

FACT SHEET:

Biden-Harris Administration's CHIPS for America Program Supports Small Businesses

As part of President Biden's Investing in America agenda, the bipartisan CHIPS and Science Act is bringing manufacturing and supply chains back to the United States, creating good-paying jobs, and revitalizing communities previously left behind. CHIPS for America is committed to unlocking the full potential of America's labor force to ensure that CHIPS funding creates economic opportunities for all as we build a vibrant and inclusive semiconductor industry in the U.S.

This includes building opportunities for all businesses, including small businesses, minority-owned, women-owned, and veteran-owned businesses. It also includes creating and expanding manufacturing and innovation clusters across the country with investments that revitalize local economies, strengthen supply chains, and generate broad-based benefits for communities.

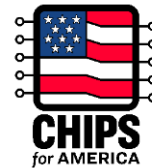
In particular, to support small businesses and grow regional clusters, CHIPS for America is:

- Requiring applicants to document the broader impacts of their proposed project as part of the holistic review, including how they intend to address the inclusion of small businesses, minority-owned businesses, veteran-owned businesses, and women-owned businesses through a supplier diversity plan.
- Creating a Teaming Partner List so small businesses that may not be eligible to apply on their own can sign up and partner with applicants to share information, foster collaboration, and advance shared goals.
- Developing an application process for smaller-scale supply chain projects in a forthcoming funding opportunity for the construction, expansion, or modernization of semiconductor materials and manufacturing equipment facilities with capital investments below \$300 million

ECONOMIC OPPORTUNITY FOR ALL SUPPLIERS

For the U.S. semiconductor industry to succeed, we must create economic opportunity for all suppliers, including historically and economically disadvantaged communities and businesses. As a key part of President Biden's Investing in America agenda, CHIPS for America is making sure communities and small businesses previously left behind can reap the economic benefits of growing U.S. semiconductor manufacturing.

CHIPS for America asks applicants to submit a robust outreach plan to reach and partner with small and diverse businesses as part of its holistic review process. As part of documenting the broader impacts of a proposed project, the Department asks applicants how they are "creating inclusive opportunities for businesses" by addressing the inclusion of small and diverse strategic partners, suppliers, contractors, or subcontractors.



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Supplier diversity is a business strategy built on the inclusion of diverse-owned businesses in the procurement of goods and services within an organization. A [diverse supplier](#) is a business that is at least 51% owned by an individual or group who belong to a traditionally underrepresented or underserved group, including women, veterans and other economically disadvantaged groups. Bringing diverse suppliers into the fold creates good-paying jobs, supports regional economic development, and strengthens supply chain resilience across the country.

CHIPS for America intends to release further information related to supplier diversity in the coming months.

TEAMING PARTNER LIST

CHIPS for America has also debuted a “Teaming Partner List” that provides opportunities for small businesses to connect with applicants and explore avenues for partnership and collaboration. This list is open to small businesses that may not be eligible to apply for funding on their own but are nonetheless interested in supporting applicants and advancing the objectives of the CHIPS Act. Such entities might include educational and workforce training providers; childcare providers; organizations that engage or support minority-owned, women-owned, and veteran-owned businesses; community-based organizations; labor unions; and others.

The CHIPS Program Office is not endorsing, sponsoring, or otherwise evaluating the qualifications of the entities and organizations that have self-identified for placement on the list. Entities seeking to use the list are advised to conduct their own due diligence of any entity they contact through it.

[Fill out this form](#) to be added to the CHIPS for America Teaming Partner List.

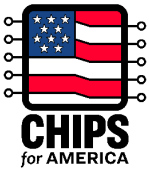
[Click here](#) to access the CHIPS for America Teaming Partner List. This Excel sheet can be filtered by organization type, area of service, and other fields.

FUNDING OPPORTUNITY: SMALLER SUPPLY CHAIN PROJECTS

CHIPS for America is also releasing a dedicated funding opportunity for smaller projects in fall 2023. This funding opportunity will be open to potential applicants seeking to construct, expand, or modernize facilities for semiconductor materials or manufacturing equipment for which the capital investment falls below \$300 million. The Department will seek applications that advance any of the three goals outlined in its [Vision for Success](#) for investments in these facilities: (1) strengthening supply chain resilience, (2) advancing U.S. technology leadership, and (3) supporting vibrant U.S. fab clusters. For projects advancing the third goal in particular, the Department will encourage suppliers to consider applying as part of a consortium that promotes the development and sustainability of semiconductor clusters.

Successful consortia might include multiple suppliers, one or more state or local government entities, and an anchor institution such as a semiconductor fab. Consortia may also include workforce providers, labor unions, economic development corporations, institutions of higher education, philanthropic foundations, industry organizations, or other relevant entities. One example of a strong consortium could be a science park in which state or local government entities provide land, shared utilities and infrastructure, streamlined permitting, and incentives to a group of suppliers located near a fab. The Department expects that large-scale investments by fabs will naturally result in the organic development of a proximate upstream supply chain and intends to reserve its funding to support investments that would not happen without CHIPS funding.

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The funding opportunity for smaller projects will include an application process designed for smaller businesses. The application process will include two primary phases. In the first phase, applicants will be asked to submit a concept plan describing how the proposed project addresses core program priorities. The Department will then invite a certain number of promising applicants to the second phase, where they will have the opportunity to submit a full application.

The Department will announce more details about the application process and timeline later this year. For general inquiries regarding the second funding opportunity, email askchips@chips.gov.

For more details, check out the June 23, 2023, webinar “[CHIPS Strategic Vision and Application Process for Semiconductor Supply Chain Projects.](#)”

Guides and templates for the streamlined funding opportunity will become available in the fall of 2023. See [here for current guides and templates](#), such as the [Pre-Application Sources and Uses Template](#) and the [Pre-Application Financial Model](#) and [accompanying White Paper](#).