

Union Calendar No. 528

106TH CONGRESS
2^D SESSION

H. R. 4429

[Report No. 106-877]

To require the Director of the National Institute of Standards and Technology to assist small and medium-sized manufacturers and other such businesses to successfully integrate and utilize electronic commerce technologies and business practices.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2000

Mr. BARCIA (for himself, Mr. DOYLE, Mr. UDALL of Colorado, and Mr. CALVERT) introduced the following bill; which was referred to the Committee on Science

SEPTEMBER 21, 2000

Additional sponsor: Mr. BAIRD

SEPTEMBER 21, 2000

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on May 11, 2000]

A BILL

To require the Director of the National Institute of Standards and Technology to assist small and medium-sized manufacturers and other such businesses to successfully integrate and utilize electronic commerce technologies and business practices.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Electronic Commerce*
5 *Enhancement Act of 2000”.*

6 **TITLE I—ELECTRONIC**
7 **COMMERCE**

8 **SEC. 101. FINDINGS.**

9 *The Congress finds the following:*

10 (1) *Commercial transactions on the Internet,*
11 *whether retail business-to-customer or business-to-*
12 *business, are commonly called electronic commerce.*

13 (2) *In the United States, business-to-business*
14 *transactions between small and medium-sized manu-*
15 *facturers and other such businesses and their sup-*
16 *pliers is rapidly growing, as many of these businesses*
17 *begin to use Internet connections for supply-chain*
18 *management, after-sales support, and payments.*

19 (3) *Small and medium-sized manufacturers and*
20 *other such businesses play a critical role in the*
21 *United States economy.*

22 (4) *Electronic commerce can help small and me-*
23 *dium-sized manufacturers and other such businesses*
24 *develop new products and markets, interact more*
25 *quickly and efficiently with suppliers and customers,*

1 *and improve productivity by increasing efficiency*
2 *and reducing transaction costs and paperwork. Small*
3 *and medium-sized manufacturers and other such*
4 *businesses who fully exploit the potential of electronic*
5 *commerce activities can use it to interact with cus-*
6 *tomers, suppliers, and the public, and for external*
7 *support functions such as personnel services and em-*
8 *ployee training.*

9 *(5) The National Institute of Standards and*
10 *Technology's Manufacturing Extension Partnership*
11 *program has a successful record of assisting small*
12 *and medium-sized manufacturers and other such*
13 *businesses. In addition, the Manufacturing Extension*
14 *Partnership program, working with the Small Busi-*
15 *ness Administration, successfully assisted United*
16 *States small enterprises in remediating their Y2K*
17 *computer problems.*

18 *(6) A critical element of electronic commerce is*
19 *the ability of different electronic commerce systems to*
20 *exchange information. The continued growth of elec-*
21 *tronic commerce will be enhanced by the development*
22 *of private voluntary interoperability standards and*
23 *testbeds to ensure the compatibility of different sys-*
24 *tems.*

1 **SEC. 102. REPORT ON THE UTILIZATION OF ELECTRONIC**
2 **COMMERCE.**

3 (a) *ADVISORY PANEL.*—*The Director of the National*
4 *Institute of Standards and Technology (in this title referred*
5 *to as the “Director”)* shall establish an Advisory Panel to
6 report on the challenges facing small and medium-sized
7 manufacturers and other such businesses in integrating and
8 utilizing electronic commerce technologies and business
9 practices. The Advisory Panel shall be comprised of rep-
10 resentatives of the Technology Administration, the National
11 Institute of Standards and Technology’s Manufacturing
12 Extension Partnership program established under sections
13 25 and 26 of the National Institute of Standards and Tech-
14 nology Act (15 U.S.C. 278k and 278l), the Small Business
15 Administration, and other relevant parties as identified by
16 the Director.

17 (b) *INITIAL REPORT.*—*Within 12 months after the date*
18 *of enactment of this Act, the Advisory Panel shall report*
19 *to the Director and to the Committee on Science of the*
20 *House of Representatives and the Committee on Commerce,*
21 *Science, and Transportation of the Senate on the immediate*
22 *requirements of small and medium-sized manufacturers*
23 *and other such businesses to integrate and utilize electronic*
24 *commerce technologies and business practices. The report*
25 *shall—*

1 (1) describe the current utilization of electronic
2 commerce practices by small and medium-sized man-
3 ufacturers and other such businesses, detailing the dif-
4 ferent levels between business-to-retail customer and
5 business-to-business transactions;

6 (2) describe and assess the utilization and need
7 for encryption and electronic authentication compo-
8 nents and electronically stored data security in elec-
9 tronic commerce for small and medium-sized manu-
10 facturers and other such businesses;

11 (3) identify the impact and problems of inter-
12 operability to electronic commerce, and include an
13 economic assessment; and

14 (4) include a preliminary assessment of the ap-
15 propriate role of, and recommendations for, the Man-
16 ufacturing Extension Partnership program to assist
17 small and medium-sized manufacturers and other
18 such businesses to integrate and utilize electronic
19 commerce technologies and business practices.

20 (c) *FINAL REPORT*.—Within 18 months after the date
21 of enactment of this Act, the Advisory Panel shall report
22 to the Director and to the Committee on Science of the
23 House of Representatives and the Committee on Commerce,
24 Science, and Transportation of the Senate a 3-year assess-
25 ment of the needs of small and medium-sized manufacturers

1 *and other such businesses to integrate and utilize electronic*
2 *commerce technologies and business practices. The report*
3 *shall include—*

4 (1) *a 3-year planning document for the Manu-*
5 *facturing Extension Partnership program in the field*
6 *of electronic commerce; and*

7 (2) *recommendations, if necessary, for the Na-*
8 *tional Institute of Standards and Technology to ad-*
9 *dress interoperability issues in the field of electronic*
10 *commerce.*

11 **SEC. 103. ELECTRONIC COMMERCE PILOT PROGRAM.**

12 *The National Institute of Standards and Technology's*
13 *Manufacturing Extension Partnership program, in con-*
14 *sultation with the Small Business Administration, shall es-*
15 *tablish a pilot program to assist small and medium-sized*
16 *manufacturers and other such businesses in integrating and*
17 *utilizing electronic commerce technologies and business*
18 *practices. The goal of the pilot program shall be to provide*
19 *small and medium-sized manufacturers and other such*
20 *businesses with the information they need to make informed*
21 *decisions in utilizing electronic commerce-related goods and*
22 *services. Such program shall be implemented through a*
23 *competitive grants program for existing Regional Centers*
24 *for the Transfer of Manufacturing Technology established*
25 *under section 25 of the National Institute of Standards and*

1 *Technology Act (15 U.S.C. 278k). In carrying out this sec-*
2 *tion, the Manufacturing Extension Partnership program*
3 *shall consult with the Advisory Panel and utilize the Advi-*
4 *sory Panel's reports.*

5 **TITLE II—ENTERPRISE** 6 **INTEGRATION**

7 **SEC. 201. ENTERPRISE INTEGRATION ASSESSMENT AND** 8 **PLAN.**

9 (a) *ASSESSMENT.*—*The Director shall work to identify*
10 *critical enterprise integration standards and implementa-*
11 *tion activities for major manufacturing industries under-*
12 *way in the United States. For each major manufacturing*
13 *industry, the Director shall work with industry representa-*
14 *tives and organizations currently engaged in enterprise in-*
15 *tegration activities and other appropriate representatives as*
16 *necessary. They shall assess the current state of enterprise*
17 *integration within the industry, identify the remaining*
18 *steps in achieving enterprise integration, and work toward*
19 *agreement on the roles of the National Institute of Stand-*
20 *ards and Technology and of the private sector in that proc-*
21 *ess. Within 90 days after the date of the enactment of this*
22 *Act, the Director shall report to the Congress on these mat-*
23 *ters and on anticipated related National Institute of Stand-*
24 *ards and Technology activities for the then current fiscal*
25 *year.*

1 (b) *PLANS AND REPORTS.*—*Within 180 days after the*
2 *date of the enactment of this Act, the Director shall submit*
3 *to the Congress a plan for enterprise integration for each*
4 *major manufacturing industry, including milestones for the*
5 *National Institute of Standards and Technology portion of*
6 *the plan, the dates of likely achievement of those milestones,*
7 *and anticipated costs to the Government and industry by*
8 *fiscal year. Updates of the plans and a progress report for*
9 *the past year shall be submitted annually until for a given*
10 *industry, in the opinion of the Director, enterprise integra-*
11 *tion has been achieved.*

12 **SEC. 202. DEFINITIONS.**

13 *For purposes of this title—*

14 (1) *the term “Director” means the Director of the*
15 *National Institute of Standards and Technology;*

16 (2) *the term “enterprise integration” means the*
17 *electronic linkage of manufacturers, assemblers, and*
18 *suppliers to enable the electronic exchange of product,*
19 *manufacturing, and other business data among all*
20 *businesses in a product supply chain, and such term*
21 *includes related application protocols and other re-*
22 *lated standards; and*

23 (3) *the term “major manufacturing industry”*
24 *includes the aerospace, automotive, electronics, ship-*
25 *building, construction, home building, furniture, tex-*

- 1 *tile, and apparel industries and such other industries*
- 2 *as the Director designates.*

Amend the title so as to read: “A bill to require the Director of the National Institute of Standards and Technology to assist small and medium-sized manufacturers and other such businesses to successfully integrate and utilize electronic commerce technologies and business practices, and to authorize the National Institute of Standards and Technology to assess critical enterprise integration standards and implementation activities for major manufacturing industries and to develop a plan for enterprise integration for each major manufacturing industry.”.

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