

## **Entrepreneur-in-Residence Act**

**Background:** In the 1980's, the concept of an Entrepreneur-in-Residence (EIR) was developed by the private sector to maintain ties to talented people who were between jobs and to bring experienced professionals into the startup process. The EIR model has gained more prominence recently among venture capital firms looking to nurture a successful company. Firms often select EIRs who have successfully started and sold a startup so that they can bring their expertise to another new or growing company.

Recognizing the benefits of the EIR model to access private sector expertise, several Federal agencies, including the Food and Drug Administration (FDA) and the U.S. Citizenship and Immigration Services, have brought in EIRs. In fact, President Obama's current Chief Technology Officer, Todd Park, is a former EIR from FDA. Despite agencies having the desire and funds to hire EIRs, it has largely occurred on a limited, ad hoc basis due to the absence of formal hiring guidelines.

**Proposal:** Authorize the Director of the Office of Personnel Management, in coordination with Small Business Administration and Department of Commerce, to establish an Entrepreneur-in-Residence program to place up to 30 successful entrepreneurs (10 in each yearly class) in Federal agencies for no more than two years as entrepreneurs-in-residence. The Director may also create an EIR working group to provide an informal knowledge base for current and future EIRs. The program would end on September 30, 2016.

- Similar to Presidential Management Fellows, these EIRs would be civilian detailees directly reporting to agency heads.
- EIRs would be tasked with making agency services and operations simpler, more efficient, and more responsive to the current needs of entrepreneurs and businesses.
- The program would also assist the agencies in identifying ineffective or duplicative programs.

**Justification:** The EIR program would formalize a hiring process for EIRs which is already being done on an ad hoc basis by some Federal agencies. It would improve Federal – private sector coordination to address entrepreneur and business concerns.

**Cost:** No expected cost. Agencies would be given the hiring authority, but utilize existing funds in Salaries and Expenses Accounts to hire the EIRs.