

**U.S. DEPARTMENT OF COMMERCE**  
**NATIONAL ADVISORY COUNCIL ON**  
**INNOVATION AND ENTREPRENEURSHIP**

**MEMBERSHIP BALANCE PLAN**

*Section 5(b)(2) of the FACA requires "...the membership of the advisory committee to be fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee." The corresponding FACA regulations reiterate this requirement at 41 CFR § 102-3.30(c), and, for discretionary committees being established, renewed, or reestablished, require agencies to provide a description of their plan to attain fairly balanced membership during the charter consultation process with GSA (41 CFR § 102-3.60(b)(3)). The document created through this process is the Membership Balance Plan. The regulations further clarify that (1) the purpose of the membership balance plan is to ensure "that, in the selection of members for the advisory committee, the agency will consider a cross-section of those directly affected, interested, and qualified, as appropriate to the nature and functions of the advisory committee;" and (2) "[a]dvisory committees requiring technical expertise should include persons with demonstrated professional or personal qualifications and experience relevant to the functions and tasks to be performed." (41 CFR § 102-3.60(b)(3)).*

1. **Name.** National Advisory Council on Innovation and Entrepreneurship.
2. **Authority.** The Secretary of Commerce (the Secretary) renews the National Advisory Council on Innovation and Entrepreneurship, pursuant to the COMPETES Reauthorization Act of 2010, Title VI, and established in accordance with the provisions of the Federal Advisory Committee Act, as amended, 5 U.S.C. App. (FACA).
3. **Mission/Function.** NACIE will advise the Secretary of Commerce (the Secretary) on key issues relating to innovation and entrepreneurship. It will include, but not be limited to, successful entrepreneurs, innovators, angel investors, venture capitalists, non-profit leaders, and other experts on these issues. The Council will identify and recommend solutions to issues critical to enabling entrepreneurs and firms to successfully commercialize new ideas and technologies into high-growth, innovation-based businesses and create new jobs. It will also serve as a vehicle for ongoing dialogue with the entrepreneurship community and other stakeholders.
4. **Points of View.** NACIE shall have up to 30 members. They shall be distinguished individuals from the nonfederal sector appointed by the Secretary. The members shall have diverse perspectives and expertise in innovation and entrepreneurship to ensure balance. They shall be appointed by the Secretary on the basis of their ability to carry out the NACIE's objectives. Careful review of membership structure and representation of business and industry, academic institutions, non-profit and non-governmental organizations, and other stakeholders will occur in considering membership appointments.

All members shall be appointed as Special Government Employees and serve at the pleasure of the Secretary.

5. **Balance Factors.** Considerations when making appointments will include geographic diversity; diversity in size of company or organization to be represented; and representation of business and industry, academic institutions, non-profit and non-governmental organizations, and other stakeholders.

6. **Candidate Identification Process.**

**(a) Describe the Process Used:** Candidate identification will come from various sources, including the White House, recommendations from current and former Federal advisory committee members, Department of Commerce industry contacts and meetings, recommendations from industry and government sources, a Federal Register notice, notice on the committee web site, and outreach to relevant trade associations and other stakeholders. Searches for candidates will continue until all vacancies are filled.

**(b) Identify Agency Staff:** The Secretary will make final determinations, with input from the Chief of Staff to the Secretary, the Under Secretaries of Commerce for Intellectual Property and Standards and Technology, the Assistant Secretary of Commerce for Economic Development, the Office of Innovation and Entrepreneurship, the Office of Business Liaison, and the Office of Policy and Strategic Planning.

**(c) FAC Vacancies:** Should vacancies occur, the Secretary may initiate the candidate identification process specified above to solicit candidates to fill the vacancy unless the term of the appointment would expire prior to being able to fill the vacancy.

**(d) Membership Term Limit:** NACIE members serve at the pleasure of the Secretary. Members may be reappointed to any number of additional terms, provided that the member proves to work effectively on NACIE and his/her knowledge and advice is still needed.

7. **Subcommittee Balance.** NACIE may establish, with the concurrence of the Secretary, such subordinate committees as it considers necessary for the performance of its functions, subject to the provisions of FACA, the FACA implementing regulations, and applicable Department of Commerce guidance. Members of the subordinate committees shall be appointed by the Secretary. Subordinate committees must report back to the parent committee and do not provide advice or work products directly to the Secretary or the President. The process for determining membership balance of subordinate committees is the same as the process for NACIE.
8. **Other.** Appointments shall be made without discrimination on the basis of age, ethnicity, gender, sexual orientation, disability, or cultural, religious, or socioeconomic status.
9. **Date Prepared.** The Membership Balance Plan was prepared on November 29, 2011.