
23 that desire to receive a grant under this  
24 subsection shall submit an application to  
25 the Secretary not later than 90 days after

1 the Secretary releases the request for pro-  
2 posals under clause (ii).

3 (iv) COUNCIL REVIEW.—

4 (I) IN GENERAL.—The Secretary  
5 shall submit each application received  
6 under clause (iii) to the Council for  
7 Council review.

8 (II) RECOMMENDATIONS.—The  
9 Council shall review each application  
10 received under subclause (I) and sub-  
11 mit recommendations for grant  
12 awards to the Secretary, including  
13 funding recommendations for each  
14 proposal.

15 (III) PUBLIC RELEASE.—The  
16 Council shall publicly release any rec-  
17 ommendations made under subclause  
18 (II).

19 (IV) CONSIDERATION OF REC-  
20 OMMENDATIONS.—In awarding grants  
21 under this subsection, the Secretary  
22 shall take into consideration the rec-  
23 ommendations of the Council under  
24 subclause (II).

1 (B) COMMERCIALIZATION CAPACITY  
2 BUILDING GRANTS.—

3 (i) IN GENERAL.—The Secretary shall  
4 award grants to eligible entities to support  
5 specific innovative initiatives to improve  
6 the regional capacity for private compa-  
7 nies, faculty, staff, and students of institu-  
8 tions of higher education, or entrepreneurs  
9 to commercialize technology originating  
10 from federally-funded research.

11 (ii) CONTENT OF PROPOSALS.—  
12 Grants shall be awarded under this sub-  
13 paragraph for proposals demonstrating the  
14 capacity for accelerated commercialization,  
15 proof-of-concept proficiency, and trans-  
16 lating scientific discoveries and cutting-  
17 edge inventions into technological innova-  
18 tions and new companies. In particular,  
19 grant funds shall seek to support innova-  
20 tive approaches to achieving these goals  
21 that can be replicated by other institutions  
22 of higher education or venture development  
23 organizations if the innovative approaches  
24 are successful.

1           (3) ASSESSMENT OF SUCCESS.—Grants award-  
2           ed under this subsection shall use criteria for assess-  
3           ing the success of programs through the establish-  
4           ment of benchmarks.

5           (4) TERMINATION.—The Secretary is author-  
6           ized to terminate grant funding to an eligible entity  
7           in accordance with the process and performance  
8           metrics recommended by the Council.

9           (5) LIMITATIONS.—

10           (A) PROJECT MANAGEMENT COSTS.—A  
11           grant recipient may use not more than 10 per-  
12           cent of grant funds awarded under this sub-  
13           section for the purpose of funding project man-  
14           agement costs of the grant program.

15           (B) SUPPLEMENT, NOT SUPPLANT.—An  
16           eligible entity that receives a grant under this  
17           subsection shall use the grant funds to supple-  
18           ment, and not to supplant, non-Federal funds  
19           that would, in the absence of such grant funds,  
20           be made available for activities described in this  
21           section.

22           (6) UNSPENT FUNDS.—Any funds transferred  
23           to the Secretary under paragraph (1) for a fiscal  
24           year that are not expended by the end of such fiscal  
25           year may be expended in any subsequent fiscal year

1 through fiscal year 2022. Any funds transferred  
2 under paragraph (1) that are remaining at the end  
3 of the grant program's authorization under this sub-  
4 section shall be transferred to the Treasury for def-  
5 icit reduction.

6 (c) COUNCIL.—

7 (1) IN GENERAL.—Not later than 120 days  
8 after the date of the enactment of this Act, the  
9 Council shall convene and develop recommendations  
10 for criteria in awarding grants to eligible entities  
11 under subsection (b).

12 (2) SUBMISSION TO DEPARTMENT OF COM-  
13 MERCE AND PUBLIC RELEASE.—The Council shall—

14 (A) submit the recommendations described  
15 in paragraph (1) to the Secretary; and

16 (B) release the recommendations to the  
17 public.

18 (3) MAJORITY VOTE.—The recommendations  
19 submitted by the Council under paragraph (2) shall  
20 be determined by a majority vote of Council mem-  
21 bers.

22 (4) PERFORMANCE METRICS.—The Council  
23 shall develop and provide to the Secretary rec-  
24 ommendations on performance metrics to be used to  
25 evaluate grants awarded under subsection (b).

1 (5) EVALUATION.—

2 (A) IN GENERAL.—Not later than 180  
3 days before the expiration of the grant program  
4 authorized under subsection (b), the Council  
5 shall evaluate the effect of the grant program  
6 on accelerating the commercialization of tech-  
7 nology originating from federally-funded re-  
8 search or research and development.

9 (B) INCLUSIONS.—The evaluation under  
10 subparagraph (A) shall include—

11 (i) the recommendation of the Council  
12 as to whether the grant program should be  
13 continued or terminated;

14 (ii) quantitative data related to the ef-  
15 fect, if any, that the grant program has  
16 had on accelerating the commercialization  
17 of technology originating from federally-  
18 funded research and research and develop-  
19 ment; and

20 (iii) a description of the lessons  
21 learned in administering the grant pro-  
22 gram, and how such lessons could be ap-  
23 plied to future efforts to accelerate the  
24 commercialization of technology originating

1 from federally-funded research or research  
2 and development.

3 (C) AVAILABILITY.—The results of the  
4 evaluation under subparagraph (A) shall be  
5 made available on a public website and sub-  
6 mitted to Congress. The Secretary shall notify  
7 all institutions of higher education when the  
8 evaluation is published and how it can be  
9 accessed.

10 (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
11 tion may be construed to alter, modify, or amend any pro-  
12 vision of chapter 18 of title 35, United States Code (com-  
13 monly known as the “Bayh-Dole Act”).

14 **SEC. 7. REGIONAL INNOVATION PROGRAM.**

15 Section 27 of the Stevenson-Wydler Technology Inno-  
16 vation Act of 1980 (15 U.S.C. 3722) is amended to read  
17 as follows:

18 **“SEC. 27. REGIONAL INNOVATION PROGRAM.**

19 “(a) DEFINITIONS.—In this section:

20 “(1) ELIGIBLE RECIPIENT DEFINED.—The  
21 term ‘eligible recipient’ means—

22 “(A) a State;

23 “(B) an Indian tribe;

24 “(C) a city or other political subdivision of  
25 a State;

1 “(D) an entity that—

2 “(i) is a nonprofit organization, an in-  
3 stitution of higher education, a public-pri-  
4 vate partnership, a science or research  
5 park, a Federal laboratory, a venture de-  
6 velopment organization (as defined in sec-  
7 tion 6 of the Startup Act), or an economic  
8 development organization or similar entity  
9 that is focused primarily on improving  
10 science, technology, innovation, and entre-  
11 preneurship; or

12 “(E) a consortium of any of the entities  
13 described in subparagraphs (A) through (D).

14 “(2) REGIONAL INNOVATION INITIATIVE.—The  
15 term ‘regional innovation initiative’ means a public  
16 or nonprofit activity or program implemented in a  
17 specific geographic area to address issues of greatest  
18 need in the local innovation systems—

19 “(A) to increase the success of innovation-  
20 driven startups;

21 “(B) to strengthen the competitiveness of  
22 existing businesses through new product innova-  
23 tion;

1           “(C) to improve the pace of market readi-  
2           ness and overall commercialization of innova-  
3           tion; and

4           “(D) to enhance the overall innovation ca-  
5           pacity and long-term resilience of the region.

6           “(3) STATE.—The term ‘State’ means 1 of the  
7           several States of the United States, the District of  
8           Columbia, the Commonwealth of Puerto Rico, the  
9           United States Virgin Islands, Guam, American  
10          Samoa, the Commonwealth of the Northern Mariana  
11          Islands, or any other territory or possession of the  
12          United States.

13          “(b) ESTABLISHMENT.—The Secretary shall estab-  
14          lish a regional innovation program to encourage and sup-  
15          port the development of State and local initiatives de-  
16          signed to increase innovation-driven economic opportunity  
17          within their respective regions.

18          “(c) REGIONAL INNOVATION GRANTS.—

19                 “(1) AUTHORIZATION OF GRANTS.—As part of  
20                 the program established under subsection (b), the  
21                 Secretary may award grants, on a competitive basis,  
22                 to eligible recipients for activities designed to  
23                 strengthen the competitiveness of new and existing  
24                 innovation-driven businesses within the geographic

1 regions identified by eligible recipients before receiv-  
2 ing a grant under this subsection.

3 “(2) PERMISSIBLE ACTIVITIES.—Grants award-  
4 ed under this subsection may be used for activities  
5 determined appropriate by the Secretary that strive  
6 to achieve 3 or more of the following outcomes:

7 “(A) Increasing the availability and invest-  
8 ment of private and philanthropic financing  
9 that supports innovation-based business ven-  
10 tures within geographic regions and populations  
11 that have historically received less venture cap-  
12 ital than the average per capita amount of ven-  
13 ture capital received by businesses throughout  
14 the United States during the previous 3 years,  
15 as determined by the Secretary.

16 “(B) Completing the research, development  
17 and introduction of new products, processes,  
18 and services into the commercial market by  
19 United States companies, as measured by in-  
20 creased revenues, increased sales, greater mar-  
21 ket share, reduce costs, increased market value,  
22 or overall profitability increase, as reported by  
23 the participating companies to the Secretary.

24 “(C) Increasing the number of full-time  
25 equivalent employment opportunities within in-

1           novation-based business ventures in the geo-  
2           graphic region that pay wages that are higher  
3           than the median for the geographic region.

4           “(D) Using innovation, technology, and in-  
5           novation-based business ventures to help the  
6           public and nonprofit sectors—

7                   “(i) to reduce costs associated with  
8                   carrying out their missions and services; or

9                   “(ii) to achieve other quantifiable effi-  
10                  ciencies, savings, or reductions in carrying  
11                  out their operations and service delivery.

12           “(E) Achieving quantifiable, positive bene-  
13           fits to, or measurable enhancements for, the  
14           economic performance of the geographic region  
15           or the population within the region identified by  
16           the regional innovation program grant recipient  
17           through increased collaboration, productive  
18           partnerships, and strengthened network rela-  
19           tionships (internal and external to the region)  
20           that support the regional innovation system.

21           “(3) RESTRICTED ACTIVITIES.—Grants award-  
22           ed under this subsection may not be used to pay  
23           for—

1           “(A) costs related to the construction, ex-  
2           pansion, demolition, renovation, or installation  
3           of physical assets;

4           “(B) costs related to the recruitment, in-  
5           ducement, or associated financial or tangible in-  
6           centives that might be offered to relocate an ex-  
7           isting business from a geographic area to an-  
8           other geographic area; or

9           “(C) costs associated with offsetting reve-  
10          nues forgone by 1 or more taxing authorities  
11          through tax incentives, tax increment financing,  
12          special improvement districts, tax abatements  
13          for private development within designated zones  
14          or geographic areas, or other reduction in reve-  
15          nues resulting from tax credits affecting the ge-  
16          ographic region of the eligible recipients.

17          “(4) APPLICATIONS.—

18                 “(A) IN GENERAL.—An eligible recipient  
19                 shall submit an application to the Secretary at  
20                 such time, in such manner, and containing such  
21                 information and assurances as the Secretary  
22                 may require.

23                 “(B) COMPONENTS.—Each application  
24                 submitted under subparagraph (A) shall include  
25                 a description of the regional innovation initia-

1           tive supported by the proposed activity, includ-  
2           ing—

3                   “(i) whether the regional innovation  
4                   initiative is supported by the private sec-  
5                   tor, State and local governments, and  
6                   other relevant stakeholders;

7                   “(ii) which 3 or more of the outcomes  
8                   described in paragraph (2) will the regional  
9                   innovation initiative address by imple-  
10                  menting the activities described in the ap-  
11                  plication;

12                  “(iii) what activities the regional inno-  
13                  vation initiative will undertake and how  
14                  those activities will achieve the outcomes  
15                  described in paragraph (2);

16                  “(iv) how the eligible recipient will  
17                  measure progress toward, and attainment  
18                  of, the outcomes addressed by the regional  
19                  innovation initiative;

20                  “(v) whether the participants in the  
21                  regional innovation initiative have access  
22                  to, or contribute to, a well-trained work-  
23                  force and other innovation assets that are  
24                  critical to the successful outcomes specified  
25                  in the application;

1           “(vi) whether the participants in the  
2 regional innovation initiative are capable of  
3 attracting additional funds from non-Fed-  
4 eral sources; and

5           “(vii) if appropriate for the activities  
6 proposed in the application, the likelihood  
7 that the participants in the regional inno-  
8 vation initiative will be able to sustain ac-  
9 tivities after grant funds received under  
10 this subsection have been expended.

11           “(C) FEEDBACK.—The Secretary shall  
12 provide feedback to program applicants that are  
13 not awarded grants to help them improve future  
14 applications.

15           “(D) SPECIAL CONSIDERATIONS.—The  
16 Secretary shall give special consideration to—

17           “(i) applications proposing to include  
18 workforce or training related activities in  
19 their regional innovation initiative from eli-  
20 gible recipients who agree to collaborate  
21 with local workforce investment area  
22 boards; and

23           “(ii) applications from regions that  
24 contain communities negatively impacted  
25 by trade.

1           “(5) COST SHARE.—The Secretary may not  
2 provide more than 50 percent of the total cost of  
3 any activity funded under this subsection.

4           “(6) OUTREACH TO RURAL COMMUNITIES.—  
5 The Secretary shall conduct outreach to public and  
6 private sector entities in rural communities to en-  
7 courage those entities to participate in regional inno-  
8 vation initiatives under this subsection.

9           “(7) FUNDING.—The Secretary may accept  
10 funds from other Federal agencies to support grants  
11 and activities under this subsection.

12           “(d) REGIONAL INNOVATION RESEARCH AND INFOR-  
13 MATION PROGRAM.—

14           “(1) IN GENERAL.—As part of the program es-  
15 tablished under subsection (b), the Secretary shall  
16 establish a regional innovation research and infor-  
17 mation program—

18           “(A) to gather, analyze, and disseminate  
19 information on best practices for regional inno-  
20 vation initiatives, including information relating  
21 to how innovation, productivity, and economic  
22 development can be maximized through such  
23 strategies;

24           “(B) to provide technical assistance, in-  
25 cluding through the development of technical

1 assistance guides, for the development and im-  
2 plementation of regional innovation initiatives;

3 “(C) to support the development of rel-  
4 evant metrics and measurement standards to  
5 evaluate regional innovation initiatives, includ-  
6 ing the extent to which such strategies stimu-  
7 late innovation, productivity, and economic de-  
8 velopment; and

9 “(D) to collect and make available data on  
10 regional innovation initiatives in the United  
11 States, including data on—

12 “(i) the size, specialization, and com-  
13 petitiveness of regional innovation initia-  
14 tives;

15 “(ii) the regional domestic product  
16 contribution, total jobs and earnings by  
17 key occupations, establishment size, nature  
18 of specialization, patents, Federal research  
19 and development spending, and other rel-  
20 evant information for regional innovation  
21 initiatives; and

22 “(iii) supply chain product and service  
23 flows within and between regional innova-  
24 tion initiatives.

1           “(2) RESEARCH GRANTS.—The Secretary may  
2           award research grants on a competitive basis to sup-  
3           port and further the goals of the program estab-  
4           lished under this section.

5           “(3) DISSEMINATION OF INFORMATION.—Data  
6           and analysis compiled by the Secretary under the  
7           program established in this subsection shall be made  
8           available to other Federal agencies, State and local  
9           governments, and nonprofit and for-profit entities.

10           “(4) REGIONAL INNOVATION GRANT PRO-  
11           GRAM.—The Secretary shall incorporate data and  
12           analysis relating to any grant awarded under sub-  
13           section (c) into the program established under this  
14           subsection.

15           “(e) INTERAGENCY COORDINATION.—

16           “(1) IN GENERAL.—To the maximum extent  
17           practicable, the Secretary shall ensure that the ac-  
18           tivities carried out under this section are coordinated  
19           with, and do not duplicate the efforts of, other pro-  
20           grams at the Department of Commerce or at other  
21           Federal agencies.

22           “(2) COLLABORATION.—

23           “(A) IN GENERAL.—The Secretary shall  
24           explore and pursue collaboration with other  
25           Federal agencies, including through multi-

1 agency funding opportunities, on regional inno-  
2 vation strategies.

3 “(B) SMALL BUSINESSES.—The Secretary  
4 shall ensure that such collaboration with Fed-  
5 eral agencies prioritizes the needs and chal-  
6 lenges of small businesses.

7 “(f) EVALUATION.—

8 “(1) IN GENERAL.—Not later than 5 years  
9 after Congress appropriates funds to carry out this  
10 section, the Secretary shall competitively award a  
11 contract with an independent entity to conduct an  
12 evaluation of programs established under this sec-  
13 tion.

14 “(2) REQUIREMENTS.—The evaluation con-  
15 ducted under paragraph (1) shall include—

16 “(A) an assessment of whether the pro-  
17 gram is achieving its goals;

18 “(B) the program’s efficacy in providing  
19 awards to geographically diverse entities;

20 “(C) any recommendations for how the  
21 program may be improved; and

22 “(D) a recommendation as to whether the  
23 program should be continued or terminated.

24 “(g) REPORTING REQUIREMENT.—Not later than 1  
25 year after the first grant is awarded under subsection (e)

1 and annually thereafter until 5 years after the last grant  
2 recipient completes the regional innovation initiative for  
3 which such grant was awarded, the Secretary shall submit  
4 a report to Congress that describes the outcome of each  
5 regional innovation initiative that was completed during  
6 the previous 5 years.

7 “(h) FUNDING.—From amounts appropriated by  
8 Congress for economic development assistance programs,  
9 the Secretary may use up to \$100,000,000 in each of the  
10 fiscal years 2018 through 2024 to carry out this section.”.

11 **SEC. 8. ECONOMIC IMPACT OF SIGNIFICANT FEDERAL**  
12 **AGENCY RULES.**

13 Section 553 of title 5, United States Code, is amend-  
14 ed by adding at the end the following:

15 “(f) REQUIRED REVIEW BEFORE ISSUANCE OF SIG-  
16 NIFICANT RULES.—

17 “(1) DEFINED TERM.—In this subsection the  
18 term ‘significant rule’ means a rule that is likely—

19 “(A) to have an annual effect on the econ-  
20 omy of \$100,000,000 or more;

21 “(B) to adversely affect, in a material way,  
22 the economy, a sector of the economy, produc-  
23 tivity, competition, jobs, the environment, public  
24 health or safety, or State, local, or tribal gov-  
25 ernments or communities; or

1           “(C) to create a serious inconsistency or  
2 otherwise interfere with an action taken or  
3 planned by another agency.

4           “(2) REVIEW.—Before issuing a notice of pro-  
5 posed rulemaking in the Federal Register regarding  
6 the issuance of a significant rule, the head of the  
7 Federal agency or independent regulatory agency  
8 seeking to issue the rule shall complete a review, to  
9 the extent permitted by law, that—

10           “(A) analyzes the problem that the pro-  
11 posed rule intends to address, including—

12           “(i) the specific market failure, such  
13 as externalities, market power, or lack of  
14 information, that justifies such rule; or

15           “(ii) any other specific problem, such  
16 as the failures of public institutions, that  
17 justifies such rule;

18           “(B) analyzes the expected impact of the  
19 proposed rule on the ability of new businesses  
20 to form and expand;

21           “(C) identifies the expected impact of the  
22 proposed rule on State, local, and tribal govern-  
23 ments, including the availability of resources—

1           “(i) to carry out the mandates im-  
2           posed by the rule on such government enti-  
3           ties; and

4           “(ii) to minimize the burdens that  
5           uniquely or significantly affect such gov-  
6           ernmental entities, consistent with achiev-  
7           ing regulatory objectives;

8           “(D) identifies any conflicting or duplica-  
9           tive regulations;

10          “(E) determines—

11           “(i) if existing laws or regulations cre-  
12           ated, or contributed to, the problem that  
13           the new rule is intended to correct; and

14           “(ii) if the laws or regulations re-  
15           ferred to in clause (i) should be modified  
16           to more effectively achieve the intended  
17           goal of the rule; and

18          “(F) includes the cost-benefit analysis de-  
19          scribed in paragraph (3).

20          “(3) COST-BENEFIT ANALYSIS.—A cost-benefit  
21          analysis described in this paragraph shall include—

22           “(A)(i) an assessment, including the un-  
23           derlying analysis, of benefits anticipated from  
24           the proposed rule, such as—

1                   “(I) promoting the efficient func-  
2                   tioning of the economy and private mar-  
3                   kets;

4                   “(II) enhancing health and safety;

5                   “(III) protecting the natural environ-  
6                   ment; and

7                   “(IV) eliminating or reducing dis-  
8                   crimination or bias; and

9                   “(ii) the quantification of the benefits de-  
10                  scribed in clause (i), to the extent feasible;

11                  “(B)(i) an assessment, including the un-  
12                  derlying analysis, of costs anticipated from the  
13                  proposed rule, such as—

14                   “(I) the direct costs to the Federal  
15                   Government to administer the rule;

16                   “(II) the direct costs to businesses  
17                   and others to comply with the rule; and

18                   “(III) any adverse effects on the effi-  
19                   cient functioning of the economy, private  
20                   markets (including productivity, employ-  
21                   ment, and competitiveness), health, safety,  
22                   and the natural environment; and

23                   “(ii) the quantification of the costs de-  
24                  scribed in clause (i), to the extent feasible;

1           “(C)(i) an assessment, including the un-  
2           derlying analysis, of costs and benefits of poten-  
3           tially effective and reasonably feasible alter-  
4           natives to the proposed rule, which have been  
5           identified by the agency or by the public, in-  
6           cluding taking reasonably viable nonregulatory  
7           actions; and

8           “(ii) an explanation of why the proposed  
9           rule is preferable to the alternatives identified  
10          under clause (i).

11          “(4) REPORT.—Before issuing a notice of pro-  
12          posed rulemaking in the Federal Register regarding  
13          the issuance of a significant rule, the head of the  
14          Federal agency or independent regulatory agency  
15          seeking to issue the rule shall—

16               “(A) submit the results of the review con-  
17               ducted under paragraph (2) to the appropriate  
18               congressional committees; and

19               “(B) post the results of the review con-  
20               ducted under paragraph (2) on a publicly avail-  
21               able website.

22          “(5) JUDICIAL REVIEW.—Any determinations  
23          made, or other actions taken, by an agency or inde-  
24          pendent regulatory agency under this subsection  
25          shall not be subject to judicial review.”.

1 **SEC. 9. BIENNIAL STATE STARTUP BUSINESS REPORT.**

2 (a) DATA COLLECTION.—The Secretary of Com-  
3 merce shall regularly compile information from each of the  
4 50 States and the District of Columbia on State laws that  
5 affect the formation and growth of new businesses within  
6 the State or District.

7 (b) REPORT.—Not later than 18 months after the  
8 date of the enactment of this Act, and every 2 years there-  
9 after, the Secretary of Commerce, using data compiled  
10 under subsection (a), shall prepare a report that—

11 (1) analyzes the economic effect of State and  
12 District laws that either encourage or inhibit busi-  
13 ness formation and growth; and

14 (2) ranks the States and the District based on  
15 the effectiveness with which their laws foster new  
16 business creation and economic growth.

17 (c) DISTRIBUTION.—The Secretary of Commerce  
18 shall—

19 (1) submit each report prepared under sub-  
20 section (b) to Congress; and

21 (2) make each report available to the public on  
22 the website of the Department of Commerce.

23 (d) INCLUSION OF LARGE METROPOLITAN AREAS.—  
24 Not later than 90 days after the submission of the first  
25 report under this section, the Secretary of Commerce shall  
26 submit to Congress a study on the feasibility and advis-

1 ability of including, in future reports, information about  
2 the effect of local laws and ordinances on the formation  
3 and growth of new businesses in large metropolitan areas  
4 within the United States.

5 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
6 are authorized to be appropriated such sums as may be  
7 necessary to carry out this section.

8 **SEC. 10. NEW BUSINESS FORMATION REPORT.**

9 (a) IN GENERAL.—The Secretary of Commerce shall  
10 regularly compile quantitative and qualitative information  
11 on businesses in the United States that are not more than  
12 1 year old.

13 (b) DATA COLLECTION.—The Secretary of Com-  
14 merce shall—

15 (1) regularly compile information from the Bu-  
16 reau of the Census' business register on new busi-  
17 ness formation in the United States; and

18 (2) conduct quarterly surveys of business own-  
19 ers who start a business during the 1-year period  
20 ending on the date on which such survey is con-  
21 ducted to gather qualitative information about the  
22 factors that influenced their decision to start the  
23 business.

24 (c) RANDOM SAMPLING.—In conducting surveys  
25 under subsection (b)(2), the Secretary may use random

1 sampling to identify a group of business owners who are  
2 representative of all the business owners described in sub-  
3 section (b)(2).

4 (d) BENEFITS.—The Secretary of Commerce shall in-  
5 form business owners selected to participate in a survey  
6 conducted under this section of the benefits they would  
7 receive from participating in the survey.

8 (e) VOLUNTARY PARTICIPATION.—Business owners  
9 selected to participate in a survey conducted under this  
10 section may decline to participate without penalty.

11 (f) REPORT.—Not later than 18 months after the  
12 date of the enactment of this Act, and every 3 months  
13 thereafter, the Secretary of Commerce shall use the data  
14 compiled under subsection (b) to prepare a report that—

15 (1) lists the aggregate number of new busi-  
16 nesses formed in the United States;

17 (2) lists the aggregate number of persons em-  
18 ployed by new businesses formed in the United  
19 States;

20 (3) analyzes the payroll of new businesses  
21 formed in the United States;

22 (4) summarizes the data collected under sub-  
23 section (b); and

1           (5) identifies the most effective means by which  
2 government officials can encourage the formation  
3 and growth of new businesses in the United States.

4       (g) DISTRIBUTION.—The Secretary of Commerce  
5 shall—

6           (1) submit each report prepared under sub-  
7 section (f) to Congress; and

8           (2) make each report available to the public on  
9 the website of the Department of Commerce.

10       (h) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated such sums as may be  
12 necessary to carry out this section.

13 **SEC. 11. RESCISSION OF UNSPENT FEDERAL FUNDS.**

14       (a) IN GENERAL.—Notwithstanding any other provi-  
15 sion of law, of all available unobligated funds for fiscal  
16 year 2017, the amount necessary to carry out this Act and  
17 the amendments made by this Act in appropriated discre-  
18 tionary funds are hereby rescinded.

19       (b) IMPLEMENTATION.—The Director of the Office of  
20 Management and Budget shall determine and identify  
21 from which appropriation accounts the rescission under  
22 subsection (a) shall apply and the amount of such rescis-  
23 sion that shall apply to each such account.

24       (c) REPORT.—Not later than 60 days after the date  
25 of the enactment of this Act, the Director of the Office

1 of Management and Budget shall submit a report to the  
2 Secretary of the Treasury and Congress of the accounts  
3 and amounts determined and identified for rescission  
4 under subsection (b).