

Pursuant to Executive Order 14091 (February 16, 2023) on "Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government"

## 2023 Equity Action Plan Summary

# U.S. Department of Commerce

### Delivering equity through Commerce

The mission of the U.S. Department of Commerce (Commerce) is to create the conditions for economic growth and opportunity for all communities. Global competitiveness and sustained economic growth require that all communities have an opportunity to participate in the 21st-century economy. To realize its mission, the Department is committed to institutionalizing equity across policy design, grant development, external outreach, and program implementation strategies. In short, inclusive growth is good economics. The United States will meet our full potential as a nation only when we harness the talents and strengths of communities in all parts of the country.

## New strategies to advance equity

The Department of Commerce identified five areas of focus for its 2023 Equity Action Plan. The Department conducted a series of external outreach and public engagement events and meetings with a diverse range of people impacted by or interested in the Department's work, including people in Tribal and underserved communities, businesses, and faith-based organizations. Commerce has engaged state-based and stakeholder roundtables and hosted and participated in summits with national faith leaders, businesses, community-based organizations, the White House, and federal agency partners to develop this plan.

**1. Mobilize our nation's diversity to fuel innovation and sustain our global competitiveness across geographic regions so that all communities can have equal access to opportunities.** For too long, economic growth and higher-paying jobs have [clustered](#) in a few cities. This has led to growing geographic income inequality in which wealth isn't spreading to the smallest metro areas and rural towns. Geographic income inequality has [risen](#) more than 40% between 1980 and 2021. The richest places are pulling away, and many others – especially smaller towns and rural areas – have fallen further behind. To address these barriers and others, Commerce will:

- Build inclusive innovation-based regional ecosystems through the [CHIPS Program](#), [Build Back Better Regional Challenge](#) (BBBRC), and [Tech Hubs](#) - for too long, economic growth and higher-paying jobs have clustered in a few cities, leading to growing geographic income inequality, where wealth isn't spreading to the smallest metro areas and rural towns.
- Ensure CHIPs Program applicants are asked to outline proactive efforts to ensure equity in a project's construction and production

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supply chain, to make a commitment to tracking and disclosing disaggregated data on supplier diversity and contractor / subcontractor diversity, to build robust outreach plans for engaging with small businesses; minority-owned, veteran-owned, and women-owned businesses, and to identify sectoral partnerships to support high-quality, equitable workforce development strategies.

**2. Foster inclusive capitalism for all and expand growth opportunities for businesses and entrepreneurs, including in underserved communities.** *Minority-owned and rural-based businesses face disparities in access to capital, federal contracts, export opportunities, technical support or advice, and networking. The most persistent barrier to the establishment, expansion, and growth of minority business enterprises (MBEs) continues to be access to capital. To address these barriers and others, Commerce will:*

- Reduce barriers faced by [minority-owned](#) and [rural-based businesses](#) seeking access to capital, federal contracts, export opportunities, technical support or advice, and networking by providing capital access support to businesses and entrepreneurs, including for underserved communities, to start or scale in high-growth industries and targeted business support to small and medium-sized enterprises through programs such as the [Global Diversity Export Initiative](#), [Rural Export Center](#), and [Council for Inclusive Innovation](#) (CI<sup>2</sup>).
- Implement the [Minority Business Development Agency's](#) (MBDA's) [Capital Readiness Program](#) (CRP). With 43 awardees, MBDA launched a new network of incubators, accelerators, and

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organizations with expertise to assist and train underserved entrepreneurs to improve access to diverse forms of capital, resources, and technical assistance to start or scale their businesses in high-growth industries such as healthcare, climate resilient technology, asset management, infrastructure, and more.

- Enhance rural outreach efforts and provide customized market research for rural businesses - the [Rural Export Center](#) (REC) and [U.S. Export Assistance Centers](#) (USEACs) throughout the United States provide rural businesses with export business development assistance and, when appropriate, certain fee-based services, like the [Rural America's Intelligence Service for Exporters](#) (RAISE).

**3. Promote equitable economic development and career pathways to good jobs.** *A historic lack of access to affordable, high-quality Internet service, affordable childcare, and education prevents many people from accessing job training programs, thereby missing out on opportunities for employment in high-growth industries. Specifically, the lack of access to Internet service is a significant barrier for underserved communities, hampering full participation in modern life, such as starting a business, offering services or goods via e-commerce, taking online courses and training, finding a doctor, and much more. To address these barriers and others, Commerce will:*

- Ensure that everyone in America, including people in underserved communities, has access to reliable and affordable high-speed Internet. Ensure the equitable implementation of the \$45 billion [Internet for All Initiative](#), the \$2.75 billion [Digital Equity Act](#), and the \$42.45 billion [Broadband Equity, Access, and Deployment](#) (BEAD) programs, by creating and strengthening workforce development training and access to jobs in high-growth industries

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through programs such as the [Good Jobs Challenge](#), [Distressed Area Recompete Pilot Program](#), [STEM Talent Challenge](#), and the [Million Women in Construction](#) initiative.

- Invest \$200 million in organizations committed to creating and connecting workers in persistently distressed communities to good jobs while ensuring the economic benefits are equitably allocated through the Economic Development Administration's (EDA's) Distressed Area Recompete Pilot Program, of which over 4,000 communities are eligible.
- Promote increased outreach to recruit women in broadband construction. The National Telecommunications and Information Administration's (NTIA's) BEAD program requires states and territories to develop workforce plans that include strategies to ensure the job opportunities created will be available to a diverse pool of workers, including women and people of color.
- Ensure that through the [CHIPS Notice of Funding Opportunity](#) (NOFO) for commercial facilities, applicants are asked to describe how they will recruit, hire, and retain a diverse and skilled construction workforce, including efforts to include women and other economically disadvantaged individuals in the construction industry.
- Require that CHIPS NOFO applicants requesting over \$150 million in direct funding for commercial fabrication facilities to provide a plan for access to child care for facility and construction workers. This will expand access to training opportunities and enable workers to fully participate in these high-quality, good-paying jobs.

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#### **4. Use targeted investments and program design to address the climate crisis through mitigation, adaptation, and resilience efforts to ensure environmental and economic resilience.**

*Underserved communities face [significant](#) barriers in building resilience or rebuilding their communities post-disaster due to barriers of limited resources, capacity, technical capabilities, or access to technical assistance. Investing in climate resiliency also means helping workers find high-quality jobs related to climate resilience. To address these barriers and others, Commerce will:*

- Benchmark and execute on [Justice40](#) commitments, particularly for underserved communities facing significant barriers in building resilience or rebuilding their communities post-disaster. These barriers include but aren't limited to resources, capacity, technical capabilities, or access to technical assistance. The Department will continue to work towards increasing meaningful engagement of tribes, tribal entities, and underserved communities on coastal habitat restoration activities through programs such as the [Coastal Habitat Restoration and Resilience Grants](#), and investing Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funds towards climate-related economic development in vulnerable communities, including through the [Climate Resilience Regional Challenge](#) and [Climate-Ready Workforce](#) competition.
- Invest BIL and IRA funds towards climate-related economic development in vulnerable communities. In June 2023, the National Oceanic and Atmospheric Administration (NOAA) announced the \$2.6 billion framework to protect coastal communities and restore marine resources, through the IRA, building on its commitment to help vulnerable communities prepare, adapt, and build resilience to weather and climate events.

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NOAA is leveraging IRA funding to invest up to \$45 million to advance coastal habitat restoration in underserved and tribal communities as well capacity building support for coastal resilience strategy development.

- Allow qualified organizations to form regional partnerships to develop training programs that build in-demand skills, offer wraparound services that allow workers to successfully enroll in and complete training, and enter or advance into good jobs that enhance climate resilience through NOAA's Climate-Ready Workforce (CRW).

**5. Expand opportunity and discovery through data capture to inform and evaluate actions that improve community outcomes.**

*Past and recent research like the [2030 Census Request For Information](#) has documented the need for and importance of Census Bureau efforts to improve coverage rates for Historically Undercounted Populations (HUPs). For instance, in 2022, the Census Bureau released results from the [Post Enumeration Survey and Demographic Analysis](#), which produced estimates showing that the 2020 Census undercounted some populations (e.g., the Black or African American population, the American Indian or Alaska Native population living on a reservation, young children 0 to 4 years old, etc.). To address these barriers and others, Commerce will:*

- Continue Census 2030 preparations with special attention to HUPs. The 2030 Census research and testing program prioritizes innovations focused on enumerating HUPs, including research and testing focused on hard-to-count populations. Research areas include, but are not limited to, improving census response rates that improve data quality and reduce respondent burden.

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- To help improve the quality and usefulness of measuring business owners' demographic characteristics, the Census Bureau is producing hybrid data products that utilize survey response data and administrative records to develop total business ownership by demographics – including but not limited to data on employment, revenue, and exporting data for women, minority, veteran, LGBTQIA+, and disabled-owned businesses.
- Establish a [Federal Statistical Research Data Center](#) (FSRDC) in Puerto Rico to provide the opportunity to understand better the economic, health, and social conditions affecting the Commonwealth, which would enhance the ability of federal and local officials to make decisions. Additionally, provide the Puerto Rican research community equitable access to the wealth of federal restricted-use data available through the FSRDC network to help develop statistical capacity and collaboration building on the island.



## What Commerce accomplished

Below is a sampling of Commerce's progress delivering on equity and racial justice since its first Equity Action Plan in 2022.

- ***Allocated more than \$42 billion for broadband construction, improvements, and access.***  
\$42.45 billion in funding allocated for the [BEAD](#) program to deploy or upgrade broadband networks to ensure everyone in America has access to reliable, affordable, high-speed Internet service; nearly a billion dollars in [Middle Mile](#) (MM) program grants allocated across 36 organizations across 40 states and territories to support the construction, improvement, or acquisition of middle-mile infrastructure and \$288 million in [Broadband Infrastructure Program](#) (BIP) funds awarded to 14 recipients to begin breaking ground this year through partnerships between states and Internet service providers to expand Internet access to areas without service, especially rural areas.
- ***Launched the Capital Readiness Program (CRP) with \$125 million.***  
[CRP](#) funding will support business incubators or accelerators to prepare underserved entrepreneurs and business owners to secure capital from the \$10 billion State Small Business Credit Initiative and other capital sources.

What Commerce accomplished

- ***Launched new programs to make services, data, and science accessible.***

Launched the [First-Time Filer Expedited Examination Pilot Program](#) focused on first-time patent filers who are individuals or small businesses qualifying as a “micro entity,” particularly those from underrepresented and / or under-resourced groups, and launched the [Community Resilience Estimates](#) program that helps measure the abilities of communities to absorb the external stresses of a disaster or shock and provides users with a dashboard and data to understand the social vulnerability of their communities.

- ***Made available nearly \$535 million in [Justice40 Initiative funding](#) for technical assistance and capacity building.***

Through the [Urban Heat Island Mapping](#), Community Climate Studies Program, and the [Climate Adaptation Partnerships Program](#), funds will help center environmental justice in the Department’s decision-making, NOAA conducted two technical assistance outreach events, five tribal Consultations, and addressed 50 related requests for information and listening sessions.

- ***Allocated approximately \$1.3 billion in funding for better support to rural and tribal communities and Minority Serving Institutions (MSIs).***

Efforts include \$980 million in additional funding through the [Tribal Broadband Connectivity Program](#) to support Tribal governments in bringing high-speed Internet service to Tribal

What Commerce accomplished

lands, including telehealth, distance learning, affordability, and digital inclusion initiatives; \$100 million in [Indigenous Communities](#) program funding awarded to 51 recipients in 25 states and the Commonwealth of the Northern Mariana Islands to support the needs of tribal governments and Indigenous communities; \$268 million in [Connecting Minority Communities Pilot Program](#) grant funding to 43 Historically Black Colleges and Universities (HBCUs), five Tribal Colleges and Universities (TCUs), 31 Hispanic-Serving Institutions (HSIs), and 21 MSIs to purchase broadband Internet service and eligible equipment or to hire and train information technology personnel, to upgrade classroom technology, and to increase digital literacy skills.

● ***Addressing harmful biases throughout the Artificial Intelligence (AI) system lifecycle.***

In May, NIST and the National Science Foundation (NSF) launched the Institute for Trustworthy AI in Law and Society (TRAILS), a partnership between the University of Maryland, George Washington University, and Morgan State University. NIST and NSF will invest \$20 million over five years for TRAILS to focus on how ethics and human rights can drive AI development and governance. Importantly, a key pillar of TRAILS will be input and feedback from marginalized communities.