

# Artificial Intelligence Alert

**Akin Gump**  
STRAUSS HAUER & FELD LLP

## Administration and Congressional Update on Artificial Intelligence in the U.S.

April 27, 2021

### President Biden's Discretionary Budget Request: Fiscal Year 2022

On April 9, 2021, the Office of Management and Budget (OMB) submitted President Biden's discretionary funding **request** (the "Request") to Congress for Fiscal Year (FY) 2022. The Request lays out the President's discretionary funding recommendations across a wide range of policy areas, including a strategy for investing in emerging technology areas, maintaining economic competitiveness and national security and positioning the U.S. to out-compete China. The Request is high-level and did not include proposed legislative text.

The President's Request recommends:

#### Department of Commerce

- \$916 million to expand scientific and technological research at the National Institute of Standards and Technology (NIST) in areas including artificial intelligence (AI), cybersecurity, quantum information science (QIS) and biotechnology and to establish prize competitions to pursue key technology goals.

#### Department of Defense

- Prioritizing defense research, development, test and evaluation funding for breakthrough technologies to support the development of next-generation defense capabilities.

#### National Science Foundation (NSF)

- \$9.4 billion to support research in science, engineering and technology, such as biological sciences, computer and information sciences and geosciences.
- Establishing a new Directorate for Technology, innovation and partnerships to help translate research into practical applications to expedite technology development in emerging areas critical for U.S. technological leadership, including AI, QIS, biotechnology and advanced communications technologies.
- Funding for the continued construction of research facilities and equipment.

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## Department of Energy

- \$7.4 billion the Office of Science to identify and develop new materials and concepts for clean energy technologies and advance AI and computing to enhance prediction and decision-making across various environmental and scientific challenges.

## The Endless Frontier Act

On April 21, 2021, a group of bipartisan lawmakers reintroduced the Endless Frontier Act ([H.R.2731](#) and [S.1260](#)) to establish a new Directorate for Technology (the “Directorate”) at the NSF, a regional technology hub program and require a strategy and report on economic security, research, innovation, manufacturing and job creation. The bill would authorize \$100 billion over five years for the Directorate to strengthen U.S. leadership in critical technology areas through innovation, research, commercialization and education and ensure that the U.S. maintains its competitive edge in technologies of the future.

The legislation identifies ten initial technology domains for the new NSF Directorate to fund research, including AI and machine learning, semiconductors, quantum computing, advanced communications technology, cybersecurity and synthetic biology.

Additionally, the Directorate is authorized to:

- Increase research spending at universities to advance progress in the critical technology areas with a particular focus on historically Black colleges and universities (HBCUs) and other minority-serving institutions (MSIs).
- Create pathways to cultivate a diverse science, technology, engineering and mathematics (STEM) workforce.
- Provide funding for equipment used in test-bed and fabrication facilities.
- Establish programs to commercialize research discoveries and scientific findings into new products on the marketplace.
- Foster collaboration between the federal government, higher education and for-profit and non-profit stakeholders in establishing regional innovation hubs across the country.

The Endless Frontier Act also establishes a novel Supply Chain Resiliency and Crisis Response Program at the Department of Commerce. The new program would monitor supply chain vulnerabilities and provide investments to diversify supply chains for products critical to national security. Lastly, the bill proposes a \$2.4 billion investment to enhance and expand the Manufacturing USA network.

## House Financial Services Committee AI Task Force

On April 21, 2021, Rep. Maxine Waters (D-CA), Chair of the House Financial Services Committee, renewed the Committee’s AI Task Force. The Task Force was created during the 116th Congress to ensure the responsible use of emerging and predictive technologies in the financial sector. Rep. Bill Foster (D-IL) will continue leading the Task Force’s work to examine whether emerging technologies in the financial services and housing industries serve the needs of consumers, investors, small businesses and the public.

Congress and the Biden-Harris administration continue to take action to ensure the U.S. maintains its global leadership in technologies of the future, including AI. Additional investments and a new approach to accelerate U.S. science and technology developments are beginning to materialize in light of growing concerns that other countries are ready to challenge America's position on the innovation stage. The Akin Gump cross-practice AI team continues to monitor forthcoming congressional, administrative and private-stakeholder initiatives related to AI.

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