



## AAU Summary of the Biden Administration American Jobs Plan:

*Updated as of March 31, 2021 (4 pm ET)*

**OVERVIEW:** On March 31, President Biden released a \$2.25 trillion, eight-year [American Jobs Plan](#) that aims “to reimagine and rebuild a new economy. The American Jobs Plan is an investment in America that will create millions of good jobs, rebuild our country’s infrastructure, and position the United States to out-compete China.”

This is the first of two plans the Administration will release as part of its “build back better” agenda. This first plan includes significant new investments in transportation, water, energy, housing, education, research and development, manufacturing, and human infrastructure. The plan includes raising the corporate tax rate to 28% from the current 21%, among other tax increases, to pay for the proposed new expenditures.

The administration is expected to release a second plan in April that will reportedly total \$1 trillion and include proposals to expand health care, extend the child tax credit, and expand access to K-12 and higher education, including proposals for universal preschool and free community college. The second plan is expected to include tax increases for the highest income earners to offset proposed new expenditures.

AAU issued a statement on the American Jobs Plan.

The following summarizes provisions of interest to research universities.

**RESEARCH AND DEVELOPMENT:** The President’s plan allocates R&D funding to several federal research agencies including the National Science Foundation and National Institute of Standards and Technology. \$180 billion is allocated to “R&D and the technologies of the future.” This section also includes the creation of a new directorate at the National Science Foundation (NSF), echoing provisions in the Endless Frontier Act (S. 3832/H.R. 6978 in the 116<sup>th</sup> Congress) and the recently introduced NSF for the Future Act.

The following table outlines funding levels for investments in R&D and the technologies of the future as called for in the plan:

|                     |   |
|---------------------|---|
| \$50B               | for NSF to create a technology directorate to focus on critical technologies  |
| \$30B               | in R&D across government to spur innovation and jobs, including to rural areas  |
| \$40B               | for lab infrastructure (physical and digital), half (\$20B) to MSIs and HBCUs (including the creation of a new national lab focused on climate at an HBCU)                                      |
| \$35B               | for climate R&D <ul style="list-style-type: none"> <li>• includes launching ARPA-C</li> <li>• \$5B outside of ARPA-C for climate R&amp;D</li> <li>• \$15B for demonstration projects</li> </ul> |
| \$10B               | for R&D at HBCUs and MSIs   |
| \$15B               | for creation of up to 200 centers of excellence at HBCUs and MSIs   |
| <b>\$180B Total</b> |   |

**INNOVATION, COMMERCIALIZATION, AND MANUFACTURING:** The President’s plan includes proposals to advance economic growth through research and support for commercialization, manufacturing, and supply chains. The following table outlines funding levels for \$300 billion in investments to “retool and revitalize American manufacturers and small businesses” as called for in the plan:

|                     |  |
|---------------------|--|
| \$50B               | to create a new Commerce Department office to monitor critical supply chains   |
| \$50B               | for semiconductor manufacturing and research (as called for in the CHIPS Act)  |
| \$30B               | to create jobs and prevent job losses caused by the pandemic through major new investments in medical countermeasures manufacturing; research and development; and related biopreparedness and biosecurity |
| \$46B               | for clean manufacturing and critical technologies  |
| \$20B               | for regional innovation hubs and community revitalization projects   |
| \$14B               | for NIST   |
| \$52B               | for domestic manufacturing   |
| \$31B               | for small business innovation incubators   |
| \$5B                | for rural and tribal communities   |
| <b>\$300B Total</b> |  |

**OTHER PROVISIONS:** The administration’s plan also includes other proposals affecting higher education, including:

- \$100 billion for broadband. The plan aims to build high-speed broadband infrastructure to reach 100 percent coverage across the country.
- \$12 billion for community colleges facilities and technology. Under the proposal, states would be responsible for using the funding to address physical and technological infrastructure needs and identify strategies to address access to community college in “education deserts.”
- \$40 billion for a new Dislocated Workers Program and sector-based training “to gain new skills and to get career services they need with in-demand jobs. Sector-based training programs will be focused on growing, high demand sectors such as clean energy, manufacturing, and caregiving, helping workers of all kinds to find good-quality jobs in an ever-changing economy.”