

REVEREND  RAPHAEL
WARNOCK
U.S. SENATOR *for* GEORGIA

TO: Interested Media
FROM: Michael J. Brewer, Communications Director
RE: REPORTER MEMO: Impacts of Bipartisan Chips & Competition Legislation on Georgia
DATE: Tuesday, July 26, 2022

OVERVIEW: Georgia's economy stands to win big from final passage of the bipartisan competition bill in the coming days, and U.S. Senator Reverend Raphael Warnock (D-GA) has been a key figure in advancing this critical legislation through Congress that will create local jobs in Georgia and help lower rising costs by strengthening broken supply chains.

- As a member of the Senate Commerce Committee and one of the negotiators of the final text of the bipartisan competition legislation, since April 2021 Senator Warnock has pushed for strong investments to boost the nation's semiconductor manufacturing capacity and spur new developments in science and innovation to keep the United States economically competitive with global actors like the Chinese Communist Party.

TOPLINES: HOW THE BIPARTISAN COMPETITION BILL WILL SUPPORT GEORGIA JOBS & INNOVATION

1. **Chips:** The bill contains roughly \$52 billion in investments and tax incentives that will boost the production of semiconductors, or chips, in the United States—helping lower costs on everyday goods by tightening broken international supply chains. Additionally, \$2 billion of this funding will focus exclusively on legacy chip production, a provision championed by Senator Warnock that will specifically benefit Georgia automakers like KIA, whose West Point, GA facility **employs roughly 2,700 Georgians** and has experienced work stoppages due to the national semiconductor shortage. These investments will help sustain those jobs by preventing another work stoppage at the plant because of a lack of chips.
2. **Suppliers:** At Senator Warnock's urging, the bill contains language making other suppliers in the semiconductor industry eligible for these federal chips investments. This will benefit economic engines like SKC Group's [forthcoming](#) high-tech facility in Covington, Georgia that will manufacture glass-based substrates for semiconductor chips, creating an estimated **400 new jobs** in Newton County.
3. **Small Business:** The bill triples funding to a program that **supports small- and medium-sized manufacturers** with cybersecurity, workforce training, and supply chain resiliency, to a total of \$2 billion, and creates a National Supply Chain Database to assist businesses with supplier scouting and to help minimize supply chain disruptions.
4. **Research:** As part of strengthened investments in the National Science Foundation (NSF) totaling \$81 billion over five years, Senator Warnock secured substantial funding to **strengthen research capacity at Georgia HBCUs and other small institutions** that don't have the resources to compete with larger institutions for federal research dollars. These key investments will help institutions like Savannah State University, [Middle Georgia State University](#), [Columbus State University](#) and more get their fair share of federal research dollars to grow new jobs, bring new innovations to market and create new economic opportunities.

5. **Workforce:** The bill makes major investments through NSF in STEM education to **train workers for the jobs of the future**, including increasing access to STEM education opportunities in rural schools and providing rural educators with the resources they need to teach more effectively, as modeled by the *Rural STEM Education Act*, cosponsored by Senator Warnock.
6. **Regional Tech Hubs:** The bill also directs NSF to use \$10 billion to create at least 20 “regional technology hubs” that will focus on technology development, job creation, and expanding America’s innovation capacity. These investments build on existing workforce and infrastructure investments to develop new economic opportunities within the region. According to researchers, **Georgia cities like Atlanta, Savannah, Columbus and Macon are all prime candidates for investments to become new regional technology hubs**, funding which will help create new local jobs and training opportunities for hardworking Georgians.

TIMELINE: KEY MOMENTS IN SENATOR WARNOCK’S LEADERSHIP TO BOOST U.S. SEMICONDUCTOR PRODUCTION

- **April 14, 2021:** Senator Warnock raised the issue of the U.S. semiconductor shortage and its impact on Georgia companies like KIA during an April 14 Senate Commerce Committee hearing. Senator Warnock questioned the [hearing witnesses](#) about the importance of investing in semiconductor production capacity to help keep U.S. manufacturers competitive, and keep local workers on the job.
- **May 12, 2021:** Senator Warnock [voted](#) to advance an early version of the competition bill out of the Senate Commerce committee, successfully [securing](#) provisions in the bill to address the specific impact of the U.S. semiconductor shortage on automakers like KIA, direct the Department of Commerce to investigate the semiconductor shortage, and authorize a new Government Accountability Office (GAO) report that will tackle the national chip shortage by identifying gaps in the semiconductor supply chain.
- **May 21, 2021:** Senator Warnock joined his fellow Georgia Senator Jon Ossoff (D) in [pushing](#) Senate leadership to swiftly pass an updated version of the competition bill to boost American semiconductor manufacturing and alleviate the chip shortage affecting the West Point KIA facility.
- **June 2, 2021:** Senator Warnock [visited](#) the West Point KIA facility during his *Jobs for Georgia Tour*, only two days after the facility experienced a two-day work stoppage. During his visit, the Senator heard directly from KIA leaders and workers about the detrimental effects of the semiconductor shortage on their plant.
- **June 8, 2021:** Shortly after visiting the West Point KIA facility, Senator Warnock helped lead the Senate in [passing](#) the competition bill with strong investments to promote and fund U.S. chip production.
- **October 20, 2021:** Senator Warnock secured a commitment from Dr. Laurie Locascio, then a nominee to become Director of the National Institute of Standards and Technology at the Department of Commerce, to investigate the impact of the domestic semiconductor shortage on Georgia businesses, highlighting the challenges Georgia-based companies like the West Point KIA facility and the NCR Corporation have encountered because of shortage.
- **December 13, 2021:** Senator Warnock joined Commerce Secretary Gina Raimondo to announce an initial \$500,000 award to a coalition led by Georgia Tech to develop a local manufacturing corridor in Atlanta—a pilot program of the competition bill’s directive to develop regional technology hubs.

- **February 1, 2022**: Senator Warnock urged leaders in the House of Representatives to pass companion legislation to the Senate-passed competition bill, emphasizing the importance of investing in making more chips in the U.S and investing in HBCUs to strengthen the country’s workforce. Senator Warnock successfully pushed to include more funding for HBCUs in the House legislation; shortly after, the House passed the measure with bipartisan support.
- **March 23, 2022**: Senator Warnock questioned Intel Corp. CEO Pat Gelsinger and other witnesses about the urgent need to pass legislation to invest in semiconductors as a means to boost U.S. economic competitiveness during a Senate Commerce Committee hearing.
- **April 7, 2022**: Senator Warnock was tapped by Senate leaders to represent Georgia in negotiations between the U.S. Senate and House to finalize bipartisan, bicameral competition legislation.
- **April 27, 2022**: Senator Reverend Warnock questioned Commerce Secretary Gina Raimondo at a Senate Commerce Committee hearing about how quickly the competition bill will help ease supply chain issues for Georgia families and provide relief from rising costs; Secretary Raimondo affirmed that passing the competition bill is the “single most important” step Congress can take to drive down rising costs.
- **May 4, 2022**: After speaking on the Senate floor, the Senate unanimously approved a motion by Senator Warnock instructing the negotiators on the final competition bill to bolster research capacity at HBCUs, which will create jobs and strengthen Georgia’s workforce by increasing access to federal research funds for local schools like Savannah State.
- **May 10, 2022**: Senator Warnock and members of his staff met with senior leaders from Kia Georgia and Kia America in Washington, D.C., where they discussed the importance of the Senator’s work to strengthen chip manufacturing in the U.S. to their operations in Georgia and across the nation.
- **May 12, 2022**: In the opening hearing of the bipartisan, bicameral committee to finalize the competition bill text, Senator Warnock outlined his priorities for Georgia in the legislation, including the urgency of investing in U.S. semiconductor manufacturing to lower costs and support Georgia jobs.
- **June 23, 2022**: Senator Warnock submitted letters to the Congressional record for several Georgia companies and higher education institutions underscoring the urgent need to pass the competition bill, including letters from Georgia Institute of Technology, the Georgia Chamber of Commerce, the Metro Atlanta Chamber of Commerce, the Greater Columbus Chamber of Commerce, and the LaGrange Troup County Chamber of Commerce.
- **July 15, 2022**: Senator Warnock urged Senate leadership to immediately address stalled progress on the competition bill, known in the Senate as the U.S. Innovation and Competition Act (USICA), laying out the economic and national security liabilities of Congress delaying passage of the legislation.
- **July 19, 2022**: Senator Warnock delivered a speech on the U.S. Senate floor calling on his colleagues to quickly pass a targeted version of the bipartisan competition legislation prioritizing investments in increasing the nation’s chip supply, creating regional technology hubs, and strengthening STEM education in every corner of Georgia.

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