

Tipping Points®

EMERGENCY ECONOMIC STABILIZATION ACT OF 2008 INCLUDES R&E AND ALTERNATIVE ENERGY TAX “EXTENDERS”: Congress finally passed — and President Bush immediately signed — the *Emergency Economic Stabilization Act of 2008* on October 3, following a “down to the wire” 263-171 vote. The Senate passed the measure 74-25 on October 1. Approximately 5,578 of 32,000 “Friends of ASTRA” weighed in on the issue, voicing their own individual opinions...

Of importance to many in the science, engineering and technology community are provisions that extend the **Research and Experimentation (R&E) tax credit** for through December 31, 2009 (it had expired December 31, 2007) and various **Alternative Energy tax credits**, including a one-year extension of the expiring tax credit for wind projects, an eight-year extension of expiring investment tax credits for residential and commercial solar projects, and new tax incentives for plug-in hybrid vehicles, credits to support carbon capture and storage, refining oil shale and oil sands, and changes to biodiesel provisions.

The massive document, known as H.R. 1424, can be downloaded from <http://www.usinnovation.org/files/EmergencyEconomicStabilizationActof2008.pdf>

CONGRESS PASSES CONTINUING RESOLUTION (C.R.) THROUGH MARCH 2009 — SCIENCE FUNDING FLAT: Science funding will be flat through March 2009 following passage of a **Continuing Resolution (C.R.)**, H.R. 2638, on September 30 that kept the federal government in business. Fiscal Year 2009 began on October 1, and without passage of the C.R. government operations would have shut down.

Because of partisan rancor and an impasse between the Congressional Democratic Leadership and the White House, it was agreed to “punt” budget decisions into the next Administration.

Democrats conceded to Republican demands to open up off-shore oil drilling as part of the *Economic Stabilization Act* (see above). The drilling controversy had been one key stumbling block to passing the appropriations bills earlier. Most agencies must now wait until March to find out what their FY 2009 budgets will be.

It is possible that a Lame Duck session of Congress, post-November 4, could intervene in this decision, or other action could be taken sooner, but it is highly unlikely. \$600 billion in full-year funding for the **Departments of Defense, Homeland Security and Veterans Affairs**, including military construction activities, are the exceptions to this uncertainty. Congress passed separate bills related to these agencies and functions.

EMERGENCY SUPPLEMENTAL FUNDING FOR FY 2008 DOE, NSF, NIH SPENDING NIXED IN CONTINUING RESOLUTION: Among the “victims” of the flat funding provisions of the Continuing Resolution are agencies like the **Department of Energy’s Office of Science**, the **National Science Foundation**, and the **National Institutes of Health**. Along with several other agencies, they had been promised emergency supplemental funding in a Department of Defense Supplemental bill passed earlier this year. According to Congressional sources, this emergency supplemental money for FY 2008 has now been taken off the table by the “flat funding” directive of the C.R.

NATIONAL ACADEMIES REPORT ON ENSURING THE BEST SCIENCE & TECHNOLOGY PRESIDENTIAL APPOINTMENTS IN THE NEW ADMINISTRATION: The **National Academies of Science** have issued an important study of the Presidential appointments process.



for science and technology agencies and made recommendations for the next Administration. Both the **McCain** and **Obama** Transition Teams have reportedly received copies of the document. See <http://www.usinnovation.org/files/BestPresidentialAppointmentsfromNAS908.pdf>

SILICON VALLEY ENTREPRENEUR WARNS OF U.S. INNOVATION SLOWDOWN: **Judy Estrin**, former CTO of Cisco Systems and founder of four technology companies, warns that Silicon Valley and the U.S. as a whole are not fostering the kinds of innovation needed to stay competitive and maintain economic growth. See details at <http://www.iht.com/articles/2008/09/01/technology/01estrin.php>

NIST TECHNOLOGY INNOVATION PROGRAM (TIP) SEEKS SUGGESTIONS FOR FUTURE R&D FUNDING AREAS: The new **Technology Innovation Program (TIP)** at the **National Institute of Standards & Technology (NIST)** is requesting your ideas on future R&D funding. See details at <http://www.usinnovation.org/files/NISTR&DFundingAreas100708.pdf>

RAND STUDY ON U.S. COMPETITIVENESS & TECHNOLOGY CHALLENGED BY ITIF EXPERTS. The **International Technology & Innovation Foundation** has issued a critique of the RAND Corporation's recent assessment of U.S. competitiveness and innovation capacity. ITIF experts **Dr. Rob Atkinson** and **Stephen Ezell** concede that the RAND study is accurate in concluding that the U.S. *currently* holds leads in many key innovation and competitiveness indicators, but it ignores the future and the trend lines. They cite the other problems in the study, which has challenged some of ASTRA's arguments in competitiveness and innovation policy debates:

- 1) Framing the wrong fundamental question regarding the S&T competitiveness debate;
- 2) Providing an incomplete historiography of U.S. S&T policy development, particularly policies developed in response to previous challenges to U.S. S&T competitiveness;
- 3) Using inappropriate or incomplete benchmark metrics to assess U.S. S&T and economic competitiveness;
- 4) Under-emphasizing within the report a number of indicators that clearly demonstrate trends of weakening U.S. S&T competitiveness;
- 5) Failing to include certain key measures needed to deliver a true assessment of U.S. S&T competitiveness; and
- 6) Using available time-series data sets – ending by 2003 at the latest in most cases – that are not reflective of the competitive challenge that has emerged since 2000 and do not adequately reflect the competitive landscape of mid-2008.

For details, see <http://www.usinnovation.org/files/RANDRoseColoredGlasses.pdf>

EDUCATION IS THE KEY TO THE 21ST CENTURY by Donald E. Purcell, courtesy of the **Standards Engineering Society**. For Dr. Donald E. Purcell's take on the vital role that multi-disciplinary education will play in the 21st Century world economy, see http://www.aboutastra.org/pdf/Education_Key_to_the_21st_Century.pdf

Video for Kids+ from the Futures Channel: *Water Tanks — Computing the Volume of a Cylinder*. The Futures Channel, a new ASTRA partner, provides the excellent videos for science and math teachers — check out their Site, and a sample video at http://www.thefutureschannel.com/dockets/insights/volume_cylinder/

LOS ALAMOS & SANDIA = NATIONAL R&D TREASURES: *Business Week* looks at the importance of the famous national weapons labs and their role in assisting industry research and spinning off start-ups. See http://www.businessweek.com/magazine/content/08_38/b4100062751339.htm?chan=magazine+channel_special+report

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