



Building Chips in America Act

The *Building Chips in America Act*, reintroduced as Kelly amendment 985 to the National Defense Authorization Act (NDAA), will maximize the benefit of the CHIPS Act incentives to bring microchip manufacturing back to America while maintaining our bedrock environmental laws that protect clean air and water.

Since the CHIPS for America Act programs were enacted in early 2021, companies throughout the semiconductor supply chain have announced plans to invest billions in new domestic manufacturing projects. However, as currently implemented, CHIPS Act direct financial incentives and investments in research and development programs will be considered major federal actions under the National Environmental Policy Act (NEPA), requiring each project to undergo a NEPA review.

This includes projects that have already received the environmental permits required under federal and state law and begun construction. Left unaddressed, the NEPA requirements threaten to delay semiconductor manufacturing projects already under construction and discourage future investments in domestic semiconductor manufacturing, undermining efforts to strengthen our national security and grow our economy.

The *Building Chips in America Act* streamlines federal permitting requirements to make sure they can be completed for new, large-scale, and incentive-driven manufacturing processes that are creating high-paying jobs and lowering costs by:

- Establishing the Department of Commerce as the lead federal agency to carry out NEPA reviews for any CHIPS Act project deemed to be a major federal action.
- Clarifying that certain CHIPS Act projects are not major federal actions and therefore not subject to NEPA review, including those that have or will receive necessary federal and state permits and will begin construction within the next year; expansions of existing sites that do not more than double the size of the site; and projects where the federal assistance does not account for more than 10% of the cost of the facility.
- Granting the Secretary of Commerce greater tools to more effectively and efficiently carry out federal reviews, including through partnering with state and local governments on completing environmental reviews.

Cosponsors of Senate Amendment Kelly 985: Cruz (R-TX), Young (R-IN), Hagerty (R-TN) Brown (D-OH), Heinrich (D-NM), Sinema (I-AZ), Budd (R-NC)