

155th CONGRESS
1st Session

H.R. 14

To incentivize the production of semiconductors in the United States, as well as the expansion of the semiconductor producing industry across the United States to compete with the rest of the world as well as our adversaries, like China, and to begin making America more self-sufficient.

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES

August 8th, 2022

MR. JONES (For Himself) reported the following bill;

A BILL

To incentivize the production of semiconductors in the United States, as well as the expansion of the semiconductor producing industry across the United States to compete with the rest of the world as well as our adversaries, like China, and to begin making America more self-sufficient.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION I: SHORT NAME

- (a) This Act may be cited as the “Creating Helpful Incentives to Produce Semiconductors in America Act” or the “CHIPS Act”.

SECTION II: FINDINGS

This Congress finds the follows;

The United States has been falling behind in years in terms of semiconductor production, including countries like China,

WHEREAS, the United States imports a large majority of semiconductors used in industries across the U.S. from countries like;

- (a) People's Republic of China
- (b) Republic of China (or Chinese Taipei)
- (c) Malaysia
- (d) Japan
- (e) Republic of Korea
- (f) Republic of Singapore
- (g) The Republic of the Philippines
- (h) Kingdom of Thailand
- (i) Socialist Republic of Vietnam
- (j) and others

WHEREAS, in the event of tariffs, sanctions, or possible conflict China, or other nations, may restrict the export of semiconductors to the United States which would hurt America jobs in;

- (a) Computer and peripheral equipment manufacturing
- (b) Consumer electronics
- (c) Telecommunications
- (d) Industrial electronics
- (e) Defense and space industry
- (f) Transportation technologies

WHEREAS, the United States lacks behind in semiconductor producing, only producing 5.61% of the world’s semiconductors as of 2016,

WHEREAS, the United States has continually been a declining power in semiconductor producing nations in the past few decades,

THEREFORE, it is essential the United States Congress incentivizes the increase in the production of semiconductors in the United States to establish self-sufficiency and protect the national defense and industries in the United States from potentially detrimental effects of the importing of semiconductors.

SECTION III: INCENTIVES

- (a) The United States Federal Government shall incentivize semiconductor production in the United States.
- (b) At least \$100 billion a year shall be set aside each year in the United States fiscal budget to provide funding for these incentives;
 - (i) This amount may be increased or decreased if needed.
- (c) An incentive of \$5 million per every 100 expected jobs to be created shall be given to companies that may begin producing semiconductors in the United States.
 - (i) \$1.5 million in additional incentives shall be given per every 10,000 square feet of industrial buildings constructed.
 - (ii) \$500,000 in additional incentives shall be given for every 500 additional support jobs generated by each semiconductor plant.
 - (iii) \$250,000 in additional incentives shall be given for every \$1 million in revenue generated from each semiconductor plant.
 - (iv) \$100,000 in additional incentives shall be given for every 1% of economic growth and development generated by each semiconductor plant.
- (d) Only companies that are headquartered in the United States can apply for these incentives.
- (e) Companies that are seeking to qualify for these incentives must commit to running the factories entirely inside the United States for at least 50 years.