

SUPPORTING STATEMENT
U.S. Department of Commerce
National Institute of Standards and Technology
CHIPS Statement of Interest Information Collection
OMB Control No. 0693-XXXX

SUPPORTING STATEMENT PART A

Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The CHIPS Incentives Program is authorized by Title XCIX—Creating Helpful Incentives to Produce Semiconductors for America of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116-283, referred to as the CHIPS Act or Act), as amended by the CHIPS Act of 2022 (Division A of Pub. L. 117-167). The CHIPS Incentives Program is administered by the CHIPS Program Office (CPO) within the National Institute of Standards and Technology (NIST) of the United States Department of Commerce (Department). As part of the application process, applicants must submit a statement of interest available at <https://applications.chips.gov/> at least 21 days before submission of a pre-application or application.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

A potential applicant must submit a statement of interest with a brief description of the proposed project. The purpose of the statement of interest is to gauge interest in the program and enable CPO to plan for application review. CPO requires the submission of statements of interest a minimum of 21 days before proceeding to the next step in the application process.

Data elements include:

- Name of potential applicant organization and contact information
- Estimated date of submission of a pre-application or full application
- Basic project information, which will be elicited through multiple-choice questions and specific fields in the statement of interest form, including nature of project and potential scope

The form is available and will be submitted electronically at <https://applications.chips.gov/>.

This information will be collected once per respondent per site location. If an entity is planning to apply for separate instances of assistance for separate locations, then one SOI per location would be required.

There is no plan to share this information with any other agency other organizations inside or outside the Department of Commerce or the government at this time.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Applications must be submitted electronically at <https://applications.chips.gov/>.

The SOI will consist of a series of questions presented to registered users via a web form. Question types will include basic contact information, picklists, cost estimates, and brief project narratives. This method was chosen to reduce applicant burden by eliminating redundant entries to the greatest extent possible and consolidating entries into one online form.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

Not applicable as this is a new program.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

The CHIPS portal is designed to facilitate CHIPS program interactions and application submissions and provide a customer-friendly interface to reduce the burden on CHIPS stakeholders. The process of the Statement of Interest is one portion within a larger system. The CHIPS system has multiple modes of reducing burden to the applicant:

- 1) Conditional questions – when applicable, customers will only see questions necessary, based on their responses to previous questions.
- 2) Reusable information – all of the applications are programmed on the same platform, allowing the use of information supplied in one application to be available to the others. Once an applicant provides their company or contact information in one portion of the larger system, the Incentives application will pre-populate the details anywhere that information is needed so that users do not have to type the same information multiple times.
- 3) Just in time automation - certain sections of the applications will unlock for the users only after applicants have passed certain gates, so that they are not providing more information than necessary at any step in the application process.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

Collection of statements of interest will allow the CPO to gauge interest in the program and the types of projects and applicants applying, and appropriately prepare staffing to review applications. The complexity of future applications and the resultant need for early interaction with potential applicants is essential to the success of the program. Without a way to identify potential customers, the process of preparing the infrastructure needed to support those submissions would be uneducated and potentially result in significant delays, risking program success. Additionally, interactions via this application portal will help reduce the burden on customers. Having a forum that allows customers to identify themselves to the program office allows for early interaction and more opportunity for valuable interaction that has great potential to reduce issues when submitting applications to the program. The CHIPS Program remains committed to providing excellent service to stakeholders through the lifespan of the Act, and this information collection is critical to providing that standard of service in order to ensure overall success of the program.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: requiring respondents to report information to the agency more often than quarterly; requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; requiring respondents to submit more than an original and two copies of any document; requiring respondents to retain records, other than health, medical, government contract; grant-in-aid, or tax records, for more than three years; in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; requiring the use of a statistical data classification that has not been reviewed and approved by OMB; that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

Potential applicants are only required to submit one statement of interest per application. The results from these data collection activities are not intended for general publication, however the results will/may be disseminated to CHIPS or DOC staff, and key federal policy and management officials.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

A Federal Register Notice (FRN) with minimal comment period soliciting public comments was published on Wednesday, February 8, 2023 (Vol. 88, Number 26, page 8259).

Comments received and responses:

Comment:

Could you provide clarity around how much time will be required between submitting an SOI and submitting a pre-application or full application? In the Federal Register published on February 8, it states applicants must submit an SOI "at least 30 days before submission of a pre-application", but in the instruction document submitted to OIRA for review it states an "SOI is required for all applicants and must be submitted a minimum of twenty-one days prior to a pre-application or full application submission."

Response:

CPO has settled on requiring a minimum of 21 days between the SOI and the next submission, whether pre- or full application.

Comment:

It has previously been stated this will be a two-stage application process and applicants can receive feedback on preliminary proposal ideas before submitting final applications. However, one of the proposed questions in the draft SOI asks, "Do you expect your next submission to be a pre-application or full application?" Are pre-applications going to be at an applicant's discretion? Will the Department of Commerce accept pre-applications and applications on a rolling basis, will there be certain deadlines for all pre-application and application submissions, or something in between with multiple submission date options for each? If no pre-application will be required, what is the benefit of submitting a pre-application rather than moving directly into the final submission phase? Does the department still intend to provide feedback on applications prior to final submission, if so, what will that process look like?

Response:

Pre-applications are not required and are at the applicant's discretion. The benefit of the pre-application is the ability to receive substantive feedback on a potential application prior to submitting a full application. Both pre-applications and full applications will be accepted on a rolling basis for all nodes. The process for receiving feedback at other stages will be addressed in the forthcoming NOFO.

Comment:

In the Draft Statement of Interest, it is unclear the difference between "project" and "facility", in some areas it is suggested "project" equals all "facilities" built at the same site, while in other areas it is suggested a project should be defined as a single facility at a single location. How does the Department of Commerce define eligible "project" for which applicants seek financial assistance?

Response:

A project encompasses the activities for the construction, expansion, or modernization of a single facility. A single application may include multiple projects, provided the facilities involved are located at the same site; the projects can be proposed to be conducted simultaneously or sequentially.

Comment:

Uphold confidential business information throughout the application process

The "Statement of Interest Certifications" section (page 6) of the draft Statement of Interest notes that "DOC recognizes the importance of protecting confidential business information and will follow applicable laws to protect such information, including, for example, the CHIPS Act, the Trade Secrets Act, and the Freedom of Information Act." This section also refers respondents to Section IV.B. of the CHIPS-CFF NOFO, which is not yet publicly available, for further discussion of these laws.

We appreciate DOC's recognition of protecting confidential business information (CBI). The protection of CBI advances the national security and economic goals of the CHIPS Act by ensuring companies with meritorious project proposals will seek CHIPS funding, without jeopardizing their business plans. We are concerned, however, that the language in the SOI materials may be insufficient to assure potential applicants that the CBI provided in a Statement of Interest submission, and throughout the entire application process, will be maintained exclusively by the DOC and will not be disclosed without an applicant's consent. Applicants must be certain that their communications with DOC, their Statement of Interest, and other application materials – including, but not limited to, competitive information, such as investment plans – shared with DOC will be treated as confidential and are not subject to requests under the Freedom of Information Act. The disclosure of such information could harm the competitiveness of participating companies and act as a disincentive to engage in the CHIPS program.

To ensure that applicants for projects that will meet the goals of the CHIPS Act are fully incentivized to apply and provide information to DOC throughout the phases of the application process (including the Statement of

Interest), DOC should revise the Statement of Interest and accompanying materials to make it explicit that a company's correspondence and confidential information provided to DOC – including business plans, capital expenditures, projected output, target markets, etc. – will be protected from disclosure to competitors and the public. To the extent Commerce intends to publish information on the Statements of Interest submitted as part of this process, it should disclose information only on an aggregated basis and in a manner which ensures the security of confidential business information and notify the company of origin.

Response:

The Department received a comment requesting clarification of the SOI to include more information on the Department's obligation to protect a submitter's confidential business information. The Department takes seriously the need for robust protections of confidential business information. The Department has considered this comment and does not think that edits to this part of the SOI are needed as the clarifying information is contained in the CHIPS Incentives Program – Commercial Fabrication Facilities Notice of Funding Opportunity (CHIPS-CFF NOFO).

Comment:

The draft Statement of Interest seeks “Project Information” (page 3), including “Project(s) Description, i.e. description of the construction, expansion, or modernization activities for each proposed facility at a single location.” SIA requests clarification that the definition of a project for purposes of the Statement of Interest and the CHIPS application process may cover either an individual facility at a single location or multiple facilities, at the election of the applicant.

Under the CHIPS Act, both eligibility for a grant and the use of such funds are tied to the construction, expansion, or modernization of a semiconductor facility, rather than the development of a cluster of facilities.² Consistent with those provisions, as referenced in the CHIPS Act, a project is defined as “constructing, expanding, or modernizing a facility” “for the fabrication, assembly, testing, advanced packaging, production, or research and development of semiconductors, materials used to manufacture semiconductors, or semiconductor manufacturing equipment.”

Chipmakers will often co-locate multiple fab facilities at the same site for economic efficiency and flexibility in planning, or as multiple phases of a larger integrated facility. Commerce should recognize the large scale and long-term time horizon of some projects, while also ensuring that each individual facility at the same site is also eligible for grant consideration. The Department should also clarify other aspects for the submissions of Statements of Interest, including the following:

Response:

The Department has reviewed the suggestion and will maintain the definition of project as is.

a. Whether applicants should submit a single Statement of Interest for all proposed projects, or if a separate Statement of Interest should be submitted for each project.

Response:

This will be clarified in the SOI (multiple projects can be submitted in the same application, provided projects are in same location; more detail to follow in the NOFO).

b. Whether applicants proposing multiple projects should submit all Statements of Interest at once, or if submissions can be submitted at different times.

Response:

This will be clarified in the SOI (multiple projects can be submitted in the same application, provided projects are in same location; more detail to follow in the NOFO).

c. Whether all applicants for potential projects (including facilities for the manufacturing of equipment or materials, and R&D facilities, which DOC has indicated will be invited to submit applications at a later date) should submit Statements of Interest, or if projects outside the scope of the CHIPS-CFF NOFO should wait until future NOFOs are released.

Response:

The Department encourages all potential applicants for this NOFO or future NOFOs to submit SOIs. More detail will be found in the NOFO.

Comment:

Clarify timing of submitting a Statement of Interest

The Federal Register notice pertaining to the Statement of Interest Information Collection states: “Applicants must submit a statement of interest via a form available at <https://applications.chips.gov/> at least 30 days before submission of a pre-application.” However, the draft “Statement of Interest Instruction Guide” states, “An SOI is required for all applicants and must be submitted a minimum of twenty-one days prior to a pre-application or full application submission.”

SIA requests clarification and alignment regarding the discrepancy of the 21-day or 30-day minimum window between submitting a Statement of Interest and submitting a pre-application.

Response:

The correct period is 21 days and this is clarified in SOI.

Comment:

Clarify the definition of “meaningful” and “partner”

The Statement of Interest asks whether there are other entities (e.g., customers, suppliers, investors, advisors) that applicants anticipate partnering with in a meaningful way (page 2). SIA requests clarification on the information sought by DOC with respect to “meaningful” and “partner.” Is DOC seeking information about partners specifically for a CHIPS grant application, or more generally on partners involved in the project investment or ecosystem development? Potential projects might include numerous partnerships at the supplier and investor level, but it is unclear whether DOC seeks information in the SOI about all partnerships, or if DOC is seeking information solely regarding partnerships that intend to file a joint application. Clarification on the

types of meaningful partnerships will assist applicants in best completing the Statement of Interest with the information sought by DOC.

Response:

DOC seeks information in the SOI on partners that the applicant believes are meaningful participants in its project(s); not just those that intend to file a joint application

Comment:

While giving CPO time to plan and prepare, the process for an applicant to propose a CHIPS project remains unclear. Consequently, proposers have not been provided a corresponding ability to prepare and plan. We would encourage the CPO to address these specific points in its announcement:

a) The questions to be answered in the statement of interest form which were available for review did not include:

- a way for respondents to indicate its socio-economic category (e.g., Women-Owned Small Business, Service-Disabled Veteran-Owned, HUBZone, etc.)
- information on the method(s) by which the CPO will ensure the solicitation process creates inclusive and broadly shared opportunities for businesses and ensures measurable benefits to small and underrepresented businesses.

Response:

The Department appreciates this feedback and is confident that the Notice of Funding Opportunity (NOFO) will address the key components of the comment.

Comment:

We would like to ensure the CPO addresses security concerns associate with an invalid certificate associated with the URL (<https://applications.chips.gov>) for applications provided in the request for comment.

Response:

The Department takes information security seriously. The referenced application link is not available to external parties until the portal is released upon launch of the program.

Comment

We would like the CPO to affirm its intention to post all announcements relating to the statement of interest collection activity, pre-application, and solicitations on SAM.gov.

Response:

Thank you for your feedback. The Department will follow established processes to post financial assistance listings and associated information on SAM.gov as appropriate.

In order to ensure that the CHIPS meeting request and Incentives application solutions meet stakeholder needs, the CHIPS program has engaged in an extensive benchmarking and stakeholder consultation effort. The CHIPS Incentives Application Portal is modeled after a very similar grant application portal that was recently established by NTIA for broadband grants. The CHIPS portal incorporates many of the same features of the NTIA portal. The Statement of Interest is unique to the CHIPS Incentives application, and is intended to help assess program interest and facilitate the application process for applicants.

In addition to benchmarking, the CHIPS Program Office has engaged in extensive stakeholder outreach with the U.S. semiconductor industry, in order to ensure that the CHIPS Incentives solution is designed to meet their needs.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There are no plans to provide payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

Information in this system is not maintained in a Privacy Act system of records (i.e., information about an individual is not retrieved by the individual's name or unique identifier) and a SORN and Privacy Act Statement are not required.

In accordance with the privacy provisions of the E-Government Act of 2002, a privacy impact assessment is required for this information system. The information will be maintained in NIST's Business Operations Office System. The system's PIA is being updated to reflect the collection and maintenance of CHIPS-related information and will be review and approved by the Department's Senior Agency Official for Privacy before being published to the Department's privacy program page available at: <https://osec.doc.gov/opog/privacy/NIST-pias.html>.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No sensitive or private information of this sort is being collected.

12. Provide estimates of the hour burden of the collection of information.

The CHIPS Program Office anticipates a large volume of SOIs received upfront driven by high initial interest, volume rapidly declines over time

<u>Collection Activity</u>	<u>Number of Respondents</u>	<u>Number of responses annually / respondent</u>	<u>Total annual responses</u>	<u>Estimated hours per response</u>	<u>Total Annual Burden Hours</u>
Statement of Interest	350	1	350	.5 (30 minutes)	175

13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet).

There are no subscription costs to respondents or record keepers resulting from the collection of this information. There is no subscription or service cost to submit a Statement of Interest. Use of the website for submitting the information is free. Once collected the respondent has no requirement to pay for any service to maintain eligibility.

Type of Respondent	Number of Respondents	Number of Responses per Respondent	Average Burden per Response	Hourly Wage Rate*	Total Burden Costs
Applicant	350	1	.5 hrs	\$47.32	\$8,317.75
Total	--	--	--	--	\$8,317.75

* Hourly wage based on U.S. Bureau of Labor Statistics for a 13-1082 Project Management Specialist, mean annual wage. <https://www.bls.gov/oes/current/oes131082.htm>

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

Initial start-up costs involved the implementation of a contract to provide development of a web based application. The contract involves three of the four modules of the larger system – the Statement of Intent, Pre-application, and Full-application. The cost of developing the Statement of intent as a portion of that contract is approximately \$1.075M. Continued maintenance and licensing costs will be approximately \$211,732 per year.

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Staff	Grade/ Step	Salary	Fringe (if applicable)	% of Effort	Total Annualized Cost to Gov't
Federal Oversight					
NIST Project Oversight Officer -	ZP-IV	170,000		25%	\$42,500
System Maintenance (labor)					
NIST OISM systems maintenance staff x 2		140,000	65.6% (leave and benefits)	5%	\$23,184
NIST OISM IT Security		140,000		5%	\$11,592
System Operation (labor)					
CPO Engagement Staff x 6		170,000	65.6% (leave and benefits)	5%	\$84,456
Other Objects (Non-labor)					
Licenses					\$50,000
Total Cost to the Government					\$211,732

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet.

This is a new information collection.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The agency plans to perform certain analyses and develop statistics, reports, or other items summarizing the results of the collection activity. For example, the agency will develop reports showing the number of statements of interest submitted, correlated by geographic area, cross referenced with the proposed type of project submitted in the statement of interest. Correlating this information with business size information available in FPDS will most likely be required to report the impact of this program on government and agency small business goals.

This analysis will occur on a regular and recurring basis over the life cycle of the revolving nature of the program.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The expiration date will be clearly displayed with the OMB Control Number.

18. Explain each exception to the topics of the certification statement identified in “Certification or Paperwork Reduction Act Submissions.”

There will be no exceptions to the certification statement and NIST certifies compliance with 5 CFR 1320.9 and the related provisions of 5 CFR 1320.8(b)(3).