CONGRESS

Cassidy Releases White Paper On Artificial Intelligence
Last Wednesday, HELP Committee Ranking Member Bill Cassidy (R-LA) released a white paper on artificial intelligence (AI) entitled Exploring Congress’ Framework for the Future of AI: The Oversight and Legislative Role of Congress Over the Integration of Artificial Intelligence in Health, Education, and Labor. Cassidy requested feedback from stakeholders on the role of government in regulating the AI industry and how to ensure AI technology is designed, developed, and deployed in a responsible manner that protects Americans’ rights and safety. Cassidy said he hopes to use the feedback to better understand the effects of AI and how potential legislation and regulation could impact the creation and utilization of this technology. Specifically, the white paper examines AI’s potential to:

- Support research and development of new medicines.
- Enhance detection and treatment of current and emerging diseases.
- Relieve workload of health care providers.
- Secure Americans’ health data privacy.
- Ensure children’s access to quality education and supplemental services like tutoring.
- Impact curriculum in a manner that supports, not replaces learning.
- Strengthen Americans’ job security and safety in the workplace.

Additionally, our firm created a memo regarding the federal governments, as a whole, approach to regulating and funding artificial intelligence. If you would like a copy, please send me an email.

APPROPRIATIONS UPDATE

Shutdown Imminent
At the stroke of midnight Saturday night/Sunday morning, the federal government is set to shutdown unless Congress can act extremely quickly.

Late last week, after a series of legislative defeats against Speaker Kevin McCarthy (R-CA), Republican Leadership chose to consider four separate appropriations bills. The move effectively backtracked to begin a months-long process which intends to simply have the Senate and President Biden accept House-passed spending bills written by House Republicans. The move is highly unrealistic, but McCarthy had few options available to him to avoid a shutdown.

Speaker McCarthy and his leadership team defied skeptics and the House worked late into the night this week on the four spending bills. Last night, the House passed three of the four appropriations bills they had planned to pass as “down payment” on the House Republican strategy to avoid a shutdown. Mostly along party-line votes, they passed the Defense Appropriations bill, the State/Foreign Operations Appropriations bill, and the Homeland Security Appropriations bill. The Agriculture/Rural Development bill failed when 27 moderate and rural/farming Republicans joined all Democrats to vote against it.
With the advancement of the appropriations bills, the House then moved to bring up a new continuing resolution called the Spending Reduction and Border Security Act. This bill replaces the previous CR agreed to by the House Freedom Caucus and Main Street Group (hardliner and moderate groups, respectively). The newest version would:

- Continue funding the government through October 31st
- Impose an 30% across the board cut to all federal programs (up from 8% in the prior deal), except for Departments of Defense, Homeland Security, and Veterans Affairs
- Enact significant reforms related to border security and interior immigration enforcement
- Establish a bipartisan fiscal commission to reach a sustainable debt-to-GDP ratio

This afternoon, the House defeated the bill on a 198-232 vote, with Freedom Caucus members voting against the bill which included virtually all of the demands they sought.

Meanwhile, the Senate unveiled the text and summary material for its own continuing resolution. The bill was negotiated by leaders from both parties and had intended to be the “serious” plan to avoid a shutdown. That bill includes:

- CR through November 17th with flat funding for federal activities
- Temporary extensions of expiring authorizations of federal programs
- Military aid to Ukraine
- $6 billion to replenish FEMA’s Disaster Relief Fund

Notably absent from the bill was any border security policies which have been a central feature of House Republican plans. House Republicans overwhelmingly said they would oppose the Senate CR, despite its bipartisan origins. As a result, Senate Republican expressed consternation about voting for the bill, and began working to attach several border security provisions to it.

On Thursday, the Senate voted 76-22 on the second procedural vote on the bill. However, work continues on the border security components of the bill. As of this report, the Senate is still debating the bill while the border security provisions are being negotiated. If a deal on the border security piece is reached, it is unclear if it necessarily will be added to the bill or not. Consequently, we cannot determine if the bill can pass the Senate without the border security provisions.

If the Senate can pass its bill Saturday, with border security policies included, there appears to be a plan in the House for several moderate Republicans to join Democrats to bring the Senate bill to the House floor, even if Speaker McCarthy opposes it. Absent the border security title of the bill, it is less likely House moderate Republicans take such a move.

But McCarthy himself says he still has “other ideas” on ways to avoid a shutdown without resorting to Democratic support. Precisely what that means is unclear. The House appears prepared to stay in session through the weekend if necessary.

Finally, Speaker McCarthy increasingly is pushing for President Biden to engage to avoid a government shutdown. The White House, however, believes that the negotiations took place earlier in the year when they reached a deal to control spending in the Fiscal Responsibility Act, which resolved the default crisis. President Biden says until Speaker McCarthy can convince House Republicans to adhere to the terms of that law, such talks would be pointless.

But what happens next remains unclear.
NATIONAL SCIENCE FOUNDATION

NSF Releases FAQ’s for E-CORE and E-RISE
The linked set of questions and answers refer to frequently asked questions about the E-CORE RII and E-RISE RII Programs, but are not intended to be a modification of either solicitation NSF 23-587 or NSF 23-588.

NSF announces 10 EPSCoR Track-4 awards to fund research fellowships at NASA facilities
The U.S. National Science Foundation has invested over $2.7 million in 10 projects through the Established Program to Stimulate Competitive Research (EPSCoR). This investment, in collaboration with NASA, aims to strengthen research infrastructure and advance STEM talent development at nine institutions in seven U.S. states and territories and develop the next generation of leaders in STEM. The Research Infrastructure Improvement Track-4: EPSCoR Research Fellows awards will fund principal investigators from institutions with high enrollments of students from underrepresented populations in STEM.

NSF Granted Program
NSF recently launched Growing Research Access for Nationally Transformative Equity and Diversity (GRANTED), a program designed to break down systemic barriers that hinder underrepresented investigators, students, and institutions typically overlooked as participants in NSF’s research funding programs. The central objective of GRANTED is to increase access to NSF resources for talented investigators at less research-intensive colleges and universities. Specifically, the program targets emerging R2 and R3 institutions, including Minority-Serving Institutions (MSIs), schools with a primary focus on undergraduate enrollment, and community colleges. These institutions often lack the support required to develop meritorious ideas, interact with federal program staff, stay updated on funding priorities, and navigate the intricacies of grant submission and management, according to NSF.

White House adviser on microchips steps down
Ronnie Chatterji, a key adviser in the Biden Administration’s effort to overcome the global microchips shortage and a central player in the implementation of the CHIPS and Science Act, is returning to academia after spending two years in the administration. Chatterji is leaving the National Economic Council, where he has served as the White House coordinator implementing major chips legislation passed last year, and is returning to his pre-administration post as a business professor at Duke University.

NSF launches new $30 million program to assess outcomes of R&D spending
NSF has launched Assessing and Predicting Technology Outcomes, or APTO, a new $30 million program that will fund research to evaluate the effectiveness of research and development investments and create models and information for decision makers to optimize investments and advance U.S. competitiveness in the long term. APTO, a new investment by NSF’s new Directorate for Technology, Innovation and Partnerships, or TIP, will fund the assimilation of data and creation of models that accurately describe past and future technology outcomes, such as their capabilities, production, or use.

NSF announces $6 million investment in semiconductor fabrication
NSF and the National Science and Technology Council of Taiwan (NSTC) have invested $6 million in six joint projects for fundamental research on advanced semiconductor chip design and fabrication. The new awards will support collaborations between U.S. and Taiwan-based researchers on the design and fabrication of innovative semiconductor chips using the advanced processes available in Taiwan’s semiconductor foundries.

NSF Grants 10 EPSCoR Track-4 Awards for NASA Fellowships
The U.S. National Science Foundation has invested over $2.7 million in 10 projects through the Established Program to Stimulate Competitive Research (EPSCoR). This investment, in collaboration with NASA, aims to strengthen research infrastructure and advance STEM talent development at nine institutions in seven U.S. states and territories and develop the next generation of leaders in STEM. The Research Infrastructure Improvement Track-4: EPSCoR Research Fellows awards will fund principal investigators from institutions with high enrollments of students from underrepresented populations in STEM. STEM faculty research fellowships will take place at NASA’s Ames Research Center, Glenn Research Center, Goddard Space Flight Center, Marshall Space Flight Center and Jet Propulsion Laboratory. While building research capacity at their home institutions, fellows will learn new techniques, develop new collaborations, advance research partnerships, access unique equipment and facilities, and shift their research toward transformative new directions.

**ECONOMIC DEVELOPMENT**

*New bipartisan bill to streamline CHIPS is introduced*

A bipartisan group of senators is pushing to speed up the review process for new chip production factories, warning the United States is still losing ground to China in this critical sector even after passing major semiconductor funding legislation last year. Sens. Mark Kelly (D-Ariz.), Todd Young (R-Ind.) and several colleagues are introducing bipartisan legislation today — the Building Chips in America Act — to streamline the federal environmental reviews for microchip production facilities. At issue for this group: The $280 billion CHIPS bill requires manufacturing projects that receive subsidies and grants from the law to undergo a federal review under the National Environmental Policy Act, which can take years to complete. This includes projects that have already received permitting approvals and have started construction, according to Kelly’s office. The bill Kelly and the other lawmakers are introducing would speed up that federal review process so that chip manufacturers don’t take their production elsewhere, namely China. This is an issue that lawmakers and the semiconductor industry have been raising the alarm about for months.

**Upcoming Events**

- MBDA Announces 2023 National Minority Enterprise Development Week
- NIST Announces Webinar on the Impact of Generative Artificial Intelligence on Education and Workforce
- NIST Announces CHIPS R&D Standards Summit
- NIST Announces Cybersecurity Career Week October 16-21, 2023

**Announcements**

- Deputy Secretary Graves Hosts Environmental Justice Reception
- Deputy Secretary Graves to Lead Cybersecurity Trade Mission to the Republic of Korea and Japan
- EDA Awards $19.8 Million to Communities Across the Country
- NIST Seeks Input on Implementation of National Standards Strategy for Critical and Emerging Technology
- NOAA Awards $14 million to Support Research for New Ocean-Based Climate Solutions
- NOAA Proposes Management Plan, Environmental Assessment for Northeast Canyons and Seamounts Marine National Monument
- NOAA Releases New Monthly Tool to Predict High-Tide Flooding
- NTIA Announces Nearly $3.5 Million in Internet for All Grants to Tribal Lands
- NTIA Awards Nearly $50 Million to Expand and Strengthen Regional and National Internet Networks
- Regional Economic Research Initiative Blog Post on Income Growth
- Tech Hubs Competition Applications Show Nationwide Excitement for Investing in America’s Technological Future

**Funding Opportunities**

- NEW! $2 Million NOAA FY2024 Weather Program Office Research Programs
NEW! NIST Standards Development Organization Grants for Forensic Science Standards (SDO GFSS)
NEW! NOAA Innovative Strategies to Reduce Red Snapper Discards in the South Atlantic
NEW! NOAA Sea Scallop Research Set Aside

Notable Active Commerce Funding Opportunities
- CHIPS for America Notice of Funding Opportunity
- EDA FY2023 Disaster Supplemental Notice of Funding Opportunity
- EDA ReCompete Pilot Program Notice of Funding Opportunity
- EDA Tech Hubs Notice of Funding Opportunity
- NOAA Climate Resilience Accelerator Program
- NOAA Climate Resilience Regional Challenge
- NOAA Climate Science and Resilience Research
- NOAA FY2021 - FY2024 NOAA Broad Agency Announcement
- NOAA FY2023 - FY2024 Tribal Regional Ocean Partnership Funding
- NOAA FY2023 National Sea Grant College Program Special Projects
- NOAA FY2024 Cooperative Research Program
- NTIA Tribal Broadband Connectivity Program

CHIPS for America Releases NOFO for Large Semiconductor Supply Chain Projects
CHIPS for America's first funding opportunity, which was released on February 28, 2023, aims to catalyze long-term economically sustainable growth in the domestic semiconductor industry in support of U.S. economic and national security. This funding opportunity seeks applications for projects for the construction, expansion, or modernization of commercial facilities for the fabrication of leading-edge, current-generation, and mature-node semiconductors. On June 23, the scope of the current funding announcement was expanded to also seek applications for the construction, expansion, or modernization of commercial facilities for semiconductor materials and manufacturing equipment facilities for which the capital investment equals or exceeds $300 million.

Two additional funding opportunities—for materials and manufacturing equipment facilities with capital investments below $300 million, and for research and development facilities—will be announced later this year. Detailed list of dates and deadlines here

EDA Webinar Round Up
Last month, CHIPS for America held several webinars that you can now view on CHIPS.gov. These will be very useful if you or your institution are looking to apply.

House Science Hearing: Enhancing Fire Weather Prediction and Coordination
House Science, Space, and Technology held a hearing re: combatting wildfires and Chairman Lucas said the purpose of the hearing was to ensure state and local emergency managers have the most accurate information possible to respond to fires. Along with the threat to human life and the damage to land and property, the cost of fighting wildfires is increasing. According to the National Interagency Fire Center, the federal government spent over $4 billion to suppress fires in 2021, double what it cost in 2020. The committee's ranking Democrat, Zoe Lofgren of California, said she is re-introducing the National Wildland Fire Risk Reduction Program Act this week. The bill aims to coordinate federal efforts to predict wildfire fires and adopt “science-based and cost-effective measures” to prevent them. “At the federal level, while there is coordination when it comes to wildfire response, there’s significant gaps in coordination when it comes to
increasing scientific understanding, prediction, resilience, and communication for wildland fires,” she said. Lofgren said there are “mountains of data” being collected across the academic, private and public sectors. However, there is “inadequate coordination and dissemination of that data.”

The committee also discussed how more research and development could improve understanding of fire weather. Ali Tohidi, an assistant professor of mechanical engineering at San Jose State University and the co-principal investigator of the Wildfire Interdisciplinary Research Center where he researches wildfire behavior, said there are knowledge gaps in understanding fire behavior.

**USDA announces new rounds of investments in wildfire protection**

Agriculture Secretary Tom Vilsack announced the Department of Agriculture’s Forest Service is accepting applications for the [Community Wildfire Defense Grant program](#). Now in its second year, this competitive program funded by the Bipartisan Infrastructure Law is designed to assist at-risk communities, including Tribal communities, non-profit organizations, state forestry agencies and Alaska Native Corporations with planning for and mitigating wildfire risks.