

To the office of U.S. Senator Todd Young

Re: S 5198 (119th Congress), Build to Scale Reauthorization Act of 2026 • Latest action (2026-07-30): Read twice and referred to the Committee on Commerce, Science, and Transportation.

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Regional Innovation Reauthorization with Performance-Based Safeguards Act of 2025

The measure, as described from the official record: To continue federal support for regional technology-based innovation clusters by reauthorizing the regional innovation program under the Stevenson-Wydler Technology Innovation Act, helping local research hubs create jobs and spur economic growth.

THE PROPOSAL

This Act reauthorizes the regional innovation program under the Stevenson-Wydler Technology Innovation Act for a period of five years. The program shall provide competitive grants to multi-jurisdictional coalitions—including universities, private businesses, nonprofit organizations, and state or local government entities—to support innovation in science and technology fields that demonstrably affect interstate commerce or promote the progress of science and useful arts. Grants shall be awarded only for projects that (1) connect two or more States or include an out-of-State commercial partner, (2) address a documented national or regional technology challenge, and (3) pledge non-federal matching funds equal to at least 25% of the federal share.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	Authorized appropriations from the General Fund, offset by a 5% reduction in non-essential administrative expenses across the Department of Commerce for each of the five fiscal years.
Funding Amount	\$50 million per fiscal year for five fiscal years, not to exceed \$250 million total.
Sunset Years	5 years
Oversight Body	Government Accountability Office (GAO), with audits conducted annually and a joint report to the House Committee on Science, Space, and Technology and the Senate Committee on Commerce, Science, and Transportation.
Enforcement Mechanism	Grant recipients must submit annual performance reports demonstrating quantifiable milestones; failure to meet contractual milestones results in recoupment of federal funds and ineligibility for new awards for three years. The Inspector General of the Department of Commerce shall investigate any alleged misuse of funds; false claims are subject to penalties under the False Claims Act.
Effective Date	October 1, 2025, if enacted, with all funds obligated within two years of award.

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 3

- Article I, Section 8, Clause 8
- Article I, Section 8, Clause 18
- Tenth Amendment

Concerns with the measure as written:

- The original bill is constitutional under the Commerce Clause and Patent/Copyright Clause, but it lacks explicit safeguards to ensure awarded projects demonstrably affect interstate commerce or promote technological progress.
- Potential Tenth Amendment tension if program directs state or local land-use or economic development policies rather than supporting interstate economic activities.

WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Honors Democratic priorities by maintaining robust federal investment in regional innovation ecosystems, particularly in underserved areas, and supporting workforce development through university-community partnerships. Honors Republican priorities by imposing a strict 5-year sunset, mandatory performance metrics, a 25% non-federal match requirement, and a full offset through administrative spending reductions, ensuring fiscal restraint and limited federal footprint.

Values for America is a nonpartisan, constitution-first SI think tank. This brief is informational. It is a policy proposal, not law, and it does not support or oppose any candidate or party. Full analysis and sources: <https://www.valuesforamerica.com/solutions/219> · Methodology: <https://www.valuesforamerica.com/methodology>