

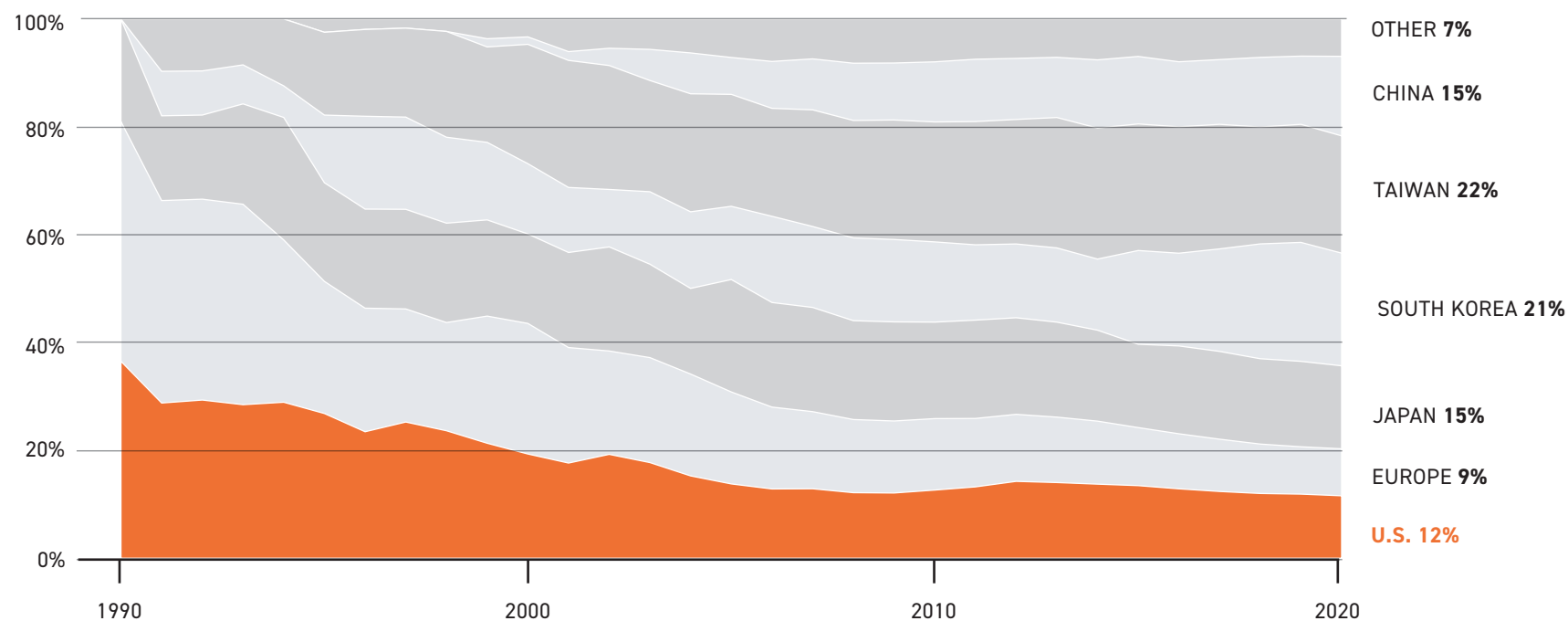
Feb. 15, 2022

The state of semiconductor manufacturing in the U.S.

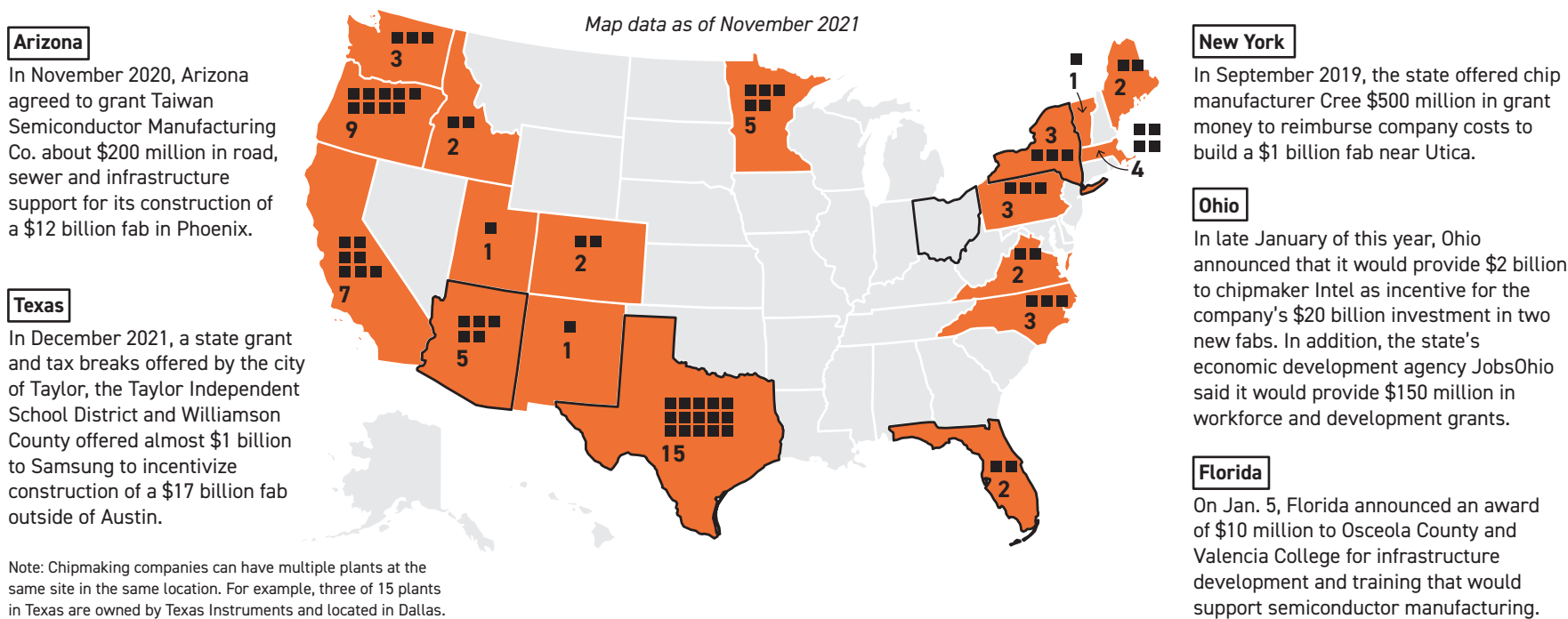
The United States made 12 percent of semiconductor chips produced worldwide in 2021, down from 37 percent in 1990. The change took place gradually as Asian countries — most notably Taiwan and South Korea — invested heavily in manufacturing and production of semiconductors. The House has proposed to increase semiconductor production domestically by offering \$52 billion in chip subsidies via the America COMPETES Act, now in conference with the Senate. Some states have also been offering incentives to lure more chipmakers to their jurisdictions.

A small share of semiconductor chips are made in the United States

SHARE OF MANUFACTURING CAPACITY (PERCENTAGES MAY NOT ADD UP TO 100 DUE TO ROUNDING)



70 chipmaking plants are in the U.S., and some states are trying to increase that number



House proposal includes federal subsidies to expand chip manufacturing in U.S.

The America COMPETES Act, as passed by the House, would allow the federal government to carry out provisions of the National Defense Authorization Act of 2021 to support domestic expansion of fab plants and ensure secure development, production and adoption of chips.

CHIPS for America Fund FOR FISCAL YEARS 2022 THROUGH 2026

\$50.2 billion

To carry out sections 9902 and 9906 of the National Defense Authorization Act of 2021: The funds would incentivize investment in U.S. fabs, chip research and development.

\$2 billion

To carry out section 9903 of the NDAA: The funds would incentivize companies to group together to secure chip development and production with the Department of Defense, the intelligence community and critical infrastructure sectors.

\$500 million

To carry out sections 9905 and 9902(a)(2) of the NDAA: The funds would be used to secure international information and communications technology and semiconductor supply chain activities.