After Speaker of the House Kevin McCarthy (R-CA) released his legislative plan to raise the debt ceiling last week, it was passed by the House on Wednesday in a narrow 217-215 vote. The legislation, which includes significant federal spending cuts across the government, will not be passed through the Democrat-led Senate. However, Republicans are hopeful the bill’s passage in the House will force President Biden and other Democrats to negotiate with them on debt ceiling legislation despite their stated position that the debt limit needs to be raised cleanly and should be separate from any negotiations on federal spending or other issues. After the legislation’s passage, President Biden and other Democratic leadership publicly remained strong in their stance that raising the debt ceiling is non-negotiable, but the window to make a deal continues to shrink before a potential default on the nation’s outstanding debt, which could occur as early as June.

The University of Minnesota Washington Update provides intelligence and analysis on recent federal activities. Contact Jackson Clark, Lewis-Burke Associates LLC, at jackson@lewis-burke.com with any questions or comments related to the Update’s content.

Agency, Policy Updates and Funding Opportunities

Agency Update: NIST Releases NSTC White Paper

The Department of Commerce’s (DOC) National Institute of Standards and Technology (NIST) CHIPS Research and Development Office has released its long-awaited “Vision and Strategy for the National Semiconductor Technology Center (NSTC).” The NSTC will advance semiconductor research and development (R&D), increase access to design and manufacturing resources, and catalyze partnerships between industry, academia, and government with the aim of bringing technologies to market more efficiently and effectively. The white paper outlines the NSTC’s missions and goals, details anticipated core programs, and provides an overview of the NSTC governance structure.

NIST’s strategy states that NSTC will support the needs of the semiconductor industry through three key program areas:

- **Technology Leadership** – NSTC will “conduct and fund research and collaborations with others,” mainly focusing on developments with industry benefits on the 5-to-15-year timeframe in areas aligned with NSTC-sponsored grand challenges. Research will cover both design innovation and manufacturing processes.

- **Managing Assets that benefit the Community** – The NSTC Headquarters location will convene events and conduct research. The NSTC will also manage a network of affiliated technical centers to carry out research-related activities. This may include establishing new technical centers and facilities and
collaborating with and/or acquiring existing facilities. NSTC technical centers will also provide opportunities for student training.

- **Workforce Programs** – NSTC will coordinate and scale initiatives focused on semiconductor education and workforce development.

NIST anticipates the following timeline and next steps for the NSTC:

- **April 26 – Webinar:** CHIPS for America will host a public webinar on *A Vision and Strategy for the National Semiconductor Technology Center* on April 26, 2023, at 4:30 pm ET. Registration can be found [here](#).
- **April 26 – the Department will release a call to solicit nominations** for an independent selection committee to select the board of trustees that will form the non-profit that will serve as the NSTC operator.
- **Later in 2023** – The Department will “work to establish the NSTC consortium” and encourage the establishment of a new, purpose-built, non-profit entity with world-class leadership.

The strategy also includes information on other CHIPS R&D programs, such as the National Advanced Packaging Manufacturing Program (NAPMP); the development of up to three new Manufacturing USA Institutes; the internal NIST Metrology R&D program; the CHIPS Incentives Program (now accepting [statements of interest](#)); and how NIST plans to work with the Department of Defense (DOD), the Department of Energy (DOE), and the National Science Foundation (NSF).

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**Policy Update:** CMS Releases Proposed Rule to Expand Healthcare Access for DACA Recipients

The Centers for Medicare and Medicaid Services (CMS) issued a proposed rule which would alter the definition of “lawfully present” and allow Deferred Action for Childhood Arrivals (DACA) recipients to enroll in a qualified health plan (QHP) through a state or the federal healthcare marketplace, a basic health program (BHP), Medicaid, or the Children’s Health Insurance Program (CHIP).

If finalized, the rule would allow DACA recipients to receive income-based cost sharing assistance, like the advance premium tax credit. Recipients are required to meet the same citizenship and immigration requirements as all QHP enrollees. The proposed rule makes clear it “would not provide any noncitizen relief or protection from removal or convey any immigration status or other authority for a noncitizen to remain in the United States under existing immigration laws or to become eligible for any immigration benefit available under the U.S. Department of Homeland Security (DHS)’s or Department of Justice’s purview.”

Additional changes in the proposed rule include removing the current 180 day waiting period for children under the age of 14 who have applied for asylum to be considered lawfully present; considering noncitizens who have been granted an Employment Authorization Document (EAD) as lawfully present; and allowing children with an approved Special Immigrant Juvenile (SIJ) classification to be considered lawfully present.

CMS is proposing November 1, 2023, to be the effective start date for the rule if finalized, to ensure the provisions are effective during the open enrollment period for the health insurance exchanges. Comments must be received by **June 23, 2023** and reference file code CMS-9894-P. The full proposed rule is available [here](#) and an accompanying factsheet is available [here](#).
Funding Opportunity: DHS Releases Solicitation for New Arctic Center of Excellence

The Department of Homeland Security’s (DHS) Science and Technology Directorate (S&T) released a Notice of Funding Opportunity (NOFO) for an institution to lead a new Center of Excellence (COE) for Homeland Security in the Arctic (HSA). The COE program, managed by the Office of University Programs (OUP), is DHS's flagship research initiative for universities and its awards are highly competitive. The NOFO seeks a lead institution, in coordination with a selected contingent of other university, industry, national laboratory, and non-profit partners, to conduct research and development activities as well as training programs focused on strengthening security, ensuring the resilience of the Arctic infrastructure, advancing situational awareness in the Arctic, preventing, responding to and recovering from adverse events, and fostering relationships to advance security initiatives in the region.

DHS COEs are multi-year consortia of research and educational organizations that work closely with DHS components to develop strategies and technologies to address cross-cutting priorities for use by DHS components. COEs are also expected to educate future security technology experts and train current DHS employees on the newest strategies and technologies.

The HSA COE will be expected to produce use-inspired research, work closely with DHS to support the missions of key agency components that are responsible for enabling a secure and resilient Arctic region, and support strategies to strengthen efforts by state and local agencies and the private sector furthering this cause. Applicants must demonstrate a strong understanding of current DHS strategic guidance, policies, and interests in the Arctic region. Interested entities are encouraged to familiarize themselves with DHS publications regarding security in the Arctic region, such as the 2022 National Strategy for the Arctic Region, the 2021 DHS Strategic Approach for Arctic Homeland Security, and the 2019 U.S. Coast Guard Arctic Strategic Outlook, cited in the solicitation.

Applicants must demonstrate a high level of expertise and capabilities by proposing at least one research project for each research theme in the NOFO. However, DHS does not expect applicants to address every topic within each theme of the solicitation. The four research themes identified as critical research and knowledge gaps by DHS components for the Arctic region are as follows:

- **Theme Area 1: Advance All-Domain Situational Awareness**
  - Topic Area 1A. Impacts of Emerging Technology on Operations
  - Topic Area 1B. Technology Suitability and Adaptability for the Operational Environment
  - Topic Area 1C. Trend Analysis of Dynamic Human and Non-Human Systems in a Changing Environment
- **Theme Area 2: Improve Understanding of Risks and Potential Impacts**
  - Topic Area 2A. Foundational Risk Assessment and Analysis for Operations
  - Topic Area 2B. Risk Management for Crisis Response
- **Theme Area 3: Enable Adaptation for Resilience**
  - Topic Area 3A. Operational Adaptation for Security
  - Topic Area 3B. Planning and Analysis for Future Conditions
  - Topic Area 3C. Advanced Technologies and Tools for Remote and Harsh Operating Conditions
  - Topic Area 3D. Building Capacity to Adjust to Future Conditions
- **Theme Area 4: Expand Collaboration and Cooperation across the Homeland Security Enterprise**
  - Topic Area 4A. Training, Education, and Workforce Development
  - Topic Area 4B. Outreach and Engagement
  - Topic Area 4C. Collaboration with Local Communities
Research programs supported by this award must have flexibility to adapt to shifting homeland security challenges while maintaining focus on their core areas of emphasis. Given the scope of work required by individual COEs, applicants for lead university must have the capacity to work directly with DHS offices and federal officials to advance the agency’s multi-faceted missions over an extended period of time. Applicants must also demonstrate a strong understanding of the translation of technology and new ideas into practice through licensing, coordination with transition partners, and the federal acquisition process. This requires expertise and buy-in across campus, from relevant researchers to university administration, marketing, technology transfer services, and other institutional components.

In addition to research goals, COEs must develop STEM education programming and workforce pathways. Leads are also strongly encouraged to partner with industry, other academic institutions, including historically black colleges and universities (HBCUs), Hispanic-Serving Institutions (HSIs), and/or other minority serving institutions (MSIs), institutions in states that are part of the Experimental Program to Stimulate Competitive Research (EPSCoR), public sector institutions, and non-profit organizations.

Due Dates: Proposals are due on June 19, 2023, by 11:59 PM EST. DHS will hold a webinar on May 9, 2023, at 4:00 PM EST to provide feedback and answer questions about the solicitations. The webinar may be accessed by phone (Dial: 202-516-6093, Passcode: 968247472#; Phone Conference ID: 968 247 472#) and computer through this DHS Center of Excellence NOFO Webinar Link. Awardees are expected to be selected by October 30, 2023.

Award Information: DHS will provide up to $4.6 million annually for the COE over 10 years. Funding is subject to annual congressional appropriations and the results of biennial performance reviews by DHS. The lead institution will be responsible for administering funding for projects performed by its selected partner institutions within the COE. Unlike previous years, the solicitation does not express any intention from DHS to add additional partners from other solicitations or compelling applicants.

Eligibility and Limitations: Applicants for center leads are limited to institutions of higher education. Other proposers from academia, industry, or non-profit organizations may support the lead institution. Applicants that have previously led a COE are required to provide additional information on their past performance, including outcomes from projects sponsored by the center, previous engagements with federal officials and other stakeholders, and general lessons learned from the experience.

Sources and Additional Information:
- The full solicitation can be found at https://www.grants.gov/web/grants/view-opportunity.html?oppid=347575.
- More information about the COE program can be found at https://www.dhs.gov/science-and-technology/centers-excellence.

Funding Opportunity: DOD Announces FY 2023 Defense Manufacturing Community Support Program
The Office of Local Defense Community Cooperation (OLDCC) within the Department of Defense (DOD) released the notice of funding opportunity (NOFO) for the fiscal year (FY) 2023 Defense Manufacturing Community Support Program (DMCSP). The DMCSP is designed to spearhead long-term investments in
“critical skills, facilities, research and development, and small business support” to strengthen manufacturing capabilities and national security in designated defense manufacturing communities. The DMCSP allows organizations to obtain Defense Manufacturing Community (DMC) designation and funding and aims to recognize communities where local stakeholders are able to utilize long-term planning to attract and expand defense manufacturing through private and public investments.

This FOA from the OLDCC details requirements for the program’s two-step process. The first step of the application process is a proposal for designation as a Defense Manufacturing Community. The second step, which is by invite only, is a separate grant application for funding.

Key factors in competitive proposals should include direct alignment with DOD priorities which are discussed in relevant documents such as the 2022 National Defense Strategy, the “State of Competition Within the Defense Industrial Base” report, the “Securing Defense-Critical Supply Chains- An Action Plan in Response to President Biden’s Executive Order 14017” report, the “Technology Vision for an Era of Competition” report, and the 2023 “Small Business Strategy”. The Defense Manufacturing Community Review Panel will ultimately be seeking the following factors in proposals: incorporation of DOD priorities, how efficiently and effectively the proposed project enhances development of technologies and the workforce, the ability of the consortia leadership to leverage regional partners, and that the proposed activities complement (and not duplicate) the DOD-sponsored Manufacturing Innovation Institutes program and industry- and association-initiated Industry 4.0 efforts. Respondents are also encouraged to leverage grantees and programs of entities such as National Institute of Standards and Technology’s Manufacturing Extension Partnership Program, the Economic Development Administration, Department of Labor Employment and Training Administration, the Small Business Administration, and state, regional, and local economic development organizations focused on defense supply chain issues. Information on the DOD’s nine Manufacturing Innovation Institutes can be found at https://www.manufacturingusa.com/institutes.

As part of the proposal for Defense Manufacturing Community designation, each lead organization should provide a designation concept briefing and white paper, which may include the following types of activities and investments:

- “equipment or facility upgrades;
- workforce training, retraining, or recruitment and retention, including that of women and underrepresented minorities;
- business incubators;
- advanced research and commercialization, including with Federal laboratories and depots;
- supply chain development; and
- small business assistance.”

Webinar: OLDCC will be hosting a pre-proposal webinar on May 4, 2023 at 11:00 AM PDT to review the objectives of the program and answer questions.

Submission Information: OLDCC must receive full proposals no later than June 26, 2023 at 5:00 PM PDT. OLDCC will notify applicants on whether they have been designated and are invited to submit a full grant application no later than August 10, 2023.
Total Award Funding: The program has been allocated $30 million for FY 2023, with individual grants up to $5 million per award. There is a required cost share of at least 20 percent of the entire proposed project. DMC designations last for a period of five years with the option to renew designations for two additional two-year periods.

Eligibility: Consortia composed of members from “State and local government, defense industry, Federal laboratories, industry associations, Department of Defense Manufacturing Innovation Institutes, and academia” are eligible to apply for DMC designation. A Lead Organization must apply on behalf of a regional manufacturing consortium. Eligible Lead Organizations must be one of the following entities:

- “Institution of higher education or a consortium of higher education institutions
- Public or private non-profit consortium of defense industry, or
- State, local or tribal government organization”

Consortia that received Defense Manufacturing Community designation and grant funding in FY 2020 – FY 2022 and completed a funded scope of work by August 31, 2023, may compete for additional funding under this announcement.

Sources and Additional Information:

- Full funding opportunity announcement can be found on www.grants.gov under funding opportunity number “OLDCC-23-F-0002” or here.
- More information on the DMCSP can be found here.