

115th Congress Legislative Priorities: A Blueprint for American Innovation



ITI's mission is to empower policymakers with information thus enabling innovation that improves lives, create jobs, and drives economic growth. ITI's policy objectives focus on expanding opportunity and growth at home; maintaining and opening markets around the world; and driving innovation on a global scale.

Spur Economic Growth and Job Creation

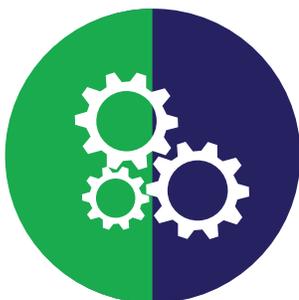
Update the Tax Code: Last updated in 1986 and relying on international rules from the 1960s, the U.S. tax code is in need of a major overhaul that boosts our competitiveness and reflects the realities of today's global marketplace. Congress should pass pro-growth tax reform legislation that includes: a competitive corporate tax rate, a market-based international tax system, and robust incentives for innovation and research and development (R&D), including incentives to bring vital intellectual property into the United States.



Market Access for Technology Products and Services: Companies of all sizes rely on access to fast-growing global markets in order to grow at home. As set out in the Trade Promotion Authority (TPA) legislation enacted in 2015, Congress should pursue a forward-thinking trade agenda that levels the playing field for our technology products and services worldwide, and aggressively responds to unfair restrictions on market access for U.S. technology products and services. Congress should work with the administration to ensure trade agreements include modern digital trade rules that benefit the entire U.S. economy, including prohibitions on forced localization of goods, services, and data. Finally, Congress should avoid protectionist domestic policies that disrupt global trade in a manner that would hurt domestic job creation and innovation in the technology sector.

Streamline and Reform the Acquisition and Procurement Process: In 2015, the federal government spent \$80 billion on technology, with 80 percent of this funding allocated towards maintaining costly, vulnerable legacy computer systems. Rather than investing in new technologies to maintain U.S. supremacy, the federal government is caught in a destructive cycle of spending tens of billions of dollars to sustain these outdated computer systems - effectively and consistently missing the opportunity to modernize. To ensure government users are able to acquire and deploy technological capabilities when they are timely, Congress should conduct a top-down review of government acquisition and procurement processes to realign these procedures with current technological needs in order to prevent continued waste of taxpayer dollars.

Modernize U.S. Transportation and Infrastructure: Our nation's infrastructure is in dire need of an upgrade. Investing in infrastructure that integrates both physical and digital elements can increase economic productivity by 60 percent when compared to investment in traditional infrastructure. Congress should ensure that infrastructure funding fully leverages the significant economic and societal benefits that technology and smart infrastructure offer. This should include increasing broadband deployment and utilizing smart technologies, such as vehicle-to-infrastructure and other technologies, which increase efficiency and safety in transportation. Any infrastructure package should also build on the previous federal support for smart cities and communities.



Strengthen the Skills of America's Workforce



Invest in the Science and Technology Workforce: Computing occupations are the leading source of wage growth in the United States and account for two-thirds of all expected jobs in science, technology, engineering, and mathematics (STEM) fields. Congress should continue to promote appropriate skills alignment and advance education and research programs in STEM, computer science, and career and technical education, which are essential for preparing our domestic workforce for the jobs of tomorrow. Congress should: (1) reauthorize the Carl D. Perkins Career and Technical Education Act and the Higher Education Act; (2) enhance the diversity and inclusiveness of the 21st century digital economy; (3) ensure appropriate funding for computer science education in primary and secondary schools; and (4)

prioritize investment in cybersecurity workforce development and training to reverse the current cybersecurity talent shortage.

Welcome Innovators: Even if we bolster our workforce education programs, in the short-term the U.S. will continue to face a shortage in STEM workers. By 2018, the United States will face a shortfall of 223,000 workers in needed STEM fields. Congress should improve the ability of companies operating in the United States to recruit and retain highly educated foreign graduates and professionals, regardless of country of origin, to meet current hiring needs and supplement our talented U.S. workforce. These reforms include abolishment of per-country caps on employment-based green cards, increasing H-1B visa limits, and making green cards more readily available, including to those with advanced degrees in STEM fields.

Foster Trusted Networks

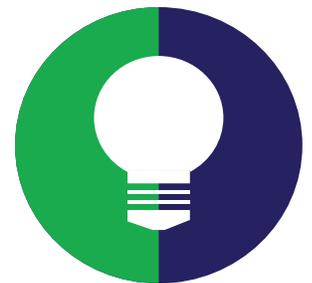
Protect Data and Restore User Trust: Congress should act quickly to: (1) update the Electronic Communications Privacy Act (ECPA) to include requirements that law enforcement agencies obtain a warrant for online content to ensure that data stored electronically and in the cloud is treated the same as data stored in the physical world; (2) replace the patchwork of 51 state and territory data breach notification regimes with a single federal standard in order to provide end users with consistent and more meaningful notices; and (3) address conflicts of law with respect to law enforcement access to users' electronic data held by private entities. Congress should also broaden its ongoing review of encryption technologies to include the use of strong encryption as a critical tool in the defense against cyber attacks and the potentially catastrophic detriment to digital, physical, and personal security should this tool be weakened by design mandates. Further, Congress should continue robust oversight of policies relating to government access to data, including the consideration of appropriate privacy protections.



Increase Cyber Defenses: Cybersecurity legislation should promote and leverage existing public-private partnerships and voluntary industry initiatives, reflect the global nature of cyberspace and supply chains, be technology neutral, encourage innovation, avoid country-of-origin biases, and advance both security and privacy. Congress should seek to enhance cybersecurity through targeted, bipartisan legislation and oversight that complements and harmonizes ongoing industry and government efforts. Congress should: (1) enhance the security of public and private information systems by promoting the use of outcomes-based risk management approaches, like the Framework for Improving Critical Infrastructure Cybersecurity, and by encouraging the use of consensus cybersecurity best practices; (2) improve the government’s ability to deter, investigate, and prosecute cyber crime while protecting information systems, which includes recognizing that strong encryption is vital to effective cybersecurity; (3) prioritize investment in cybersecurity workforce development and training to reverse the current cybersecurity talent shortage; (4) increase government support for R&D of cybersecurity technologies; and (5) support cybersecurity education and awareness nationwide and within the federal government. Further, Congress should work with appropriate agencies to harmonize the federal government’s approach to cybersecurity of new and emerging technologies, such as the Internet of Things (IoT), to ensure there are consistent, effective, and non-duplicative rules and regulations.

Promote Domestic Innovation

Advance Patent Reform: Abusive patent litigation continues to undermine the U.S. patent system. It discourages and deters investments in jobs and new technologies, stifles innovation, and weakens our intellectual property system. ITI supports legislation that would end abusive patent litigation to safeguard the continued success and viability of the U.S. patent system, while simultaneously protecting the innovations that spur economic growth and keep the United States globally competitive. Congress should pass meaningful patent litigation reform that incorporates: fee shifting, discovery reforms, heightened pleading requirements, proper venue, and increased transparency of patent ownership.



Promote Broadband Investment and Spectrum Availability: Broadband has become a *de facto* requirement for Americans to access essential services, advance their education, apply for jobs, and for countless other purposes. Congress should continue to find opportunities to make spectrum available for licensed and unlicensed mobile broadband use. Working with the Federal Communication Commission (FCC), the National Telecommunication and Information Administration (NTIA), and relevant stakeholders, low-, medium-, and high-frequency spectrum should be made available for these uses. Congress should also ensure spectrum is available to meet the needs of new technologies such as IoT. Further, Congress should: (1) advance efforts to update the Communications Act to incentivize broadband deployment and access; (2) protect innovative internet-enabled applications, services, and business opportunities; and (3) make more spectrum available for mobile broadband with flexible rules to maximize the most efficient use of that limited resource.



Encourage Energy Efficiency: Technological advancements are driving significant improvements in energy efficiency and sustainability. Congress should enact legislation that promotes the use of technology products and services to improve energy efficiency and increase cost savings, particularly in federal data centers, smart transportation and infrastructure, and building management systems.