



# Investing in American Competitiveness:

## U.S. Department of Commerce Impact Report

**January 2021 – January 2025**

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America has the best companies, the best innovators, and the best entrepreneurs in the world. As economic and national security become more about technology, we need to invest in tech innovation and R&D so that the technologies of the future are designed, discovered, and manufactured in the U.S.

*— Secretary Gina Raimondo*

# INTRODUCTION

American economic dynamism enabled the United States to lead the world in the 20th Century. Thanks to the strength of U.S. workers, innovators and businesses, the nation's unmatched economic might helped fuel its military prowess and raised the standard of living for all Americans. But the 21st Century has brought new challenges to U.S. economic leadership and competitiveness, including a weakening manufacturing and innovation base, growing inequality, an evolving national security environment, and the increasing threat of climate change.

Secretary Raimondo brought a new approach to economic policy and united all the tools in the Commerce Department to enhance U.S. innovation and national security. Her mission as Commerce Secretary was to enhance U.S. competitiveness, and after four years, the United States is meeting the challenges of the 21st century and poised to lead for decades to come.

First, COVID revealed weaknesses in the U.S. innovation and manufacturing base. Semiconductor chips, for example, were invented on U.S. shores but over decades, production was outsourced to Asia, putting the economy and national security at risk. Secretary Raimondo implemented a new industrial strategy and now, for the first time, Commerce is investing $50 billion alongside industry in semiconductor production and innovation.

Because of her actions, the U.S. is now on track to go from producing 0% of the world's leading-edge chips [in 2020] to 20% by 2030. To deliver on this new approach to innovation and manufacturing, Commerce has built new capacities across the Department. For example, building on the Department's science and technology expertise, Secretary Raimondo recruited top semiconductor experts, cutting-edge AI talent, veteran investors, national security experts and leaders in workforce and economic development to execute the CHIPS program, develop new tests for AI, and lead regional investment strategies. And for the first time ever, the Department created a supply chain office with a world-class team performing analytics to make proactive supply chain predictions.

Second, an underinvestment in U.S. regions has led to increased inequality, preventing the U.S. economy from achieving its innovation potential. Regional inequality, income inequality, racial inequality, and gender inequality all present barriers to U.S. competitiveness. America cannot lead the world unless it taps into the full potential of all American workers, businesses and communities. Ensuring all communities have the ability to compete in the 21st century economy required a new approach to economic development. For the first time in the Department's history, Commerce is making investments with the required scale and scope in left-behind regions, building broadband infrastructure, and bolstering workforce training. The Tech Hubs program, for example, is providing regions outside of traditional tech centers with investments of tens of millions of dollars to help fuel them to become global leaders in industries like autonomous vehicles and quantum computing. As significantly, these investments were structured to catalyze private capital, securing upwards of $6 billion in non-Federal funding for 31 new innovation centers. Additionally, the Department has invested in company-led job training for the first time ever through the Good Jobs Challenge program.

Third, a changing geopolitical landscape has challenged long-held assumptions about the free flow of technology and the unbridled benefits of economic integration. The People's Republic of China (PRC) in particular has used U.S. commercial technology to advance their military modernization and threaten human rights. As technology like chips and AI become as important to defense as tanks and missiles, Commerce is playing a new leading role in national security, and ensuring American innovation isn't exploited by its adversaries. Commerce has adapted to the new national security landscape, reorganizing departments, upgrading IT systems, recruiting technical talent and supply chain experts. Under Secretary Raimondo, Commerce implemented first-of-its-kind country-wide, sector-wide controls on semiconductor technology to China, impeding the PRC's efforts at military modernization. At the same time, Commerce is setting new rules for international trade and engagement, ensuring the United States is able to compete on a level playing field and raise global standards with partners. In a first-of-its kind international agreement, Commerce led the negotiation of the Indo-Pacific Economic Framework, where 13 nations signed on to shared supply chain priorities, climate standards and anti-corruption guidelines.

Finally, climate change threatens everyone's lives and livelihoods — uprooting communities, wreaking havoc on businesses, and upending commerce. Under Secretary Raimondo's leadership, Commerce adopted an all-of-Department approach to building a climate-ready nation


by investing in community resilience and advanced clean energy development and accurately accounting for climate impacts in economic statistics. Communities around the country are better able to withstand and recover from extreme weather events like flooding and hurricanes.

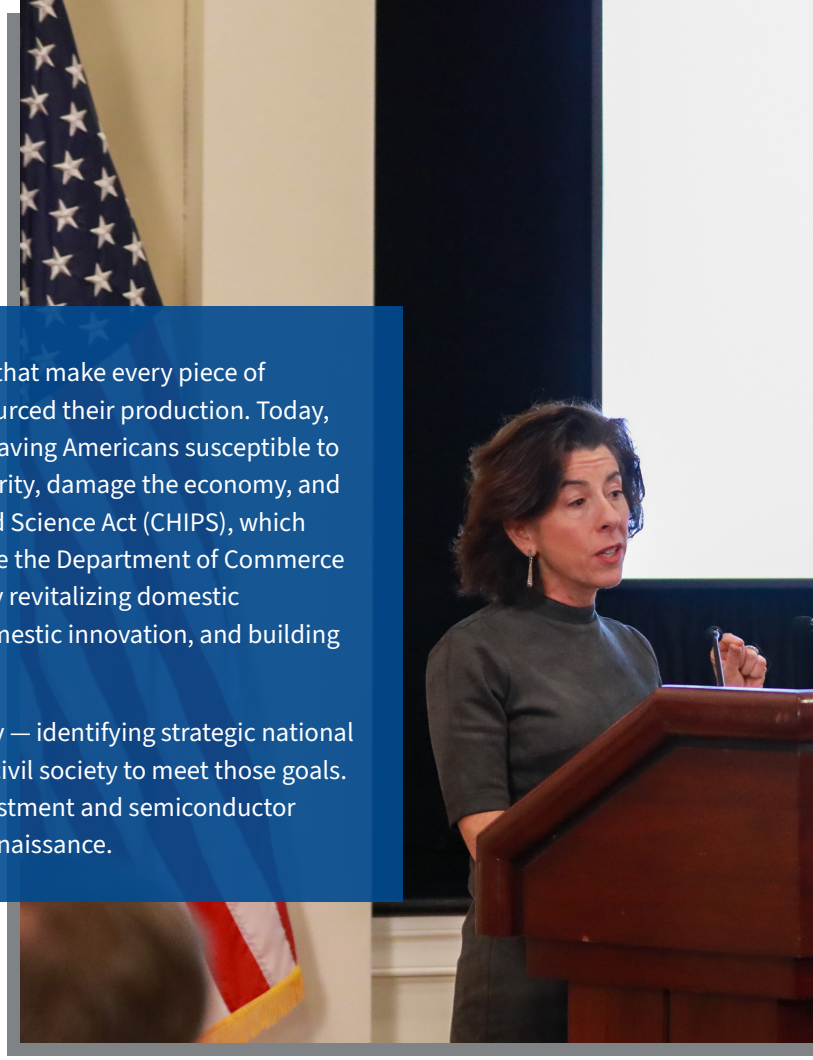
As part of its expanded role at the forefront of U.S. economic and national security, the Commerce Department has been entrusted with an unprecedented $111 billion in one-time funding through the American Rescue Plan, Bipartisan Infrastructure Law, Inflation Reduction Act, and CHIPS & Science Act. Prior to the pandemic, the Commerce Department was the smallest Cabinet-level agency in discretionary appropriations – approximately $12 billion per year. Under the leadership of Secretary Raimondo, the Commerce Department obligated over $90 billion in one-time funding to support its expanded mission. The Department has moved at an unparallelled pace to meet the challenges the nation faces responsibly and effectively.

Executing on the ambitious and innovative policy agenda has required significant institutional change for the Commerce Department. In addition to new capacities and modernized organizational structures, Commerce expanded engagement beyond business leaders, to ensure community groups, labor organizations and civil rights organizations have a voice in Department policy.

The investments that the Commerce Department has made over the last four years will continue to bear fruit over the next decade, but the positive results are already being realized. Spurred by the CHIPS Program, semiconductor and electronics companies have announced nearly $450 billion in private investments. Regional inequality has finally started to decline. Entrepreneurship and business formation are bouncing back after decades of stagnation. Labor force participation among working-age people is near historic highs and wages have grown the most for the lowest income quartile.

Under four years of Secretary Raimondo's leadership, the Department of Commerce is more muscular, more effective and more influential. The agency is helping businesses, communities, and workers address the challenges and harness the opportunities of the 21st century. But the work of Commerce continues. Rebuilding America's semiconductor manufacturing and bringing Internet access to every American will take years of continued stewardship. New grant programs to invest in America's forgotten communities are ready to serve more. National security programs are already slowing China's military modernization and, with additional resources, can even more effectively ensure adversaries are not hijacking U.S. advanced technology. With ongoing effective management of the programs and policies created under this Administration, the Commerce Department can continue to grow and expand as a force for American competitiveness and leadership for decades to come.

# CHIPS



The United States invented semiconductors — the tiny chips that make every piece of technology work — but over the past 50 years, the U.S. outsourced their production. Today, East Asia produces most of the world's leading-edge chips, leaving Americans susceptible to supply chain disruptions that can threaten U.S. national security, damage the economy, and raise the cost of everyday products. The bipartisan CHIPS and Science Act (CHIPS), which passed the Senate with 66 votes and the House with 243, gave the Department of Commerce $50 billion to advance U.S. economic and national security by revitalizing domestic semiconductor production and supply chains, advancing domestic innovation, and building the semiconductor workforce of the future.

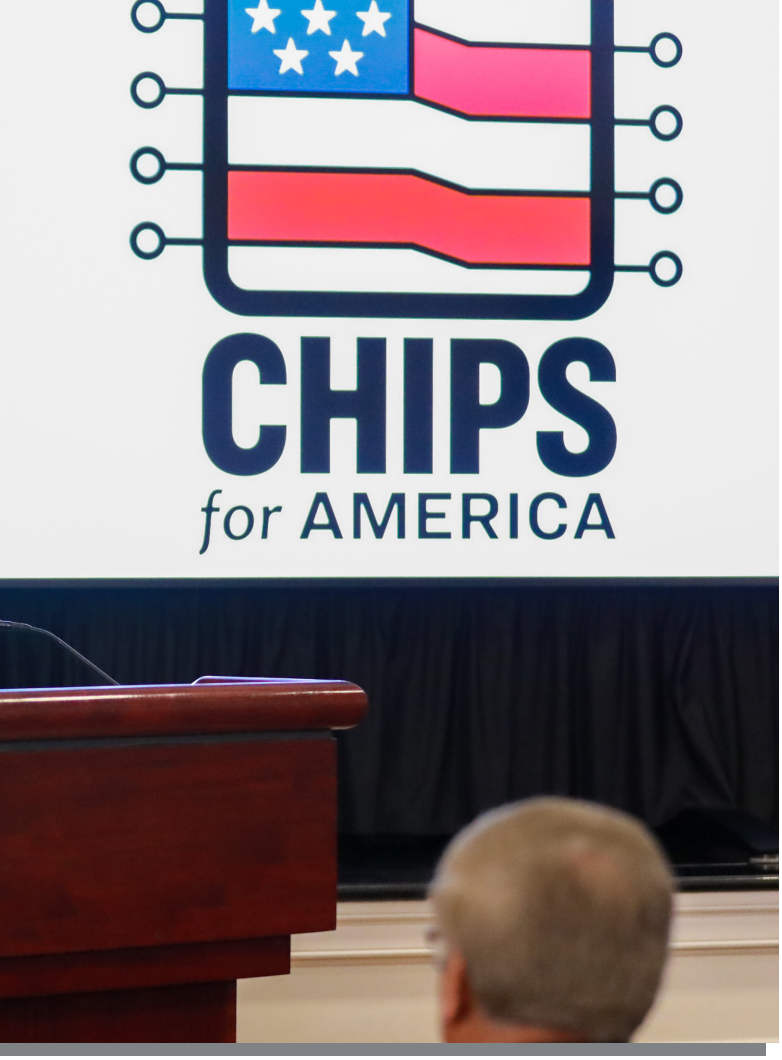
Commerce adopted a new approach to working with industry — identifying strategic national priorities and catalyzing investors, producers, suppliers and civil society to meet those goals. CHIPS has already seeded unprecedented private sector investment and semiconductor production capabilities, driving a domestic manufacturing renaissance.

1

## Advancing Domestic Production and Securing the Supply Chain

**The CHIPS Program Office (CPO) is investing $39 billion to rebuild the domestic semiconductor manufacturing base and secure the semiconductor supply chain.** Commerce built a brand-new capacity to invest alongside industry and deliver on national priorities while protecting taxpayer dollars. CPO has awarded more than $33 billion and signed preliminary terms for an additional $3 billion, with more negotiations ongoing. Two years after the passage of the CHIPS Act, the program has delivered. The U.S. has seen more investment in electronics manufacturing over the last four years than in the previous three decades combined. Planned investments now are nearly $450 billion, marking the largest wave of semiconductor manufacturing expansion in U.S. history. CHIPS funds have secured commitments to construct 17 new fabs—as well as 8 new supply chain and advanced packaging facilities — in 22 states.

- ***Reshoring leading-edge capacity***: The U.S. is projected to produce at least 20 percent of the world's leading-edge logic chips by 2030 (up from zero percent in 2022) and about 10 percent of its leading-edge DRAM chips by 2035 (also up from zero percent). Both of these technologies are essential to the future of AI, high-performance compute, and advanced military systems. All five of the world's leading-edge logic and DRAM manufacturers (Intel, Micron, Samsung, SK Hynix, and TSMC) are building and expanding in the U.S. By contrast, no other economy in the world has more than two of these companies manufacturing on its shores. TSMC's Arizona facility is already producing advanced chips, marking the first-time ever that these technologies are being made domestically.
- ***Building resilience for mature node chips***: The CHIPS Program has awarded nearly double the target set by Congress for current-generation and mature-node chip production, components found in cars, medical devices, critical infrastructure, and all defense systems. These investments will develop four new high-volume facilities, modernize existing sites, and scale emerging compound semiconductor technologies.
- ***Building supply chain resilience***: By 2030, the U.S. is on track to have at least three high-volume advanced packaging facilities for leading-edge logic and memory and secure a quartz-to-wafer supply chain. In addition,




new fabrication facilities have led to onshoring of the upstream supply chain in areas with CHIPS investments. For example, TSMC's expansion in Arizona has already catalyzed investments from 14 direct suppliers that plan to construct or expand plants in Arizona or other parts of the U.S.

## 2
## Securing U.S. Tech Leadership

**Commerce is investing $11 billion to push the innovation frontier, ensuring the next generation of semiconductor technology is invented and manufactured in the United States.** The CHIPS Research and Development Office is galvanizing collaboration between designers, producers, academic institutions and non-profits to overcome the greatest technological challenges facing the industry — including advancing sustainability, EUV technology, advanced packaging, new materials and techniques, and measurement science – to ensure the next generation of semiconductor innovation happens in the U.S.

- ***World-class public-private consortium***: Commerce expects to invest at least $6 billion in the National Semiconductor Technology Center (NSTC) — a public-private consortium designed to cut down on the time and cost of commercializing new technologies, bolster U.S. national and economic security, and connect workers to securing good-paying semiconductor jobs. CHIPS for America announced three Research and Development (R&D) flagship facilities across the country that will be open to NSTC members. The facilities will establish world-class destinations for advanced semiconductor R&D in the United States and create enduring value for decades to come.
- ***Breakthroughs in next generation manufacturing technology***: The CHIPS Research and Development Office (CRDO) is investing in research in areas critical to the production of the most cutting edge semiconductors needed to maintain leadership in critical emerging technologies like AI. Commerce committed $300 million in advanced packaging research projects and committed up to $1.6 billion in additional R&D areas, such as creating a chiplets ecosystem, power delivery and thermal management. These investments will ensure advanced node chips manufactured in the U.S. and abroad can be packaged within the United States. Additionally, Commerce has awarded $285 million, attracting more than $700 million in additional funding, to establish and operate a CHIPS Manufacturing USA institute, to develop, validate, and deploy digital twins technology to strengthen semiconductor manufacturing processes.
- ***Advanced measurements and standards***: The CHIPS Metrology Program is filling gaps in standards and measurements in the semiconductor industry to ensure measurements are accurate and fit-for-purpose to produce microelectronic materials, devices, and systems. To date, Commerce has funded over $210 million across over 55 metrology projects.
- ***Research & development for environmental sustainability***: To support the semiconductor industry's technology, economic, and sustainability goals, Commerce has announced approximately $100 million for R&D for sustainable solutions across the full lifecycle of microelectronic components including PFAS, or "forever-chemicals" reduction.
- ***Small business support***: Through the Small Business Innovation Research (SBIR) Program, the Department

awarded nearly $5 million to 17 small businesses across nine states for research projects that will give innovative ideas life and bring new viable products to commercialization in the microelectronics marketplace.

3

## Building the Next Generation of Talent

**CHIPS for America is expected to create roughly 125,000 jobs across the country and is investing, in partnership with industry, to get Americans the skills they need for those jobs.** It's expected that about half of these jobs won't require a four-year degree. To date, CHIPS for America has made over $568 million in historic investments in workforce development through the National Semiconductor Technology Center Workforce Center of Excellence, CHIPS R&D programs, and the CHIPS Incentives Program.

- ***Investing in workers***: Commerce has awarded over $293 million in strategic workforce development efforts for the semiconductor industry through the manufacturing incentives program, using an innovative intermediary structure that allows companies, non-profit organizations, education partners, and government to focus on what they uniquely do best and increase speed-to-market for solutions. This funding will support recruiting, training, and retaining construction and manufacturing talent for good jobs at over 28 facilities across 12 states. These investments have spurred over $300 million in new funding for semiconductor workforce development from 14 states and over $200 million and counting in private capital.
- ***Dedicated Center of Excellence***: Commerce launched the NSTC Workforce Center of Excellence (WCoE) with an initial $250 million investment to build the next generation of semiconductor researchers, engineers, and technicians in America. Over the next ten years, this national, public-private effort will bring together industry, government, education, and labor to enable training in the semiconductor industry. The Center will closely coordinate with the National Network for Microelectronics Education, a $200M investment spearheaded by the National Science Foundation.
- ***New talent pathways***: CHIPS for America efforts have spurred unprecedented growth in new talent pathways across the country, including new semiconductor programming at over 80 community colleges across 22 states, over 20 semiconductor companies deploying apprenticeship models, and at least fourteen states with new investments in semiconductor workforce development.
- ***Child care support***: To ensure sufficient supply of talent for key roles, over three-quarters of companies with CHIPS awards or that have reached non-binding preliminary terms of memoranda with the Department are providing child care offerings for their workforce — and this includes companies who are not required to provide child care plans as part of their applications but opted to take advantage of CPO technical assistance to improve workforce recruitment and retention. Nearly a dozen semiconductor companies are expanding local child care capacity across the country by building new centers, growing home-based facilities, and increasing care access during non-traditional hours. Over fifteen companies will reduce the costs of child care for workers. Many are making investments to address staffing shortages and enhance affordability, ensuring robust support to attract and retain the workforce needed for CHIPS-funded facilities.
- ***Increasing representation***: Commerce has led efforts across the country to ensure all Americans benefit from the economic opportunities created by CHIPS. Five companies voluntarily adopted Commerce's CHIPS Women in Construction Framework, a set of best practices that increase the participation of women and other under-represented populations in the construction workforce. The Department also launched the Women in STEM Ambassadors initiative, leveraging the networks of Commerce STEM professionals to encourage women and underrepresented communities to consider careers in the semiconductor industry. Commerce also launched the Historically Black Colleges and Universities' (HBCU) CHIPS Network to strengthen the pipeline of underrepresented semiconductor talent.


> "Because of the CHIPS Program, we will once again design, manufacture, and produce the world's most advanced leading-edge chips here in America. That will make Americans safer, it will make our country and our supply chains more secure, and it will ensure that the future of innovation is made in America."
>
> *— Secretary Gina Raimondo*

**Total Private Capital Unlocked**

NEARLY

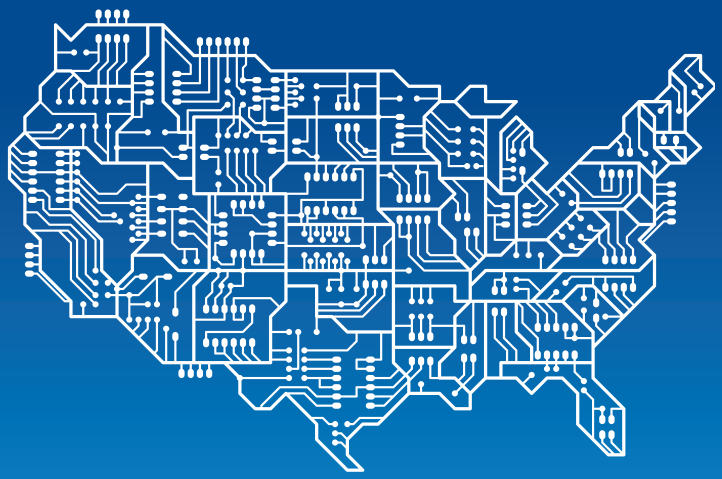
# $450 billion

**Total States for Proposed and Awarded Funding**

# 24

## The U.S. has agreements with all five leading edge logic and DRAM companies

**NO OTHER ECONOMY IN THE WORLD HAS MORE THAN TWO**



## CAPACITY BY 2030

**17**

New U.S. Fabs

**119**

Football fields worth of cleanroom space

**8** New Supply Chain and Advanced Packaging Facilities

Over a dozen investments to modernize or expand existing facilities

CHIPS FOR

**Total Jobs Created**

ESTIMATED

# 125,000


## CHIPS PROGRAM OFFICE

**20**
Awards

**$34 billion**
Funds Awarded

**14** Preliminary Agreements

FOR

**$2 billion**

## CHIPS R&D OFFICE

**$7.2+ billion**
Funds Announced

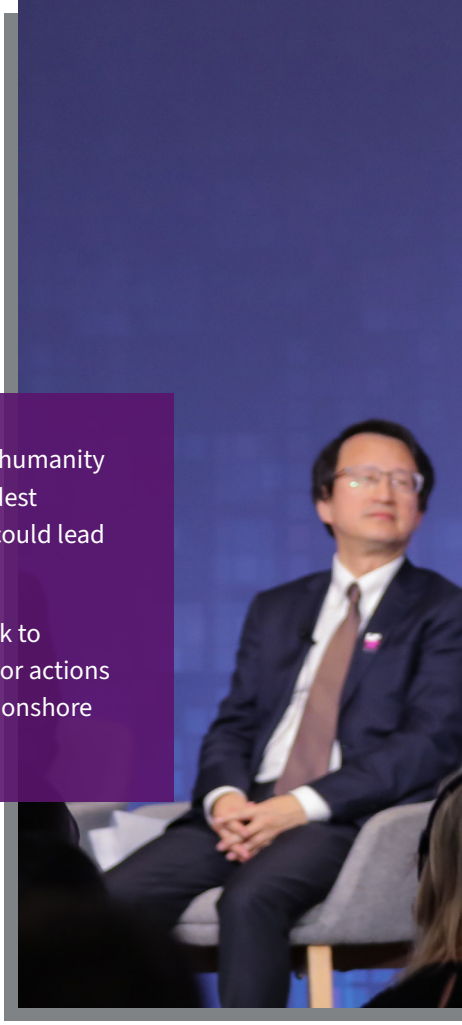
**$219+ million**
Funds Disbursed

**100** NSTC Members

Committed or Signed

# AMERICA

# ARTIFICIAL INTELLIGENCE



AI is the defining technology of our time. Deployed effectively, AI can supplement the best of humanity and create a world of incredible abundance, helping to engineer solutions to the world's hardest problems. However, deploying AI without fully understanding and mitigating potential risks could lead to national security vulnerabilities, displaced workers and devastated communities.

The Department of Commerce has been at the heart of the Biden-Harris Administration's work to harness AI's benefits and manage its risks. Over the past four years, Commerce has taken major actions to 1) advance the science of safe, secure, and trustworthy AI, 2) secure the U.S.' lead in AI and onshore AI-related manufacturing, and 3) lead international collaboration on AI safety.

1

## Ensuring AI is Safe, Secure, and Trustworthy

**Commerce leads U.S. Government efforts to ensure AI systems are safe, secure, and trustworthy through scientific testing and evaluation.** As AI systems become more capable and widespread, improving their safety is critical for national security as well as for increasing public confidence and trust, which breeds adoption and innovation. Commerce established new institutions and frameworks to advance the science of AI safety and security through rigorous testing, evaluation, and guidelines.

- ***U.S. AI Safety Institute***: Commerce established the U.S. AI Safety Institute (U.S. AISI), a scientific center of excellence advancing the frontier of evaluating models for dual-use domains such as cyber capabilities, chemical and biological misuse risks, and software and AI development capabilities.
    - U.S. AISI partnered with leading American AI companies Anthropic and OpenAI to test major new models prior to their deployment for potential risks to the public safety and national security in the first-ever government pre-deployment evaluations of frontier AI models.
    - U.S. AISI established and leads the intra-government Testing for Risks of AI to National Security (TRAINS) task force to evaluate frontier AI systems.
- ***AI guidance***: NIST produced first-of-its-kind voluntary industry standards for governing, understanding, measuring, and managing risks of AI systems, including the AI Risk Management Framework, and guidance on protecting against misuse from dual-use foundation models, labeling and detecting synthetic content, and more. These guidelines have been widely adopted by industry.
- ***Frontier AI developer survey***: The Bureau of Industry and Security (BIS) surveyed developers building the most advanced AI models to ensure the U.S. government has a complete picture of the most advanced capabilities, their reliability and availability for U.S. national defense.
- ***AI Accountability Policy Report***: NTIA published a groundbreaking report on developing the accountability ecosystem for AI systems, focusing on the need to develop the proper resources and expertise needed to provide assurance through mechanisms such audits, certifications, and transparency tools.


2

## Securing the U.S. Lead in AI

**The Department of Commerce is making critical investments to ensure that the U.S. continues to lead the world in AI.** This includes investments in partnerships with the private sector to ensure that America rebuilds and strengthens its domestic AI supply chain — from development to manufacturing to deployment — for decades to come. The bipartisan CHIPS and Science Act is onshoring production of AI chips and high-bandwidth memory needed for AI chips, while also advancing innovation in the chips critical to AI. In addition, Commerce is leveraging all its tool to advance innovation.

- Resilient manufacturing: Commerce is also launching a Manufacturing USA Institute focused on using AI to increase resiliency and productivity in manufacturing. This Institute will target ways AI can assist with predictive maintenance, optimizing manufacturing processes, and mitigating risks from supply chain disruptions.
- Open-model support: NTIA published a report on dual-use foundation models with widely available model weights (open model weights). This report recommends the U.S. government should currently refrain from restricting open model weights, which can be particularly beneficial for small and medium-sized businesses.
- Protecting intellectual property: The U.S. Patent and Trademark Office (USPTO) issued guidance on patent eligibility for AI innovations and inventorship requirements for AI-assisted inventions.
- Ensuring public data is AI-ready: In order to ensure that Americans can reliably access public data in conversation with large Language Models, the Commerce Data Governance Board engaged industry and academia and issued guidelines and best practices to publishers of public data seeking to make their data more “AI-Ready.” Commerce also executed a pilot program to ensure that U.S. public data, including Census data, is structured, annotated, and in some cases published so that it is easier to use for AI.

3

## Leading Global Coordination on AI

**As home to world-leading innovators and AI companies, the Unites States has an essential role to play in global safety work on AI.** Commerce has ensured the U.S. leads in international coordination on AI, creating and chairing the International Network of AI Safety Institutes and convening scientists and experts from across the globe.

- *The International Network of AI Safety Institutes*: Commerce and the U.S. AI Safety Institute launched the International Network of AI Safety Institutes, for which the U.S. AISI services as inaugural chair. U.S. AISI also hosted the inaugural convening of the Network in San Francisco in November 2024, bringing together technical experts from government-backed AI safety institutes and similar organizations, as well as leading experts from industry, academia, and civil society.
- *International collaboration*: Commerce played a leading role in developing the G7 AI Principles and Code of Conduct, which are voluntary guidelines and principles for AI developers.

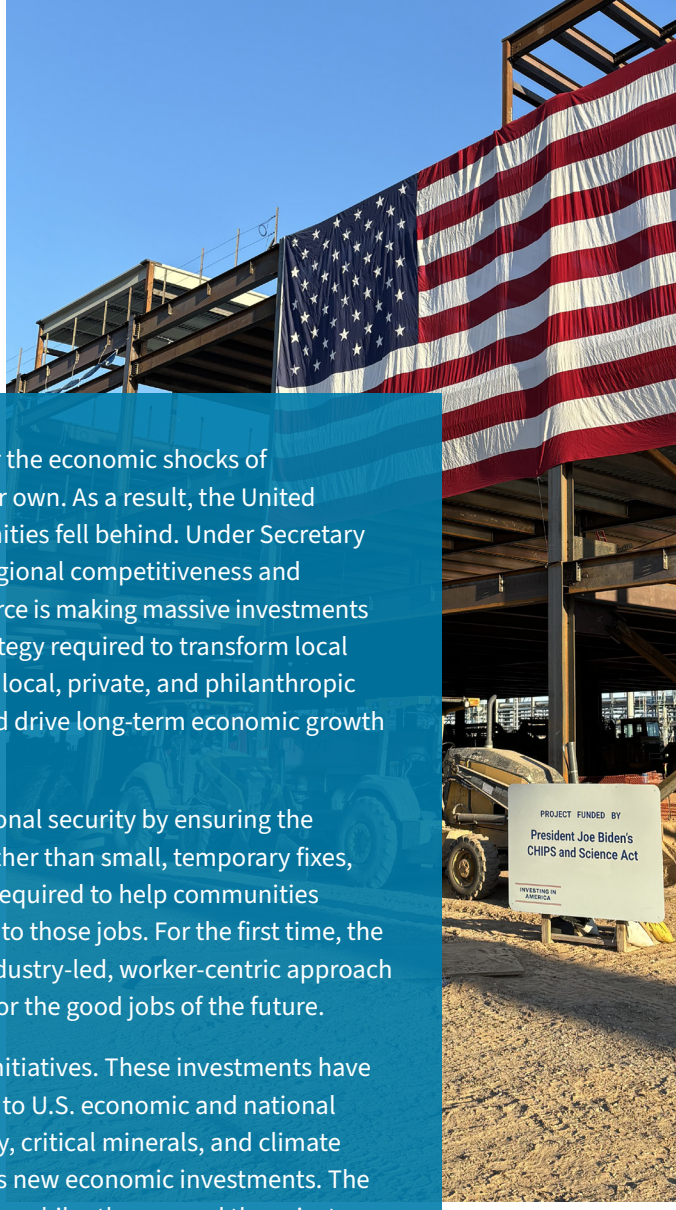

**Advancing Domestic Industries of the Future**: Commerce is working across government and with leading universities, industry experts, innovators and workforce intermediaries to deliver the technologies of the future in industries beyond chips and AI, like, biotechnology, telecommunications, and clean energy.

- *Public Wireless Supply Chain Innovation Fund*: The Department will invest more than $500 million dollars in new grants to further accelerate commercialization and innovation of Open Radio Access Networks. This will allow more competition and innovation for American companies in 5G wireless technology, and industry currently dominated by foreign firms, including PRC companies, Huawei and ZTE.
- *Space commerce*: U.S. leadership in the commercial space industry is critical to U.S. commercial interests and national security applications. Commerce has advanced development of the U.S. commercial space sector by launching a space traffic safety system, streamlining procedures for licensing of commercial remote sensing satellites, promoting intellectual property, space cybersecurity, and standards, growing commercial partnerships and trade, and amending export control regulations to facilitate international collaboration.
- *Quantum resistant encryption*: Quantum computing has the potential to break current encryption methods within a decade, undermining not just U.S. national security, but also the security and privacy of just about everything done online. To protect against this, NIST released a suite of encryption standards designed to withstand cyberattacks from a future quantum computer.

**At the Department of Commerce we are seizing the promise of AI, while also managing the risks to build a safer, more secure world.**

*— Secretary Gina Raimondo*

# REGIONAL COMPETITIVENESS




For too long, communities across the country were left behind to weather the economic shocks of disruptions from trade, automation, and new threats from abroad on their own. As a result, the United States lost critical industries, workers lost good-paying jobs, and communities fell behind. Under Secretary Raimondo's leadership, Commerce adopted a new approach to driving regional competitiveness and broad-based growth. For the first time in the Department's history, Commerce is making massive investments in communities to meet Americans where they are with the scale and strategy required to transform local economies. With those investments, the Department has mobilized state, local, private, and philanthropic resources to support communities and workers in a new industrial era and drive long-term economic growth in areas previously left behind.

This transformative approach will advance U.S. competitiveness and national security by ensuring the technologies of the future are invented and manufactured in America. Rather than small, temporary fixes, Commerce's new approach makes the large-scale, strategic investments required to help communities rebuild their economies, grow quality jobs, and train and connect workers to those jobs. For the first time, the Department is investing in sectoral-workforce partnerships — a proven industry-led, worker-centric approach that upskills and places workers in good jobs today and create pipelines for the good jobs of the future.

Since 2021, Commerce has invested over $70 billion in new place-based initiatives. These investments have spanned every American state and territory, supporting industries critical to U.S. economic and national security — including semiconductors, quantum computing, biotechnology, critical minerals, and climate resilience. More than half of all U.S. counties will benefit from Commerce's new economic investments. The public dollars have catalyzed at least $500 billion in investment from states, philanthropy, and the private sector. Commerce's new place-based investments have been met by record demand — with over 3,000 requests for funding to power up the next generation of American innovation.

1

## Securing U.S. Leadership in Technologies of the Future

**Commerce has stood up landmark programs to catalyze local innovation at a scale the federal government had not seen since the height of the Cold War.** While U.S. innovation is unmatched, too many critical technologies invented in the U.S. are being manufactured and delivered by U.S. competitors. Disinvestment in the civilian manufacturing base of essential products like semiconductors and solar panels hinders commercialization and weakens domestic production capacity. Additionally, technological innovation and capacity are essential to long-term economic growth. Meanwhile, capital has clustered in a handful of coastal cities, missing America's vast innovation potential and meaning many places have missed out on economic opportunity over the last few decades. The Department has adopted a new approach, making big bets on innovation and supercharging regional clusters with the assets needed to spur technological advancement and national security.

- *Supercharging innovation beyond the coasts*: Commerce designated thirty-one regional Tech Hubs, with $518 million in investments to ensure the key technologies of the future start, grow, and remain in the United States. Investments include developing

facilities to commercialize new technologies in fields from sustainable polymers, to drones, to quantum sensing. Federal investments are also driving business and entrepreneurship development in selected regions — beyond federal funding, the Tech Hubs have already attracted nearly $6 billion in investment commitments from private, public, and philanthropic sources.

- *Accelerating cutting-edge semiconductor industry clusters*: Commerce investments are spurring development of globally competitive semiconductor clusters. Meanwhile, Commerce is making investments in three flagship CHIPS for America research facilities and a creating new innovation centers in Arizona, California, New York, and North Carolina.
- *Growing next-generation industries across the country*: Commerce invested $1 billion in sixty Build Back Better Regional Challenge (BBBRC) coalitions that are working cohesively to promote new industry development in regions across the country, with a focus on strengthening local economies that have been adversely impacted by economic shocks over the last few decades. Twenty-one of these coalitions received substantial implementation awards ranging from $25 to $65 million each. Since September 2022, BBBRC coalitions have supported the growth of 361 new businesses and the adoption of new technologies in 157 existing businesses. In just two years, awarded coalitions have reported $3.6 billion in additional investment from public and private sector.

## 2 Building Opportunity in Communities Left Behind

**Too often, federal programs haven't been sufficient in scale or strategic planning to create jobs or drive growth in economically distressed communities.** Commerce's new approach leverages public and private investment to target the underlying causes of economic distress and to spur future growth. Using holistic and flexible investment tools, the Department has made investments in socially and economically disadvantaged communities, including many rural areas.

- *Creating and retaining good-paying jobs in distressed communities*: The Recompete Pilot Program provides almost $200 million in flexible funds to address the root causes of distress in six communities facing low prime-age employment rates — together, these communities represent places with poverty rates nearly triple the national average and median household incomes less than half the national average. These communities received substantial implementation awards ranging from $20 to $40 million each, and the investments will directly create 9,000 quality jobs in those communities. An additional 24 communities received strategy development grants. Recompete is the most high-demand national competition in the Economic Development Administration's (EDA) history. The program received 565 applications — approximately half of which were first-time applicants to the bureau — demonstrating a need for transformative place-based federal investment.
- *Growing businesses owned by socially and economically disadvantaged individuals*: The Minority Business Development Agency (MBDA) invested $125 million in the first-of-its kind Capital Readiness Program (CRP), which funds incubators and accelerators that help underserved entrepreneurs grow and scale their businesses. In less than two years, 43 awardees serving all 50 states have already graduated nearly 6,000 entrepreneurs who have raised $286 million in capital. The Biden-Harris Administration secured Congressional authorization of MBDA for the first time in Department history, formalizing and expanding MBDA's mission. Since 2021, MBDA's network of business centers and specialty centers across the nation, along with CRP, helped businesses secure over $10.8 billion in contracts and $4.8 billion in capital, and helped to create and retain over 69,000 jobs.
- *Advancing economic recovery in Puerto Rico (PR)*: The Department coordinated a whole-of-government effort to invest over $140 billion in Federal funds from 17 departments in infrastructure, workforce development, and emerging industries following a series of crises that crippled PR's economy. A case study for what the Federal Government can do when partnering with local communities to accelerate long-term recovery, since 2021 PR has added over 100,000 new jobs, and unemployment is now at historic lows.
- *Improving local data to inform decision-making*: Businesses, policymakers, and individuals require increasingly granular data to understand regional economies and make informed decision. Bureau of


Samsung
Made in A
Taylor, TX
SAMSUNG
United for
a Better Tomorrow
PROJECT FUNDED BY:
PRESIDENT JOE BIDEN'S
CHIPS AND SCIENCE ACT

Economic Analysis (BEA) and the Census Bureau have made long-term investments and ongoing improvements to provide innovative regional data relevant to decision-makers.

- *Regional statistics*: In 2022, BEA combined the publication of quarterly statistics for state GDP and state personal income, providing a more comprehensive picture of state economies. BEA is developing methods to measure R&D's contribution to state economies. In May 2024, BEA issued experimental statistics on R&D value added, employment, and compensation for the Nation, all 50 states, and the District of Columbia.
- *Realtime trends*: The Census Bureau made permanent the Business Trends and Outlook Survey (BTOS), which provides near real-time detailed subsector data at the national, state, and MSA level, for policy and decision-making, including after natural disasters or during economic crises. The Census Bureau has also expanded the Community Resilience Estimates (CRE) program, which tracks how socially vulnerable every neighborhood in the U.S. is to the impacts of a disaster. New offerings include an interactive map showing broadband availability in every state and community allowing decision-makers to understand coverage needs.

3

## Growing American Jobs and the Workforce of the Future

**America has the greatest workers in the world, and with the right skills and opportunities they can do anything.** Too often in the past, workforce development programs have followed a "train and pray" model — workers get skills for jobs that aren't in high demand or responsive to industry needs. Over the last four years, Commerce has invested in workforce development alongside economic development, prioritizing placement in relevant, quality jobs as the most important outcome. Since 2021, Commerce has invested over $2.5 billion in training that connects education to real employment opportunities in growing sectors. By integrating workforce development into place-based strategies that support other critical community investments, Americans can secure good-paying jobs today and be prepared for the jobs of the future.

- ***Helping workers gain a foothold in the high-wage industries of the future***: Commerce's flagship workforce training investment, the $525 million Good Jobs Challenge, is using sectoral-workforce partnerships to create and deploy proven workforce solutions in key industries such as technology, energy, and manufacturing. The Good Jobs Challenge's 40 awardees are on track to place 53,000 workers in good-paying jobs with benefits, and nearly doubling workers' previous annual earnings. Already, more than 12,000 workers across 35 states and Puerto Rico have made the jump from low-wage, insecure employment into high-demand, quality jobs.
- ***Combining workforce development and economic development***: Commerce's economic investments are paired with workforce development investments that build coalitions across industry, education, non-profits, and unions to expand recruitment, keep people enrolled, and teach the practical skills needed to get a job and advance in a career. Investments in CHIPS and Internet infrastructure have included extensive workforce programs and commitments. In addition:
  - *Build Back Better Regional Challenge (BBBRC)*: BBBRC includes $270 million in workforce investments to help workers access new jobs and job training in high-growth industry clusters across 24 states, leveraging partnerships with 27 labor unions and worker organizations and over 450 employers.
  - *Tech Hubs*: Tech Hubs invests $155 million in training workers for industries of the future across 14 Hubs covering 16 states, including partnerships with labor organizations, community colleges, universities, and high schools.

> "Everyone in this country deserves a fair shot at economic opportunity, no matter where you live."
>
> *— Secretary Gina Raimondo*

COMPETITIVE PROGRAMS

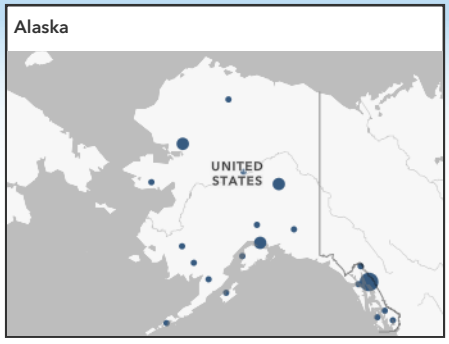
# OVERSUBSCRIBED

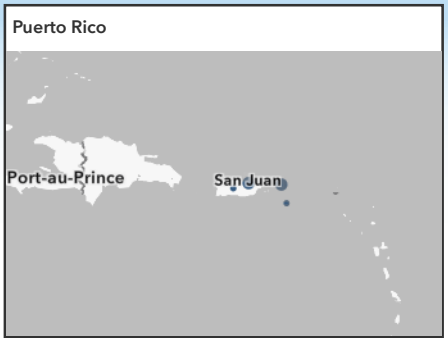
by as much as **27x** the available funds

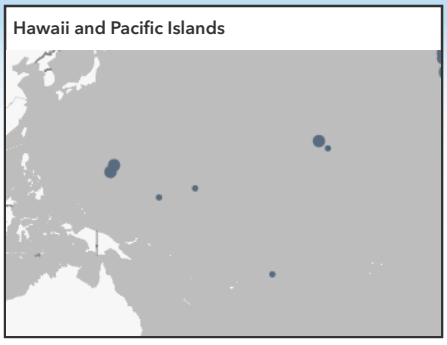

**WOMEN**

**11%** Overall Industry Workforce

**21%** Building & Construction Program Participants




# REGIONAL COMPETITIVENESS

# GOOD JOBS CHALLENGE

MORE THAN

# 10,000 placements

into good, quality jobs

## *DIVERSIFYING INDUSTRIES*

### HISPANICS

ONLY **13%** Overall Industry Workforce

**23%** IT/ Cybersecurity Participants *(GJC Program)*

### NATIVE AMERICANS

barely represented Building & Construction Trainees

**21%** Industry Trainees *(GJC Program)*

### BLACKS

**11%** Active Workforce in Industries

**30%** Energy & Resilience Program Trainees

**31%** Manufacturing Program Trainees

**$17,000**

**MEDIAN SALARY**

for program **participants** before training

**$31,000**

**LOWEST STARTING SALARY**

for program **graduates** annually

# INTERNET FOR ALL


The Internet is the backbone of modern society, powering everything from education to health care, to the economy. But the latest Internet Use Survey shows that roughly 1 in 6 American households aren't connected to the Internet. That's one sixth of the country that's unable to fully participate in modern life — primarily people in rural communities, Tribal lands, communities of color, and low-income neighborhoods. This makes our country less competitive, with millions of Americans unable to access the basic services and economic potential the Internet brings.

Commerce's Internet for All (IFA) initiative addresses this digital divide by bringing high-speed Internet availability, device affordability, and digital literacy to everyone in America. Through a variety of programs, Commerce is on track to connect everyone in America to affordable, reliable, high-speed Internet service by 2030. National Telecommunications and Information Administration (NTIA) has already awarded more than $46 billion in broadband funding and directly connected thousands of families. These programs — and the billions of dollars they have attracted from private capital for American broadband infrastructure and manufacturing — have contributed to major progress: Over 3 million previously unserved homes and business have been connected to the Internet since the start of the Biden-Harris Administration.

1

## Connecting Everyone in America to Affordable, Reliable, High-Speed Internet Service

**In the 21st century, a reliable Internet connection is a necessity that enables access to jobs, health care, and education.**

- *Connecting all unserved and underserved Americans*: Internet for All programs are bringing every single household and small business access to affordable, reliable, high-speed Internet service by 2030. Once complete, 7.5 million currently unserved locations will be connected to the 21st century economy.
    - *Building Infrastructure*: Commerce investments have already built or upgraded 3,200 miles of fiber, connected 40,000 previously unserved households and nearly 3,000 businesses, and more than 130 community anchor institutions (like schools and libraries).
    - *Connecting everyone*: The landmark Broadband Equity, Access, and Deployment (BEAD) program was designed to be the 'clean-up hitter for Internet investments, the final broadband program to capture remaining unserved areas and ensure that every single person in America could connect to reliable Internet by 2030. NTIA has met every milestone outlined by Congress in executing this once-in-a-generation investment, working with the FCC to develop the service maps required to direct state investment. NTIA has obligated all BEAD funding to states and territories. Low-cost service: Each Internet service provider that receives BEAD funding will provide a low-cost broadband service option to eligible subscribers, which includes households with income at or below 200 percent of the Federal Poverty Guidelines. States defined their own low-cost service option, with many as low as $30 per month.
- *Bringing broadband to Tribal communities*: Many Native American, Alaska Native, and Native Hawaiian communities have inadequate access to the Internet and the opportunities that it offers.

- Internet for All is investing $3 billion into Tribal areas to improve connections in Native communities, provide laptops and other essential computer equipment to Tribal members, and promote high-speed Internet deployment.
- Already Internet for All has awarded $1.86 billion in awards to 226 Tribal entities — the largest ever investment in high-speed Internet on Tribal Lands — and connected or lowered Internet costs for more than 4,500 Tribal homes, with many more to come.

- *Making the largest digital equity investment in history*: Even where broadband service is available, many people lack the equipment, digital skills training and other resources necessary to take advantage of their Internet connection.
  - Through the Connecting Minority Communities program, NTIA awarded $262.8 million to 91 Minority-Serving Institutions to expand remote learning opportunities and spur economic development in their surrounding communities and distributed more than 21,000 devices.
  - Through the Digital Equity Act programs, Internet for All is investing $2.75 billion to make sure Americans can benefit from Internet access, making connections and devices more affordable.

## 2 Spurring Economic Development and Job Creation

**The Internet for All investments are creating new economic opportunities.** The scale of construction requires new domestic manufacturing and a large-scale broadband workforce, creating jobs across the country.

- *Reshoring electronic and fiber supply chains*: The Build America Buy America Act requires federally funded projects use materials made in the United States. This means the majority of fiber broadband equipment —including optical v optic cable, key electronics, and enclosures — necessary to bring affordable and reliable high-speed Internet service to everyone in America will be made in America. While some in industry said domestic manufacturing couldn't be done, manufacturers stepped up and proved this narrative wrong. Internet for All's commitment to domestic sourcing of broadband equipment has spurred over $700 million in new domestic manufacturing investments in at least 10 states, creating over 2,000 jobs.
- *Investing in the American workforce*: Building broadband networks on time and at scale across 56 states and territories will require tens of thousands of broadband construction workers: from network designers to pole surveyors, from locators to drill operators, from general laborers to fiber splicers. So far, 18 states and territories plan to allocate over $300 million in BEAD funding to support broadband workforce development initiatives.

**Internet for All**
has already connected
**3 million**
**PEOPLE**
across the country and is on pace to connect everyone in America to quality, affordable high-speed internet by 2030

**$700+ million**
in **NEW DOMESTIC MANUFACTURING INVESTMENTS**
in at least
**10 states**

CREATING OVER
**2,000 jobs**

"Internet is not a luxury, it's a necessity to participate in today's economy."

*— Secretary Gina Raimondo*


INTERNET FOR ALL
INTERNETFORALL.GOV
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NTCA
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# NATIONAL SECURITY

Advanced technology is increasingly central to U.S. national security. Semiconductors and artificial intelligence (AI) capabilities are as essential to military strength as conventional warfare, like tanks and missiles. The same technology that fuels commercial exchange can modernize U.S. adversaries' militaries, enhance intelligence gathering, and tip the balance of power in war. While governments once funded most research and development (R&D) for military technologies, today, the private sector leads in R&D, with militaries adapting commercial technologies for national security purposes.

At the intersection of commercial technology, international trade, and manufacturing, the Department of Commerce has taken on a new role in U.S. national security. Under Secretary Raimondo and the Biden-Harris Administration, Commerce has adopted a more robust and strategic approach to controlling advanced dual-use technology. The Bureau of Industry and Security (BIS) has taken unprecedented action to thwart Chinese military modernization and stymie Russian military aggression, serving as the tip of the spear for U.S. strategy to confront critical national security challenges. Commerce has built new capacities to rise to the challenges of 21st century strategic technological competition. For the first time, Commerce is taking a proactive approach to shoring up U.S. vulnerabilities by strengthening supply chains.

1

## Curbing the People's Republic of China (PRC) Military Modernization

**Commerce has taken unprecedented action to implement strategic and effective controls to impair and impede the PRC's ability to procure and produce the technology it needs to develop next generation weapons systems or advanced AI.** For decades, BIS has focused on slowing the proliferation of dual-use military items and nuclear, chemical, and biological weapons, as well as preventing U.S. technologies from being used to commit human rights abuses. However, a systematic approach to controlling dual-use commercial technologies like advanced semiconductors has required a new approach for policy and enforcement. Under the Biden-Harris Administration, BIS introduced the most targeted and aggressive controls in the bureau's history. These unprecedented, country-wide actions were taken in concert with partners and allies, ensuring increased effectiveness.

- *Implementing unprecedented chips and equipment restrictions*: Over four years, through multiple rules, Commerce implemented unprecedented country-wide and sector-wide restrictions on advanced semiconductor technology exports to China, including on advanced chips and on equipment needed to make those chips. These cumulative actions represent a seismic shift in the way that BIS conducts business and imposes export controls, imposing a precision strike to hamper PRC efforts to indigenize the production of advanced semiconductors and related equipment and tools. These controls target chips needed for developing and deploying the next generation of advanced weapon systems and AI-enabling technologies, directly impacting the PRC's ability to improve the design and execution of weapons of mass destruction (WMD) and advanced conventional weapons.
- *Enforcement actions*: Since establishing the Disruptive Technology Strike Force with the Department of Justice in February 2023, BIS has achieved a 50 percent increase in criminal enforcement actions involving nation-state adversaries, including China. BIS has also dramatically increased the number of technology-related administrative enforcement actions taken, including issuing the largest standalone penalty ever, $300 million, against a company that violated U.S. export controls by shipping millions of hard disk drives to Huawei.


- *Entity listings*: BIS has added nearly 600 PRC entities to the Entity List during the Biden-Harris Administration, more than doubling the total number of listed PRC entities.
- *Work with allies*: Export controls are most effective when they're multilateral, and Commerce has joined allies and partners in implementing new controls on critical and emerging technologies, including those related to quantum computing, semiconductors, and additive manufacturing.

2

## Degrading Russian Military Capacity

**In the first days of Russia's unprovoked war of aggression against Ukraine, the Department moved with unprecedented speed to build a global coalition focused on cutting off access to the technologies and materials Russia relies on for its war machine.** U.S. export controls are frustrating Russia's military ambitions by increasing costs and delays and reducing equipment quality.

- *Sweeping controls*: Commerce has implemented export controls on over 2,800 categories of items needed to sustain military action, including machinery, electrical equipment, microelectronics, aircraft parts, chemicals, and industrial and commercial items.
- *Enforcement actions*: BIS has cracked down on Russia's illicit procurement networks, including bringing 13 criminal Strike Force cases against defendants seeking U.S. technologies for Russian end users.
- *Entity list*: BIS has added 751 Russian entities since the beginning of the administration, and more than 500 entities from Russia and additional countries specifically related to Russia's invasion of Ukraine.
- *Work with allies*: The U.S. has magnified its impact on Russia through multilateral controls, which left Russia with no choice but to spend more and lower its ambitions for high-tech weaponry. Commerce led efforts to establish the Global Export Control Coalition, which aligns controls of 39 members, and built new export enforcement coordination mechanisms among Five Eyes countries and the G7.

3

## Establishing New Tools to Protect Advanced Technology

**In response to the changing geopolitical and technological landscape, Commerce has modernized its national security operations by securing new authorities, recruiting new talent, and establishing new processes to strategically address the threats of today's national security environment.** Across the Department, Commerce is building more robust national security teams and coordinating an all-of-Department approach to national security, including through a Deputy Secretary-chaired cross-bureau working group to address Critical and Emerging Technology Threats. At BIS, Commerce has built out a powerful new component — the Office of Information and Communications Technology and Services (OICTS) — and has recruited new technical talent and secured $100 million to modernize archaic information technology systems.

- *Establishing the Office of Information and Communications Technology and Services*: Commerce built out a new Information and Communications Technology and Services (ICTS) program to protect the U.S. supply chain from technologies and services that

pose an undue or unacceptable risk of sabotage or subversion by foreign adversaries. Commerce used this powerful new tool to issue a first-of-its-kind prohibition against Kaspersky Labs cybersecurity and anti-virus products in the United States, issue a groundbreaking final rule prohibiting the import and sale of connected vehicles, and certain hardware and software found in those vehicles, with a requisite connection to the PRC or Russia; and sought public comment on a potential rule to safeguard the supply chain of commercial drones from foreign adversary intervention.

- ***Updating teams and practices to address modern threats***: Commerce established two new units to assess emerging technology and foreign technology advances, facilitating more targeted controls. For the first time, all foreign parties to BIS license applications now are vetted against intelligence, compared to less than five percent of licenses previously, enabling more robust review of transaction parties to prevent diversions of controlled items.
- ***Piloting outbound investment screening***: For the first time ever, the new Outbound Investment Screening program the Department helped design and implement prevents U.S. investment from advancing the development of sensitive technologies in countries of concern and products in microelectronics, quantum information technologies, and artificial intelligence.
- ***Establishing the Office of Intelligence and National Security (OINS)***: Commerce established OINS within the Office of the Secretary and Deputy Secretary to support the Department's growing national and economic security portfolio and improve coordination with federal intelligence partners.

4

## Diversifying and Strengthening Supply Chains

**In the wake of COVID-19-related supply chain shocks, the Department of Commerce created new tools and private sector and international partnerships to protect and strengthen supply chains critical to national security.** Pandemic-era supply chain shocks revealed intolerable national security risks from the decades-long trend of offshoring and overly concentrating critical supply chains.

In response, Commerce built the U.S. Government's analytical capacity to identify and address vulnerabilities, work with partners and allies to onshore and friend-shore critical industries, strengthen domestic manufacturing, and defend the existing industrial base from non-market actors.

- ***Establishing a Supply Chain Center***: Commerce established a first-of-its-kind Supply Chain Center at the International Trade Administration to shift the U.S. approach from reacting to disruptions to proactively strengthening supply chain resilience. The Center launched the SCALE tool, a diagnostic tool that allows the U.S. Government to assess supply chain risk across the U.S. economy and prioritize critical industries and products for action.
- ***Advancing critical mineral resilience***: The Department has conducted supply chain analyses of critical minerals to identify chokepoints and vulnerabilities in critical industries, find alternative sources, and develop policy recommendations to mitigate supply disruptions.
- ***Implementing steel and aluminum 232***: Commerce has upheld trade measures to defend the domestic steel


and aluminum industries in the face of sustained global overproduction that was found to pose a threat to U.S. national security.

5

## Advancing trade and investment consistent with national security priorities

**The U.S. government has not always considered national security interests when promoting trade and investment.** The Department of Commerce's leading role in driving U.S. competitiveness and protecting national security requires that trade and investment policies incorporate national security goals.

- *Reducing diversion of U.S. firearms*: BIS issued a rule to reduce the risk of legally exported firearms and related items being diverted or misused to fuel regional instability, drug trafficking, human rights violations, political violence, and other activities that undermine U.S. national security and foreign policy interests. In addition, ITA implemented changes to its Client Eligibility Policy to curtail promotion of firearms exports and exports of other items that could be misused by malign actors.

> "National security today is as much about technology like chips and AI as it is about tanks and missiles, and Commerce is at the red hot center of technology."
>
> *— Secretary Gina Raimondo*

In response to Russian invasion of Ukraine, Commerce implemented

# EXPORT CONTROLS

ON **OVER**

# 2,800

## CATEGORIES OF ITEMS

needed to sustain military action

**BIS achieved** a

# 50% increase

in **CRIMINAL ENFORCEMENT ACTIONS**

involving nation-state adversaries, including China

NATIONAL

# ENTITY LISTINGS

**BIS added**

NEARLY

**6,000**

**PRC ENTITIES**

to the Entity List during the Biden-Harris Administration,

**more than 2x**

the total number of

**LISTED PRC ENTITIES**

**751**

**RUSSIAN ENTITIES**

since the beginning of the administration, and

**more than 500**

**ENTITIES**

from Russia and additional countries specifically related to Russia's invasion of Ukraine

SECURITY

# INTERNATIONAL ECONOMIC ENGAGEMENT

The Commerce Department is pursuing new policies, programs and tools to advance international trade that benefits U.S. workers, businesses and national security. Commerce has adapted to an increasingly challenging geopolitical landscape that includes increased supply chain disruptions, non-market policies and practices from competitors, and threats of economic coercion. To advance the interests of U.S. workers and businesses, the Department is 1) championing U.S. workers and business interests globally and 2) strengthening economic ties with partners and allies who play by the rules.

1

## Championing U.S. Workers and Businesses Interests in Global Trade

**The Commerce Department has used a range of tools to champion U.S. workers and business interests in global trade, including with the PRC.** In August 2023, Secretary Raimondo became the first Commerce Secretary in six years to travel to China. She delivered a clear message that the U.S. will promote trade and investment with the PRC in those areas that do not undermine our interests or values, while first and foremost using all the tools at our disposal to protect U.S. national security and Americans against unfair economic practices.

- *Securing concrete wins for U.S. workers and businesses*: Commerce launched the U.S.-PRC Commercial Issues Working Group (CIWG) with the PRC Ministry of Commerce to address discrete trade and investment issues, including related to cross-border data flows and regulatory transparency, and advance U.S. commercial interests in China. Commerce also helped increase travel between the U.S. and the PRC to boost tourism and create U.S. jobs.
- *Defending U.S. workers and businesses*: Commerce has modified its rules on anti-dumping and countervailing duties to, for the first time, count unfair environmental and labor practices as subsidies that undercut domestic competitiveness. In addition, Commerce has supported strategic tariffs that protect U.S. workers and businesses from overcapacity and non-market practices.
- *Ensuring equitable impact for the benefits of trade*: The International Trade Administration (ITA) expanded outreach to businesses in underserved communities, including establishing 8 new rural export centers, to help ensure that U.S. businesses from all communities benefit from trade. ITA assistance to businesses from underserved communities grew by more than 40% over the previous 4 years.

2

## Strengthening Economic Ties with Partners and Allies

**Economic engagement needs to be more than reducing tariffs.** The Commerce Department has developed new approaches and tools at ITA to deepen economic engagement and increase investment and trade flows in ways that deliver meaningful economic opportunities for U.S. workers and businesses at home and around the world.


- ***Establishing the Indo-Pacific Economic Framework for Prosperity (IPEF)***: Expanding U.S. economic leadership in the region is good for American workers and businesses and for the people of the region. Commerce worked with 13 key partners and allies in the Indo-Pacific to develop a new model for long-term economic cooperation that addresses critical issues and delivers concrete economic benefits to the 14 members, thereby strengthening geopolitically critical bilateral and multilateral relationships for the U.S. The first-of-its-kind economic framework provides a venue for the partners to facilitate public and private investments in clean technologies and infrastructure, increase competitiveness, and level the playing field for companies. IPEF partners are cooperating to: (i) identify and address vulnerabilities in critical supply chains, respond to disruptions, and help avoid the most severe and costly impacts of supply chain crises; (ii) increase the pipeline of bankable infrastructure and clean energy projects in the region and facilitate private and public investment towards such projects, and (iii) support the effective implementation and enforcement of measures to prevent and combat corruption and to improve tax administration.
- ***Building new partnerships***: The Department partnered with the Indo-Pacific Partnership for Prosperity, a public-private partnership formed by a coalition of international private and non-profit sector leaders from across the region. The coalition brings together crucial expertise, capital, and energy to partner with the Department to drive progress across shared supply chain, climate, and workforce objectives in IPEF Partner economies.
- ***Expanding the Advocacy Center toolbox***: Responding to competition from subsidized, non-market players in foreign markets and industry demand for additional tools to counter unfair foreign competition, Commerce initiated the Strategic Transactions Advocacy Trial (STAT) expanding its advocacy for U.S. companies competing for foreign government investment and concession projects in critical sectors like energy, infrastructure, and critical minerals and metals that will benefit the U.S. economy.
- ***Advancing fair digital trade***: The Department finalized the Data Privacy Framework (DPF) program to facilitate safe and secure flows of personal data from Europe to the United States in compliance with relevant European laws. Transatlantic data flows are estimated to underpin more than $1 trillion in trade and investment annually. Over 3,000 companies, 70 percent of which are small and medium enterprises, now use the DPF.

> "We are leveling the playing field for American workers and companies, because nobody can out-compete us on a level playing field."
>
> *— Secretary Gina Raimondo*

# CLIMATE

Climate change poses a major threat to the U.S. economy as well as American communities and health. In 2023, greenhouse gas concentrations, global temperatures, global sea level and ocean heat content all reached record highs. In 2024 alone, there were at least 24 separate climates disasters, including an active hurricane season and near-record number of tornadoes, that totaled at least $1 billion each in damages, second in scale only to 2023. To deliver on the mission of driving U.S. competitiveness and advancing growth for all communities, Commerce prioritized efforts to combat the climate crisis and advance climate resilience.

1

## Advancing Climate Resilience

**The Inflation Reduction Act (IRA) and Bipartisan Infrastructure Law (BIL) invested a record $6 billion in the National Oceanic and Atmospheric Administration (NOAA), allowing Commerce to fund projects that help America mitigate and adapt to climate change.** Transformational funding and new resilience programs have allowed NOAA to restore thousands of acres of habitat and waterways, help people across the country make climate-smart investments in their communities and coasts, and improve the climate data and services provided to decision makers, families, communities, and businesses.

- ***Building community resilience***: NOAA has announced $2.8 billion in funding through its coastal resilience programs to strengthen ecosystems and communities along the coasts. For example, NOAA's $575 million Climate Resilience Regional Challenge program made awards to 19 collaborative projects to increase the resilience of coastal communities to extreme weather and other climate impacts. This program was the most oversubscribed program in the IRA demonstrating the demand communities across the country have for climate resilience capacity.
- ***Building worker resilience***: NOAA's Climate Ready Workforce initiative invested $60 million to train tomorrow's workers in climate-smart tools, technology and insights. Thanks to this program, thousands of people are being trained and placed in jobs that help coastal and Great Lakes states, tribes and territories adapt to climate change.
- ***Building business resilience***: Through the Industry Proving Grounds initiative, NOAA is partnering with industry to develop and improve the delivery of actionable climate information that is essential to businesses. Meanwhile, the Ocean-Based Climate Resilience Accelerators program awarded $60 million to help small businesses developing sustainable technologies attract capital, mature their technologies, and scale their business models for climate impact.
- ***Advancing equity and supporting tribes***: NOAA programs provided over $400 million for tribal priorities including the execution of a $240 million program in collaboration with the Bureau of Indian Affairs to support tribal fish hatcheries, representing the largest federal funding commitment to tribal salmon fisheries since the U.S. signed the original treaties guaranteeing the tribes hunting and fishing rights. Additionally, NOAA's IRA and BIL programs have ensured that traditionally underserved communities are included and have access to the resources they need to prepare for and build resilience to climate change.


2

## Advancing Clean Energy Development and Deployment

**Developing and deploying clean energy technologies will be critical to sustainable economic growth and U.S. leadership.** Estimates suggest clean technologies could attract $2 trillion of capital per year by 2025, and growing clean technology industries will create millions of good jobs in the U.S.

- ***Deploying offshore wind***: NOAA worked with the Department of Interior to support responsible offshore wind deployment, jumpstarting this new clean energy sector in the U.S. The Biden-Harris Administration approved 11 commercial-scale offshore wind projects in federal waters. Before President Biden took office, zero commercial-scale offshore wind projects had been approved. In response to this growing demand, NOAA expanded its permitting staff capacity; expanded and strengthened partnerships with DOI, DOE, and other federal agencies; and provided modeling, data, and scientific capacity to support improved siting decisions, turbine efficiencies, and timely environmental reviews.
- ***Building U.S. clean tech leadership***: Since 2021, the International Trade Administration (ITA) has helped U.S. companies secure $22.7 billion in climate and clean tech projects in foreign markets. Additionally, ITA has supported 60 foreign firms in investing in domestic clean tech announced value of over $46.1 billion, supporting more than 36,000 U.S. jobs.
- ***Advancing clean tech innovation***: In 2022, the USPTO launched the Climate Change Mitigation Pilot Program to accelerate review of patent applications involving technologies that reduce greenhouse gas emissions. The program has since been expanded and expedited examination of 898 patent applications so far, with 399 of those applications being issued as patents.
- ***Advancing climate accounting***: Policymakers, business owners, and workers cannot address climate risks or take advantage of emerging opportunities if environmental resources are not included in economic data. To address this problem, the White House and the Department of Commerce published the National Strategy to Develop Statistics for Environmental-Economic Decisions in 2023, a first-of-its-kind plan to develop a comprehensive U.S. system of natural capital accounting and associated environmental-economic statistics. In partnership with counterparts in Canada and Australia, the Bureau of Economic Analysis (BEA) has advanced economic accounting related to the environment to improve understanding of natural capital resources and the interplay between climate work and the U.S. economy.

**NOAA** announced

# $2.8 billion

**IN FUNDING**

through its coastal resilience programs to strengthen ecosystems and communities along the coasts


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Gina Raimondo


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