

# Welcome to the

**2020**

**OEA Industry Resilience  
Virtual Convening**

**Webinar 1**



*May 6, 2020*

# Virtual Convening Logistics Overview

- Please note: All attendees are in listen only mode.
- Attendees can submit questions to our presenters anytime during the webinar by using the questions box you will find in your gotowebinar interface.
- The webinar is being recorded and recordings for all the sessions will be emailed out to all registrants on Friday, May 8<sup>th</sup>



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# Q&A

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2020

Plenary Panel:  
Webinar 1



# Industry Resilience in an Uncertain Environment

*May 6, 2020*



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**BROOKINGS**



Mackenzie Eaglen, AEI



Todd Harrison, CSIS



Michael O'Hanlon, Brookings

*Expert Perspectives on Three Key Issues*

- DOD budget situation in FY 2020, including the 3 recent public stimulus bills
- The outlook for DOD's FY21 and beyond budget
- Likely impact of the Covid-19 crisis and budget shifts on DOD's program priorities

# Q&A

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# Intermission

- The next portion of the webinar will start at 2:15 PM EDT
- As a reminder all attendees are in listen-only mode.
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# What's New? IR, DMCSF, Defense Workforce Challenge

*May 6, 2020*



## Mike Gilroy

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# Caveats on Current State of DMSCP

- Decision memorandum not signed
- Program milestones not finalized
- Work flows for some aspects of program execution not finalized
- Electronic link from Grants.gov to OEA not currently in place
- Funding for FY 2021 and beyond not assured

**Bottom line: Nothing is currently final and current plans could all change tomorrow**

# Section 846, 2019 NDAA

SEC. 846. Support for defense manufacturing communities to support the defense industrial base.

(a) Program authorized.—

(1) IN GENERAL.—The Secretary of Defense may, in coordination with the Secretary of Commerce and working **in coordination with the defense manufacturing institutes**, establish within the Department of Defense a program to make long-term investments in critical skills, facilities, research and development, and small business support in order to strengthen the national security innovation base by **designating and supporting consortiums** as defense manufacturing communities.

(c)(2) USE OF FUNDS.—A recipient of financial or technical assistance under the Program may use such financial or technical assistance to support an investment that will **improve the defense industrial base**.



# Section 846 Scope

- Investments supported under § 846(c)(3) would include:
  - “activities not already provided for by defense manufacturing institutes”
- Examples:
  - equipment or facility upgrades
  - workforce training, retraining, or recruitment and retention
  - advanced research and commercialization (including with Federal laboratories and depots)
  - supply chain development
  - small business assistance

# Challenges

- Speed of execution for FY 2020 is now an issue
  - Late receipt of funding from Congress and Comptroller
  - Length of required legal reviews for federal funding notice
  - Length of designation and grant review processes
    - Expected number of applications > 90
- Necessary DoD coordination
- Congressional intent for FY 2021 not known
  - Impacts FY 2020 program structure – long versus short-term effort

# Some Planning Considerations

- Congress intends a multi-year effort for this program i.e., > 2 year.
- Section 846 implies the creation of more broad-based regional capacity development to support DoD priorities.
  - Not necessarily more focused targeting of technologies or companies as would be found in DPA Title III or like programs
- Must be a tie to DoD Manufacturing Institute
  - Would not preclude applicants not physically near a manufacturing institute, provided there was a direct connection (e.g., MOA, sub-recipient agreement, etc.)
  - See § 846(b)
- The competitive consortia selection process intended by § 846 cannot begin before early 4 QTR FY 2020.
- Awards under this program to non-governmental entities (e.g., 501(c) 3 organizations) are permissible.
- Federal partners (e.g., Labor, Commerce) are unable to assist in meaningful ways absent new budget and/or statutory authorities.

# Program Execution Principles

- Two phase process
  - Designation as a “Defense Manufacturing Community” made by USD (A&S) based on recommendations of an intradepartmental panel
  - Award of financial assistance made by Director, OEA based on USD (A&S) selections
  - DMC designation renewals possible for two additional 2-year periods
    - Methodology TBD
- Constant and continuous collaboration with:
  - USD (R&E)
  - USD (A&S)
  - Commerce – NIST-MEP
  - Commerce – Economic Development Administration
  - Labor – Employment and Training Administration

# Program Expectations

- Engage regional stakeholders in a more focused way
- Applicants must focus proposed project on defense manufacturing or DoD tech priorities as identified in:
  - USD (R&E) modernization priorities
  - USD (A&S) response to EO 13806
  - National Defense Strategy
  - Other relevant OSD/Mil Service documents
- Proposed projects should be:
  - Integrated – not a collection of the “pet rocks” of local stakeholders
  - Regional – a collection of assets focused on a common purpose
    - Not *necessarily* geographically co-located
  - Sustainable – a clear path toward self-funding is identified

# Timing Guesstimate

- Federal Funding Opportunity Notice issue: May
- Pre-application webinar: end of May-early June
- Applications Due in Grants.gov: late June
- DMSC Designation review panel: July
- DMC designations by USD (A&S): late July
- Application for financial assistance (i.e., grants): August
- Review of grant applications: August-September
- Grant agreements issued: mid-late September
- Grantee acceptance of award: late September

**N.B. All dates are estimates. There is no way to know at this point if these dates will hold.**

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# Q&A

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# Wrap Up

- Join us today at 3:00 PM EDT for Webinar 2: A New Collaboration to Address the Defense Workforce Challenge.
- If you have not already registered, you can do so here <https://bit.ly/2SAsGII>
- List of Resources: <https://bit.ly/2L0Yhs2>