

SUPPORTING STATEMENT
U.S. Department of Commerce
National Institute of Standards and Technology
CHIPS Full-Application Information Collection
OMB Control No. 0693-0094

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). 15 U.S.C. 4652(a)(2)(A) requires the submission of an application to the Secretary of Commerce to receive funding under this program. The full application fulfills this requirement.

The CHIPS Incentives Program – Commercial Fabrication Facilities NOFO seeks applications for the construction, expansion, or modernization of commercial facilities in the United States in the following categories.

Leading-Edge Facilities that utilize the most advanced front-end fabrication processes which achieve the highest transistor and power performance. For logic, this currently includes facilities that produce semiconductors at high volumes using extreme ultraviolet (EUV) lithography tools. For memory, this currently includes facilities capable of producing 3D NAND flash chips with 200 layers and above, and/or dynamic random-access memory (DRAM) chips with a half-pitch of 13 nm and below.

Current-Generation Facilities that produce semiconductors that are not leading edge, up to 28 nm process technologies, and include logic, analog, radio frequency, and mixed-signal devices. New and expanded current-generation front-end fabrication facilities will deliver manufacturing capacity for current-generation semiconductor technologies, as well as new and specialty technologies such as devices based on compound semiconductor materials.

Mature-Node Facilities that fabricate generations of: (a) logic and analog chips that are not based on FinFET, post-FinFET transistor architectures, or any other sub-28 nm transistor architectures; (b) discrete semiconductor devices such as diodes and transistors; (c) optoelectronics and optical semiconductors; and (d) sensors.

Back-end Production Facilities for the assembly, testing, or packaging of semiconductors that have completed the front-end fabrication process. This category includes advanced packaging of semiconductors. The Department is particularly interested in projects that ensure competitive operating costs within the United States (e.g., through automation).

Wafer Manufacturing Facilities for the high-volume production of semiconductor wafers, including wafers made from silicon, silicon carbide, and gallium nitride. These facilities are the sites of ingot production and wafer slicing, lapping, polishing, cleaning and inspection.

Semiconductor Materials Facilities for the manufacture or production, including growth or extraction, of materials used to manufacture semiconductors, which are the chemicals, gases, raw and intermediate materials, and other consumables used in semiconductor manufacturing. Specific examples include but are not limited to polysilicon; photoresists and

ancillaries (developers, strippers, litho solvents, and anti-reflective and hardmask layers); sputter targets (including tantalum, titanium, and aluminum); and materials specifically used in quantum information systems (such as hafnium and niobium). Applications for the construction, expansion, or modernization of commercial semiconductor materials facilities will be eligible for this NOFO only if the capital investment, as defined in Section IV.I.7, equals or exceeds \$300 million.

Semiconductor Manufacturing Equipment Facilities for the physical production of specialized equipment integral to the manufacturing of semiconductors and subsystems that enable or are incorporated into the manufacturing equipment. Specific examples of semiconductor manufacturing equipment include but are not limited to deposition equipment, including chemical vapor deposition, physical vapor deposition, and atomic layer deposition; etching equipment (wet etch, dry etch); lithography equipment (steppers, scanners, extreme ultraviolet); wafer slicing equipment, wafer dicing equipment, and wire bonders; inspection and measuring equipment, including scanning electron microscopes, atomic force microscopes, optical inspection systems, and wafer probes; certain metrology and inspection systems; and ion implantation and diffusion/oxidation furnaces. Applications for the construction, expansion, or modernization of commercial semiconductor equipment facilities will be eligible for this NOFO only if the capital investment, as defined in Section IV.I.7, equals or exceeds \$300 million.

Only facilities of the types listed above are eligible for funding under this NOFO at this time. Application submission dates for projects vary by facility type and are as follows:

- Statements of interest from all potential applicants will be accepted on a rolling basis, beginning on Tuesday, February 28, 2023; statements of interest must be submitted at least 21 days prior to submitting a pre-application or full application.
- For potential applications for leading-edge facilities, pre-applications (which are optional) and full applications will be accepted on a rolling basis beginning on Friday, March 31, 2023.
- For potential applications for current-generation, mature-node, and back-end production facilities, pre-applications (which are recommended) will be accepted on a rolling basis beginning on Monday, May 1, 2023, and full applications will be accepted on a rolling basis beginning on Monday, June 26, 2023.
- For potential applications for wafer manufacturing facilities, pre-applications (which are recommended) will be accepted on a rolling basis beginning on Friday, September 1, 2023, and full applications will be accepted on a rolling basis beginning on Monday, October 23, 2023.
- For potential applications for semiconductor materials and manufacturing equipment facilities for which the capital investment, as defined in Section IV.I.7, equals or exceeds \$300 million, pre-applications (which are recommended) will be accepted on a rolling basis beginning on Friday, September 1, 2023, and full applications will be accepted on a rolling basis beginning on Monday, October 23, 2023.

Leading Edge applicants may access the application on March 27, 2023, and may submit a Full-Application via <https://applications.chips.gov/> no earlier than March 31, 2023 or 21 days after submitting a Statement of Interest (whichever is later). All other applicants may access the application upon release but will not be able to submit a Full-Application until June 26, 2023 or 21 days after submitting a Statement of Interest (whichever is later).

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 full application to be officially considered for a CHIPS Incentive Award. The Department of Commerce will use the information contained in the full application to conduct a detailed merit assessment of the proposed project(s) to determine their merit, including the extent to which the projects have the potential to meet economic and national security objectives.

The Department will use the information collected in the full application to engage with the applicant, seek further information or clarifications, provide feedback, including on the scope of the proposed project(s) and the amount of CHIPS Incentives request, and, ultimately, to negotiate the preliminary terms of a potential award.

Specifically, the Department will be collecting the following information in the full application:

A summary table of the full application structure is provided below. Commerce is seeking clearance of an environmental questionnaire under a separate OMB control number which will also need to be submitted by the organization in order to be considered:

1. Cover Page
2. Covered Incentive
3. Description of Project(s)
4. Applicant Profile
5. Alignment with Economic and National Security Objectives
6. Commercial Strategy
7. Financial Information
8. Project Technical Feasibility
9. Organization Information
10. Workforce Development Plan
11. Broader Impacts
12. Standard Forms

Cover Page

Applicants will follow the directions in the [CHIPS Incentives Program application portal](#) to complete the cover page.

Covered Incentive

Each applicant must provide a letter from a state or local government entity to demonstrate that they have been offered a qualifying covered incentive, indicating the estimated size and nature of the incentive. The offer of a covered incentive may be contingent; if so, any contingencies need to clearly be specified in the letter. Further, prior to receiving a CHIPS Incentives Award, the applicant may be required to provide additional information demonstrating to the Department's satisfaction that the covered incentive has been or will be received.

Description of Project(s)

The applicant must submit a detailed description of proposed project(s) in the application, which is responsive to the program description (see Section Error: Reference source not found) and the evaluation criteria (see Section Error: Reference source not found). There should be an overarching description of the vision for all projects (no more than 15 pages), as well as a description (no more than 15 pages long) of each project. The description should contain the following information:

- **Description of Projects:** A description of the construction, expansion, or modernization activities proposed for each facility included in the application, including a description of the facility location and existing or required infrastructure. This description should include the products that each facility produces or will produce and the end market application and top 10 customers for those products, along with information on the scale, size, and capacity of production. If the application includes multiple projects (for work proposed at multiple facilities), the description should explain both the ways in which the individual projects are interrelated and the value provided by each project on its own, independent of the other projects. For example, if the application includes two fabs located at a single site, the description might explain that the two projects share common workforce development strategies and will jointly improve an applicant's market share and cost efficiency, but that the proposed construction, expansion, or modernization of each fab can take place independently from the work proposed at the other fab. Similarly, if the application includes individual activities that may be independently useful and eligible for the CHIPS Incentives Program, separate from other activities at the same facility, the project description should explain both the ways in which the individual activities are interrelated and the value

provided by each activity on its own. Applicants relocating a material amount of existing facility infrastructure must provide a plan detailing those efforts and rationale for doing so, including a description of the specific infrastructure being relocated, the value of that infrastructure, any changes to US capacity due to relocation, and the reason for that relocation.

- Consortium Description (if applicable): Consortium applicants should also identify the individual entities that are members of the consortium, the roles of each entity, the governance, management, and oversight structures for the consortium, and the method of distributing CHIPS Incentives to individual entities.
- Cluster Profile: A description of how the project(s) will attract associated supplier, workforce, and other related investments, thus creating a more productive, efficient, and self-sustaining ecosystem and catalyzing future upgrades and expansions. Where relevant, applicants should elaborate on the benefits of the cluster in other components of the application and describe the existence and nature of any agreements with co-locating suppliers.
- Project Timeline: A detailed description of the overall timeline and key milestones inclusive for each project, for both the capital expenditure components of the project and the workforce development and/or operational cost components of the project. A timeline, preferably in the form of a Gantt chart, should be used to logically illustrate timing and interrelationships of major milestones. In addition, as relevant, provide a master project timeline that illustrates how all projects will be sequenced over time.
- Summary Narrative Addressing Evaluation Criteria: A summary of how each project—as well as the application as a whole—meets each of the evaluation criteria (see Section Error: Reference source not found). The summary should include information indicating how each of the six evaluation criteria are addressed. An explanation of how each project—and the application as a whole—will further the economic and national security objectives of the United States should be included, as described in Section Error: Reference source not found.
- CHIPS Incentives Justification: A brief narrative explaining how the CHIPS Incentives requested will incentivize the applicant to make investments in facilities and equipment in the United States that would not occur in the absence of the incentives. More detailed analysis is required in the Financial Information section of the application.

Applicant Profile

Provide the following information for the applicant. If the applicant is a subsidiary, this information should be provided for the applicant, its ultimate corporate parent, and any key intermediate entities:

- Descriptive Information About the Applicant: Information related to the applicant's businesses, including but not limited to company name, corporate form, jurisdiction of formation, description of key business activities, year established, headquarters country/state/city, countries/U.S. states of operation, and number of employees. In addition, the application should include a brief description of the company's business profile, key products manufactured, end markets, and competitors, as well as any existing or planned business operations in foreign countries of concern.
- Company Financials: If available, audited consolidated financial statements at fiscal year-end for each of the last five years, and interim financial statements for the current fiscal year. If available, this should include key financial metrics including margin, free cash flow and return information, leverage, debt service coverage, and related ratios, such as interest coverage ratios; fixed-charge coverage ratios; debt-to-capital ratios; debt/earnings before interest, taxes, depreciation, and amortization (EBITDA) ratios; asset coverage ratios; and working capital ratios. If available, applicants should also include nationally recognized statistical ratings organization (NRSRO) ratings, as well as their latest rating reports.
- Equity Capital Structure: Information on major shareholders, number of shares outstanding, share price history, and market valuation (or estimated private valuation) at year-end for the last five years, if available. In addition, provide a description of any planned equity issuances, including as related to the application, for the applicant, its ultimate corporate parent, and any key intermediate entities (as applicable).

- **Outstanding Debt:** Schedule listing outstanding debt, lines of credit, other material indebtedness, guarantees, or (material) off-balance sheet liabilities, along with the expected cost for those liabilities. In addition, provide a description of any planned debt issuances, including as related to the application, for the applicant, its ultimate corporate parent, and any key intermediate entities (as applicable). Also provide any cash information and net debt calculations.

Alignment with Economic and National Security Objectives

Describe how the project(s) meets economic and national security objectives in no more than 30 pages. The description should address the program priorities set forth in Section Error: Reference source not found, as applicable, and the merit review criteria in Section Error: Reference source not found. These include how the project(s) will, both individually and collectively:

- Enhance U.S. economic competitiveness through credible commitments to ongoing private investments in the U.S. and the creation of a long-term, sustainable ecosystem.
- Increase global supply chain resilience by mitigating the risk of potential shocks, reducing the impact of potential disruptions, serving a variety of customers, and moving production outside of countries of concern.
- Address the U.S. government's need for access to safe, secure, and domestically produced chips.

In addition, applicants should specifically discuss the following aspects of their project:

- **Cybersecurity.** Applicants should review the NIST Framework for Improving Critical Infrastructure Cybersecurity¹ and provide an initial evaluation of their current organizational and project cybersecurity practices. In this evaluation, applicants should also describe what additional resources, such as applicable laws, regulations, standards, NIST guidance or Cybersecurity & Infrastructure Security Agency (CISA) recommendations (e.g., the CISA Cross-Sector Cyber Performance Goals and CISA Cross-Sector Checklist) they use as reference materials. The evaluation should assess risks, including those associated with access, availability, confidentiality, integrity, and a lack of geographic diversification. For major risks identified, the applicant should provide a brief assessment of the risk, as well as describe what risk mitigation strategies it currently implements or plans to implement (e.g., access control, network segmentation, contingency planning, disaster recovery plans, redundant capacity, cyber insurance, employee training, and continuous monitoring).

Applicants should also detail operational security measures, and efforts to continuously assess and protect data (including, but not limited to, guarding against insider threats, supply chain threats, and threats to physical security).

- **Supply Chain Resilience and Risk Management.** The applicant should demonstrate a feasible plan to support the supply chain security and resilience of the proposed project(s). In particular, the applicant should demonstrate its ability to continue operating when faced with supply/materials shocks, as well as the following aspects of resilience and supply chain risk management:
 - **Physical Infrastructure:** Access to power, water, air strips, and material transportation channels
 - **Supplier Ecosystem:** Raw material, equipment, and component supply chain acquisition strategies
 - **Continuity of Operations:** Ability to operate in the United States but without access to non-U.S. facilities and personnel
 - **Risk Management:** Strategy to minimize and mitigate any adversarial attempts to degrade, exploit, or otherwise compromise the end-to-end supply chain, to include the introduction of counterfeit and/or malicious items into the supply chain or the loss of intellectual property

As part of this section, the applicant should supply a mapping and analysis of its supply chain and associated risk mitigations, including a list and mapping of all key suppliers. In addition, applicants should address other techniques

¹ NIST, U.S. Dep't of Commerce, Version 1.1, [Framework for Improving Critical Infrastructure Cybersecurity](#) (2018).

used to manage supply chain risk, such as supply chain stress test analyses, regular supply chain mapping into second-tier and further suppliers, third-party continuous monitoring, and supplier redundancy and agility policies.²

The supply chain resilience plan should include, but not be limited to, information about the following topics:

- o Senior executive leadership accountability for managing supply chain risk and the associated reporting structure, including frequency of reporting to the board of directors
- o Corporate approach to managing supply chain risk, resilience, and security
- o Metrics, data, and methodology (e.g., stress tests) used to assess supply chain risk both upstream and downstream; for example, metrics might include the number of single points of failure, lead time for key items, and time to recover and time to survive in different scenarios
- o Traceability and audit capabilities employed for managing the supply chain
- o Nature of relationships with suppliers to prevent and promote agile response to unexpected situations (such as long-term contracts, mechanisms for information-sharing, and joint problem-solving exercises).

Foreign Control. Each applicant should identify any foreign entity³ that exercises control over the applicant or a proposed project or has access to confidential information about the proposed project. The applicant should also identify any potential transactions occurring during the application process that could result in such control by a foreign entity or sharing of confidential information with a foreign entity.

Commercial Strategy

Describe the commercial strategy, including information on customer and end-market demand, volume growth, pricing dynamics, competitive positioning, and supply dynamics, for each proposed project. In no more than 15 pages, this section should discuss the following topics:

- **End-Market Demand:** Information on end market industries and projected growth, level of obsolescence risk, evidence of any pre-purchase commitments to demonstrate customer demand or other evidence of specific customer demand. Include explicit reference to the top 10 customers for each major product and associated volumes (to the extent known).
- **Market Position and Competitor Landscape:** Include an assessment of key competitors, market dynamics, supply and demand dynamics over time, pricing trends and exposure to pricing pressure during downturns and periods when there is an oversupply of semiconductors.
- **Stability of Supplies and Materials:** Include strategies to ensure stable and predictable sources of supplies and materials required as feedstock over the long run, including potential long-term contracts with suppliers and stress testing of the supplier network.
- **Improvement Plans:** Describe existing plans as well as resourcing for continued investment in facility upgrades and improvements.

Financial Information

For each project in the application, provide a detailed description of the financial plan in no more than 20 pages overall (excluding attachments and appendices). The plan should include sources and uses of funds, cash flow projections, key equity return and debt service metrics, CHIPS Incentives request, and sensitivity analyses. The applicant should also provide supporting evidence for any key assumptions.

Applicants should provide Microsoft Excel and PDF attachments to the greatest extent feasible to support the information below. In particular, the financial statements, project cash flows, and sensitivity analyses should be in the format of a dynamic, integrated spreadsheet in Microsoft Excel. The program should permit variable inputs to the key

² For information on agility, See Council of Economic Advisors, The White House, [2022 Economic Report of the President](#) (2022), 210-4.

³ See 15 U.S.C. § 4651(6).

assumptions. Applicant and project-level financials should be prepared in accordance with Generally Accepted Accounting Principles or comparable standards (e.g., International Financial Reporting Standards). The income statement, balance sheet, and statement of cash flows should be linked, and the sensitivity analyses should be included as scenarios within the model.

- Project Sources and Uses of Funds: Provide the information listed below about project costs and capital sources via a descriptive narrative and via the Project Sources and Uses of Funds spreadsheet template that will be available on the [CHIPS Incentives Program application portal](#). If the application proposes multiple projects, project costs and capital sources should be provided cumulatively for the entire set of proposed projects and for each project individually.
 - Project Costs: Project costs should include, but are not limited to, those noted below:
 - Capital Investment: Costs required to complete construction of the project and initiate operation, broken down by category such as land, construction (e.g., labor and material), equipment, infrastructure improvements (e.g. utility plants, access to infrastructure, and wastewater treatment plants), and administrative expenses directly attributable to the project construction (e.g., legal, engineering, and permitting fees).
 - Operating Losses and Other Cash Outflows until Cash Flow Breakeven: Estimated operating losses/cash outflows, including upgrade investments, maintenance, interest expenses, and working capital once the project is operationalized until cash flow breakeven.
 - Workforce Development Costs: Spending by the applicant on workforce development activities to support the proposed project.
 - Project Capital Sources: Total project capital sources should equal the project costs described above, and should include, for example:
 - Sponsor Equity: Amount of equity financing from the applicant or its corporate parent.
 - Debt Funding: Amount of debt financing from or raised by the applicant, its corporate parent, or otherwise (including intercompany loans) at either the project or corporate level. In case debt is raised or expected to be raised on the applicant or corporate parent's balance sheet, provide details on allocated debt to the project(s) in the application. In the descriptive narrative, provide information on the key features and terms and conditions related to these debt instruments.
 - Third-Party Equity: Amount of equity financing from third parties, including an indication of the amount of debt that may be raised outside of the project structure.
 - State and Local Government Incentives: Include the estimated value of benefits that the project is expected to receive from state and local government incentives, as well as an explanation of the potential for spillover benefits.
 - Investment Tax Credit: Include the estimated value of benefit that the project is expected to be eligible to receive from the Investment Tax Credit (if applicable).
 - CHIPS Incentives: Include the proposed dollar value of CHIPS Incentives for the project, specifying the values of direct funding, loans, and/or loan guarantees, as well as the identified third-party lender for loan guarantees.
 - Any Other Sources of Funds: Other sources of funds not captured under the above, such as from customers or suppliers.
- Project Cash Flow, Income Statement, and Balance Sheet Projections and Relevant Metrics for Each Project (to be provided in a Microsoft Excel model with formulas):
 - Detailed Cash Flow Projections for the Project: Provide the cash flow projections on a levered and unlevered basis (as applicable). Provide quarterly cash flows through the first year of cash flow breakeven and then annually thereafter through the end of the facility's useful life, including:
 - Initial Project CapEx (see Capital Investment category above)
 - Additional Project CapEx (e.g., for upgrades and refurbishments and other investments to sustain operations for the useful life of the facility)
 - Working Capital

- Project Revenue: Detailed revenue projections including breakdown by project capacity, utilization rates, assumed yield, and price. Include a justification of underlying assumptions.
 - Operating Costs: Detailed breakdown of operating expenses, including, for example, the cost of materials, labor, maintenance, administration, R&D, marketing, corporate overhead, and other expenses. Any allocated corporate overhead or any intercompany expenses to the project should also be detailed and explained.
 - Debt and Interest: Cash flows related to debt or debt-like instruments including disbursements, interest payments, and principal repayments.
 - Cash Flows To and From Third-Party Partners (if applicable)
 - Other Financial Assistance: Cash inflows from grants (e.g., state and local incentives).
 - Taxes: Breakdown of corporate taxes for income generated by the project, including the tax benefit the project is expected to be eligible to receive from the Investment Tax Credit.
 - Terminal Value: Estimated terminal value of any assets at the end of the facility's useful life.
- Project Income Statement Projections: Quarterly income statement projections through the first year of cash flow breakeven and then annually thereafter through the lifetime of the project, including relevant cash flow items noted above as well as other items such as depreciation and amortization.
- Project Balance Sheet Projections: Quarterly balance sheet projections through the first year of cash flow breakeven and then annually thereafter through the lifetime of the project.
- IRR: Project IRR on a levered and unlevered basis.
- Key Project Financial Performance Metrics: Include summary metrics such as gross margin, EBITDA margin, earnings before interest and taxes margin, return on equity, and return on assets, among other relevant metrics over time.
- Key Project Risk and Debt Service Metrics: Include summary debt servicing related metrics such as debt/equity, debt-service coverage ratio, debt/EBITDA, interest coverage, and asset coverage ratios over time.
- Scenario Analysis: Evaluate the financial resilience of each project by illustrating project cash flows, income statements and balance sheets, key profitability metrics, IRR, and risk and debt service metrics under a plausible range of scenarios over the estimated useful life of the facility. Sensitivities should be shown in both the upside and downside cases. Sensitivity analyses should be included as scenarios within the model(s). Examples of sensitivities include:
 - Revenue Dynamics: Throughput/utilization, chip prices, and loss of major customers.
 - Cost: Cost overruns during project construction and equipment installation, higher costs of materials due to supply chain disruptions, and higher or lower operating expenses.
 - Timing: Impact of construction delays, equipment delays, and timing differences on yield generation.
 - Technology Vulnerability: Impacts of future competing technologies.
- CHIPS Incentives Request:
 - Provide a summary of requested dollar amounts for CHIPS Direct Funding, by following the instructions that will be available in the CHIPS Incentives Program application portal.
 - Dollar amount of CHIPS Direct Funding requested.
 - Dollar amount of CHIPS Loan and/or Loan Guarantees requested, including proposed terms.
 - In a narrative description:
 - Provide a rationale for the CHIPS Incentives request.
 - Provide a narrative description for how the financial information submitted for the project supports a conclusion that the CHIPS Incentives requested will incentivize the applicant to make investments in facilities and equipment in the United States that would not occur in the absence of the incentives.
 - Provide a description of how the CHIPS Incentives requested were sized based on cash flow modeling, IRR analysis, sensitivity analysis, and other applicable analyses. Explain why the request is appropriate based on expected risks and returns of the project, historical projects of

similar nature, or other relevant market benchmarks. Provide a justification for why the projected IRR in the cash flow model is appropriate for a project of this type, scale, and risk profile.

- Provide a description of specific efforts to date to bring other capital (debt, state and local incentives, other private capital) into the project and how the CHIPS Incentives request would enable and not displace those other funding sources.
- **CHIPS Loan or Loan Guarantee Request:** Applicants seeking CHIPS Loans or Loan Guarantees should provide the following information:
 - A full description of the proposed terms for any CHIPS Loans requested, including amount, interest rate, tenor, amortization schedule, structure (corporate finance vs. project finance), corporate support or third-party guarantees, prepayment option, or other loan features. To the extent that requested terms differ from the baseline terms in Section Error: Reference source not found, the summary should include a justification.
 - A full description of the proposed terms for any CHIPS Loan Guarantees requested, including underlying loan terms (see above), identity of third-party lenders, and amount and extent of guarantee. To the extent requested terms differ from the baseline terms in Section Error: Reference source not found, the summary should include a justification.
 - For both CHIPS Loans and Loan Guarantees, an explanation of efforts the applicant has made to attract debt financing from other sources and the rationale for seeking CHIPS Loans or Loan Guarantees beyond financing available from external providers.
 - To the extent not provided in the project cash flow section above (e.g., for loans at the corporate level), cash flow analysis of the ability of the borrower to service and repay CHIPS Loans or loans subject to CHIPS Loan Guarantees, including debt service metrics (e.g., debt service coverage ratio, debt/equity, debt/EBITDA, etc.) under baseline and stress conditions. If the loan/loan guarantee is at the corporate level or any level above the project, provide cash flow, income statement, and balance sheet projections and related metrics for the borrower through the term of the loan/loan guarantee
 - Financial and related credit information for any third-party lenders or entities providing credit support.

Project Technical Feasibility

The applicant must demonstrate the technical feasibility of each proposed project, which includes the viability and security of the underlying technology and manufacturing processes; the ability to execute required construction; and effective management of the environmental review process. The applicant should provide a detailed description of these topics in no more than 20 pages for each proposed project and include attachments to support details where relevant (which will be excluded from the page limit). At a minimum, the document should discuss the following topics:

a. **Technology and Manufacturing Processes**

This section must include a detailed description of the core underlying technology and manufacturing processes to be utilized in the facility or facilities for which CHIPS Incentives are sought. The applicant should include detailed information on the respective level of maturity of the technology and manufacturing processes, as well as the applicant's relevant experience and expertise to support successful execution at the scale envisioned in the application, the risks that they have identified with delivering against the goals of their projects, and the mitigating actions they are taking.

b. **Construction Plan**

The applicant must include a detailed construction plan that demonstrates appropriate mechanisms and contingencies to reduce construction risks. The overview should contain, but not be limited to, the following information:

- **Location:** Description of project facilities, site, and surrounding location (as applicable), including infrastructure (e.g., roads, utilities, and water) and any planned improvements.

- **Construction Project Work Plan:** Detailed description of the major engineering, construction, and site preparation activities linked to specified cost and other milestones and performance guarantees, including a detailed accompanying budget (if not provided with financial information described in Section).
- **Schedule:** Integrated detailed schedule that encompasses time periods for design, procurement, construction, commissioning, and production ramp up.
- **Key Partners, Contractors, and Suppliers:** Profile of key partners, contractors, and suppliers.
- **Construction Rights and Permits:** Inventory of all Federal, state, and local permits, licenses, and approvals required to site, construct, implement, and operate the facility, including environmental authorizations or reviews necessary to commence construction. Include filing and approval dates, as available or as anticipated.

c. Environmental Questionnaire and Information

Because the Environmental Questionnaire can be submitted as part of either the Pre-application or Full-application, this document is being processed under a separate Paperwork Reduction Act Emergency Collection request.

Organization Information

a. Ownership, Legal Entity, and Organizational Structure

The applicant should provide a formal legal entity and organizational structure detailing all parent companies, subsidiaries, and affiliates and other relevant entities, including associated ownership of those entities, up to the top shareholder(s) and the ultimate corporate parent (if applicable). In addition, the applicant should outline recent and upcoming organizational changes, including mergers and acquisitions and any recent or proposed changes to corporate structure. Applicants should provide this information in the form of detailed charts and accompanying narrative explaining the legal entity and organizational structure.

b. Managerial Capability

The applicant should describe the approach to managerial oversight and governance of the project(s) from construction through the life of the facility. Include an organizational chart of management and other key personnel, including contractors and any other entities that will play substantial roles. List the experience and qualifications of key management personnel, including experience with projects of similar size and scope. The applicant should include one-page resumes for (a) all key management personnel and (b) all key personnel of contractors and any other entities that will play substantial roles in the project.

c. Consortium Applications

An applicant applying on behalf of a consortium should detail the key participants, including a description of the role each participant will play, a description of the structure of the consortium, and the benefits of applying as a consortium. The applicant should also provide documentation and evidence of the planned operating model, such as the working model, governance structure, decision-making authority/rights, contractual obligations, financial obligations, roles and responsibilities, and any memoranda of understanding.

d. Past Project History

The applicant should provide summary for each of any comparable facilities commissioned by the applicant or its parent companies in the last ten years, including details on type of production and output, years in operation, location, project cost, and summary financials. Summary financials should include project IRR and other relevant risk and return metrics.

e. Intellectual Property Security

The applicant must identify policies and procedures to combat cloning, counterfeiting, and relabeling of semiconductors, as applicable, as well as protecting semiconductor designs and other intellectual property associated with the manufacture of semiconductors.

f. **Litigation and/or Conflicts**

The applicant should disclose any current, threatened (in writing), or pending litigation, or criminal or civil government investigations involving the applicant, its corporate parents, or, to the applicant's knowledge, any other relevant party, related to permitting, public involvement, environmental issues, construction defects, fraud, securities fraud, conflict of interest, failure to perform under a local, state, or Federal contract, or other charges which may reflect on the applicant's trustworthiness, financial position, or ability to complete the project(s).

g. **Advisors and Key Partners**

For the purpose of assisting the Department in complying with government ethics rules, the applicant should provide a list of the following:

- 1) advisors who will represent the applicant before the Department in connection with its application, identifying the advisory services provided.
- 2) any partner named elsewhere in the application (e.g. contractor, investor in the project, workforce training partner, etc.), and identify the section(s) of the application in which the entity is named.

Workforce Development Plan

Each applicant must document the expected workforce needs for each facility and provide a strategy to meet such needs⁴ in a single workforce development plan. Applicants must also produce a workforce plan for their construction workforce. Applicants are required to identify the overall financial resources that will be committed to these efforts by the applicant and other parties across the workforce system. Applicants should also explain what those resources will be used for, although the Department understands that the level of detail may vary depending on the stage of the development of a sector partnership or other workforce development planning. The plans for construction workers and facility workers should not exceed 30 pages in total, excluding any attachments.

a. **Facility Workforce Plan**

The facility workforce development plan should demonstrate appropriate investments and commitments to create good jobs and recruit, train, screen, hire, retain, and upskill a diverse workforce sufficient to meet the operating needs of the entire facility. **Applicants** are also required to consult, engage, and coordinate with workforce partners—including educational institutions, training providers, community-based organizations, labor unions, career and technical education organizations, and public-sector organizations—in formulating their workforce plan. The Department expects that applicants will engage with each of these groups, at a minimum, in formulating their plan, as projects are most likely to succeed in creating a high-skilled and inclusive workforce by committing to close and ongoing coordination with on-the-ground stakeholders. Applicants should also demonstrate a vision for long-term sustainability by engaging with educational institutions that will be key to training the next generation of workers, including working with K-12 institutions to develop and strengthen career and technical education programs.

The Department considers essential and strongly encourages the development of sectoral partnerships to ensure that immediate and long-term pathways are created for local workforces to operate facilities. These partnerships may include other employers with shared skills needs, education and training providers, the public workforce system, higher education institutions, labor unions, and community-based and other worker-serving organizations. A best practice for a sectoral partnership is to identify a trusted partner to serve as a backbone entity to coordinate these entities and manage the partnership. In strong applications, a sectoral partnership will drive the workforce development plan. An applicant that has not organized or participated in a sectoral partnership should explain, in its plan, why doing so was infeasible and how its workforce efforts will ensure that it has engaged partners to serve worker needs.

Workforce development plans should have five components:

⁴ See 15 U.S.C. § 4652(a)(2)(B)(ii)(VI).

(1) Workforce Needs Assessment

Assessment of the workforce needs of the project (job types, skills, and workers required over time in each job type), including the necessary workforce for facility operations, on-site supplier operations, engineering, administration, and others. The applicant and their partners should map identified workforce needs to existing resources and the existing labor market to determine gaps. The analysis should also identify other workforce risks that could adversely impact the project.

(2) Worker Recruitment and Retention

Describe the overall workforce development system approach and key stakeholders, as well as the applicant's commitments to worker and community investments through training and education benefits and identifying programs to expand employment opportunities for economically disadvantaged individuals.⁵ This should include commitments of the applicant's financial resources as well as other non-CHIPS Incentives resources to fund this effort in a manner that is sustainable over the long-term. Applicants should identify spending by priority (outreach, training, wraparound services, etc.).

The Department encourages the applicant to address several well-known workplace barriers. The workforce plan should reflect commitments to ensuring that all workers have access to a safe environment that is free of harassment, discrimination, and retaliation; setting clear expectations about workplace conduct and anti-harassment policies, including consequences for violating policies; and setting clear procedures for reporting misconduct in the workplace. The Department also strongly encourages applicants to identify creative recruitment and retention strategies to increase the participation of economically disadvantaged individuals. Such strategies could include skills-based hiring and removing degree requirements, setting diverse hiring slate policies, eliminating personal and demographic information from the hiring process, and conducting structured and skills-based interviews.

(3) Good Jobs Principles Approach

The Departments of Labor and Commerce's Good Jobs Principles⁶ provide a framework to ensure semiconductor facility jobs are high quality. The workforce development plan should describe the applicant's approach to meeting these principles for newly created jobs and to increase job quality for existing jobs at expanded facilities. Additional details on the dimensions of job-quality are available on Department of Commerce's website.⁷

(4) Workforce Training and Wraparound Services

The workforce development plan should include commitments to provide workforce training to address the applicant's needs. These commitments should include programming for training and job placement, including for economically disadvantaged individuals and underrepresented groups in the semiconductor industry. The Department expects applicants to develop such strategies in concert with their partners. The Department also expects that applicants may need to make additional training commitments as their efforts progress based on changing workforce needs.

Where possible, the applicant should identify existing, successful training programs that can be scaled and adapted to meet the applicant's needs, as well as their use of work-and-learn training models. To demonstrate satisfaction of the statutory requirement that the applicant secure "commitments from regional educational and training entities and institutions of higher education to provide workforce training, including programming for training and job placement of economically disadvantaged individuals,"⁸ the applicant must also attach letters of commitment from education and training entities and institutions that detail the specific tasks they will perform in support of the workforce plan and the resources that will be provided, including, but not limited to, programming for training and job placement of economically disadvantaged individuals.

⁵ See 15 U.S.C. § 4652(a)(2)(B)(ii)(II).

⁶ U.S. Department of Labor, *Good Jobs Principles*, <http://www.dol.gov/general/good-jobs/principles> <https://www.dol.gov/general/good-jobs/principles> (2022).

⁷ U.S. Department of Commerce, *Job Quality Toolkit*, <https://www.commerce.gov/work-us/job-quality-toolkit> (2022).

⁸ 15 U.S.C. § 4652(a)(2)(B)(ii)(II).

Applicants should make commitments to hiring individuals who complete training programs, and should also strongly consider partnering with programs that train workers with the needed skills, then provide career pathways that lead to good jobs (such as Registered Apprenticeships, pre-apprenticeships with a strong relationship with one or more Registered Apprenticeship programs, other programs at community and technical colleges with successful track records of putting students on the path to good jobs, career pathways programs in high schools, and other paid work-based learning). Applicants may also consider how they can partner with such programs and provide real-world, hands-on work-based learning opportunities to secondary and postsecondary students interested in the semiconductor industry and to workers interested in career advancement.

Finally, as part of their description of training commitments, applicants must describe any wraparound services and other barrier reductions they or their partners will provide to support facility workers' access to and completion of training, as well as transition into and progression in a job (such as adult care, child care, transportation assistance, housing assistance, emergency cash assistance, language support, tools, uniforms, equipment, application fees, and services like mentorships that aim to help retain workers, etc.).

(5) Metrics and Milestones

In addition, the workforce development plan must include the core milestones the program aspires to achieve (with timing), as well as metrics and processes to measure, track, and report publicly on the goals and commitments. CHIPS Incentives awardees will be expected to collect real-time, granular data that will inform the evaluation of their workforce efforts and help track the success of their workforce commitments. Applicants will also be expected to make data publicly available in a form that protects individual worker information, including personally identifiable information. The Department will provide additional guidance on metrics at the time of award. At a minimum, applicants should be prepared to describe and subsequently report:

- Metrics and a plan to collect demographically disaggregated data on outreach, recruitment, hiring, education, and outcomes (including job placement and wages) of skills training programs and upskilling efforts
- Disaggregated data on the demographics of the workforce, including breakdowns of work hours, wages, benefits, and other measures of job quality
- How data will be collected so that it can be evaluated in real time and the means of accountability, such as any reporting to key stakeholders

b. Construction Workforce Plan

Applicants must also provide a detailed description of the steps that will be taken by the applicant and their construction partners to recruit, hire, train, and retain a diverse and skilled construction workforce, including any steps to expand employment opportunity for economically disadvantaged individuals. The plan should include the elements of a workforce plan discussed above: 1) Workforce needs assessment; 2) Worker recruitment and retention; 3) Good Jobs Principles approach; 4) Workforce training and wraparound services; and 5) Metrics.

Accordingly, the plan should include the identification of the number of jobs needed by craft/position type and where expected gaps may exist. The plan should also include identification of existing programs that successfully train diverse populations and that can be scaled appropriately before construction begins and as construction is ongoing, including high-quality apprenticeship readiness programs and Registered Apprenticeships. Applicants are strongly encouraged to provide wraparound services for construction workers to complete training and be retained on the construction site (such as adult care, transportation assistance, language support, tools, uniforms, appropriately sized safety gear and equipment, and services like mentorships that aim to help retain workers, etc.). The plan should also include specific details about the percentage of labor hours expected to be performed by registered apprentices.

As part of their construction workforce plan, applicants must also provide a description of the steps that will be taken to ensure that all contractors and subcontractors on the construction project have and will continue to have a strong track record of compliance with all Federal labor laws, including but not limited to all relevant provisions, rules, and

regulations of the Davis-Bacon Act, Executive Order 11246, and the Occupational Safety and Health Act, and the steps that will be taken to prevent the misclassification of workers. This description should also include the steps that will be taken to ensure that all workers have access to a safe working environment that is free of harassment, discrimination, and retaliation.

The construction workforce plan should address whether the applicant commits to having a PLA. An applicant that chooses not to use a PLA must take additional steps to ensure that a project will have the necessary construction workforce to timely deliver on its goals.

If an applicant proceeds without a PLA, the applicant must instead provide a project workforce continuity plan, detailing:

- Steps taken and to be taken to ensure the project has ready access to a sufficient supply of appropriately skilled and unskilled labor to ensure construction is completed in a competent manner throughout the life of the project, including a description of any required professional certifications and/or in-house training, Registered Apprenticeships or labor-management partnership training programs, and partnerships with entities like unions, community colleges, or community-based groups
- Steps taken and to be taken to minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project
- Steps taken and to be taken to avoid workplace illnesses, injuries, and fatalities, including descriptions of safety training, certification, and/or licensure requirements for all relevant workers (e.g., OSHA 10, OSHA 30, confined space, traffic control, or other training required of workers employed by contractors), the use of workplace safety committees, and whether the applicant commits to allowing employees to specify a worker or union representative to accompany any OSHA inspectors during inspections of the construction project
- Steps taken and to be taken to ensure that workers on the project receive wages and benefits sufficient to secure an appropriately skilled workforce in the context of the local or regional labor market.

After the project begins construction, the applicant must also report the name of any subcontracted entity performing work on the project, and disaggregated data on the total number of workers employed by each such entity.

c. Child Care Requirement

Applicants requesting CHIPS Direct Funding over \$150 million are required to include information on how they will provide access to affordable, accessible, reliable, and high-quality child care for facility and construction workers. While applicants may consider on- or near-site child care, applicants may also secure other arrangements, such as subsidizing the cost of child care (i.e., providing financial assistance) or partnering with off-site providers to ensure availability for workers. Applicants that do not request CHIPS Direct Funding meeting the \$150 million threshold are still very strongly encouraged to provide access to child care for facility and construction workers to the greatest extent feasible and will be evaluated on whether they provide for such benefits in their workforce plan.

The Department recognizes that there will not be a one-size-fits-all solution, as child care needs will vary across communities and employers. The Department expects applicants to devise solutions that are responsive to their workers' needs, such as access at extended hours, and regional market dynamics. In addition, the Department encourages applicants to work with community stakeholders, including state and local governments and local groups with expertise administering child care, to create effective solutions.

Applicants may also consider whether there are opportunities to leverage facilities or arrangements that would aid both facility and construction workers. However, applicants may choose to address facility and construction workers separately. Applicants that are subject to this requirement should therefore work with their contractors to determine what strategies they will use to ensure access to child care, including access at extended hours when necessary, and then describe those strategies as a separate element of their facility and construction workforce plans.

Broader Impacts

Each applicant must provide an overview of the broader impacts of the proposed project(s), covering each of the following topics. This section should be no longer than 30 pages, excluding any attachments. See Section Error: Reference source not found. for additional details.

- Commitments to Future Investment in the U.S. Semiconductor Industry (maximum of 15 pages): The applicant should submit a strategy for reinvesting in the domestic semiconductor industry and describe how it addresses the priorities outlined in Section Error: Reference source not found for future capital and R&D investments. In particular, the strategy should address the applicant's commitments to investing in R&D in the United States, including a description of the nature and scale of the research and development activities that will be based in the United States and any capital investments in R&D facilities.
- Buyback Commitment: In light of the Department's commitment to prioritizing applicants that invest in the United States, the applicant should detail their intentions with respect to stock buybacks over five years, including whether they intend to refrain from or limit them, as well as details around the existence of any current or future intentions for share buybacks, dividend payments, dividend payment increases, or special dividends.
- Support for Semiconductor Research and Development: Applicants should note commitments made to support the CHIPS R&D programs including the NSTC, NAPMP, and Manufacturing USA. Efforts can include potential access to research facilities for CHIPS R&D supported projects, support for multiproject wafer runs, workforce exchange and training, donations of equipment and tools, and other potential support mechanisms.
- Creating Inclusive Opportunities for Businesses through a Supplier Diversity Plan: The applicant should describe its supplier diversity plan, including their goals and components of their strategy to achieve them (such as outreach and data tracking). The applicant should describe how it will coordinate with small, minority-owned, veteran-owned, and women-owned businesses, as well as describe their supplier diversity programs and/or office and any internal staff dedicated to overseeing outreach to such businesses. The applicant should also describe how it will track and disclose data on supplier diversity that is demographically disaggregated (e.g., race, ethnicity, gender, veteran status), including statistics on what share of suppliers are majority-owned by different groups.⁹ As part of this component, the applicant should describe other proactive commitments to supplier diversity as described in Section Error: Reference source not found and how it will work with contractors to collect the necessary data. The applicant may also describe broader commitments to diversity and inclusion, including diversity of its existing suppliers, as well as supplier diversity commitments made as part of state and local government incentives.
- Climate and Environmental Responsibility: The applicant should submit a climate and environmental responsibility plan that addresses how the proposed project(s) will meet climate and environmental goals and describe company climate and environmental policies. Among other environmental issues, the plan should include details on the topics below (as described in Section Error: Reference source not found):
 - Energy: A description of how the applicant will use renewable energy to the maximum extent possible. Semiconductor fabs use significant amounts of electric power to support fab tools, sub-fab systems, and ancillary or supporting features. Transitioning to a clean energy supply will bring down the long-term cost of fab operations as the cost of using renewable energy decreases.
 - Climate Resilience: A description of design features, construction methods, and operation strategies that the applicant will employ to increase resilience from weather- and climate-related risks (e.g., increased flooding, wildfires) that may occur over the lifetime of the facility.
 - Water: A description of the applicant's water conservation efforts, such as plans to fund water restoration projects, increase water reuse and recycle rates year over year, and other progressive strategies to achieve more ambitious water conservation goals over time.

⁹ For an example of disaggregated data reporting, See U.S. Small Business Administration, *SBA Releases FY 2020 Disaggregated Contracting Data*, SBA Blog (December 1, 2021), <https://www.sba.gov/blog/sba-releases-fy-2020-disaggregated-contracting-data>.

- Sustainability Transparency: A description of the metrics and processes the applicant will use to measure, track, and report publicly on its climate and environmental responsibility goals and commitments.
- Community and Environmental Justice Impacts: A description of the applicant’s strategies for minimizing the potential for adverse impacts to the local community, including communities with environmental justice concerns.
- Community Investments: The applicant should identify its set of community investments to drive regional economic resilience and broad-based growth, including a description of how it has worked with local communities and other stakeholders to design such investments and how they will unlock barriers to economic participation and benefit disadvantaged communities. See Section Error: Reference source not found.
- Domestic Content: Applicants should include a description of whether and how they intend to utilize domestically produced iron, steel, and construction materials. Applicants should also identify whether they will include domestic content specifications in their contracting terms.

Standard Forms

All applicants should submit standard forms as follows:

- SF-328, Certificate Pertaining to Foreign Interests
- CD-511, Certification Regarding Lobbying. Enter “2023-NIST-CHIPS-CFF-01” in the Award Number field. Enter the title of the application, or an abbreviation of that title, in the Project Name field
- SF-LLL, Disclosure of Lobbying Activities (if applicable)

In addition, applicants may be required to submit the following forms:

- SF-424, Application for Federal Assistance, signed by an authorized representative of the applicant organization
- For the construction component of projects, the SF-424C and SF-424D
- For the workforce development component of projects, as well as any operational activities, the SF-424A

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 Full-Application will consist of a series of questions presented via a web-based application with respondents uploading files as requested. Question types and data fields will include basic contact information, picklists, cost estimates, and brief project narratives. The web-based 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.

To apply for this program, applicants must have submitted a Statement of Interest (SOI) and may have also submitted a Pre-application. As some of the information in the full application can be found in the statement of interest and the pre-application, the system, where possible, will pre-populate applicable fields for the ease of the respondent.

For those potential applicants who elect to submit a pre-application (which is suggested but not required) in addition to some of the pre-application being pre-populated in the application, the pre-application creates an opportunity for a preliminary assessment of whether the project, as proposed, would be positioned to support a competitive Full Application and will potentially save the applicant time.

Other than our own efforts to connect all aspects of the process into a comprehensive program, we are unaware of any similar efforts to collect this information in the past or currently from other sources within Commerce, from other government sources, and from outside sources.

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

The CHIPS incentives system has multiple modes of reducing burden to the applicant:

Where able, all CHIPS applications will streamline customer experience through several methods of form automation:

- 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 could pre-populate the details anywhere that information is needed, including in federal forms, 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.

A potential applicant must submit a full application to be officially considered for a CHIPS Incentive Award. When a full application is submitted for a proposed project if changes are requested by the Department, applicants will be able to update information in the application – not resubmit the entire package. Because the full application is resource-intensive, the applicant should strongly consider any pre-application feedback, if they chose to submit a pre-application, when deciding whether to prepare and submit a full application. The Department will engage with the applicant, to seek further information or clarifications, provide feedback, including on the scope of the proposed project(s) and the amount of CHIPS Incentives request, and, ultimately, to negotiate the preliminary terms of a potential award.

The practical utility of a Full-Application is to allow the Federal Government opportunity to assess applicant information to ensure the applicant can meet program requirements. Without this interaction the government would not be able to assess applicants' ability to meet program objectives and design an incentives package to accomplish program goals.

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.

Applicants are only required to submit one Full-Application per application instance. 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.

The Notice of Funding Opportunity (NOFO), CHIPS Incentives Program – Commercial Fabrication Facilities, section IV, paragraph C. 3. Use of Information states:

Any person or entity submitting information under this NOFO acknowledges and understands that information and data contained in or submitted in connection with statements of interest, pre-applications, full applications, or due diligence under this NOFO (together, “applicant information and data”) may be accessed and used by Federal employees for the purposes of this NOFO and carrying out the government’s responsibilities in connection with the CHIPS Incentives Program, or as otherwise required by law. By submitting applicant information and data, the applicant, potential applicant, or an entity submitting a statement of interest consents to the disclosure of such applicant information and data to consultants and contractors for these purposes, consistent with Federal law.

The Department may publish information concerning the award of incentives throughout the review, selection, and award process. By submitting a full application, the applicant consents to the disclosure of information regarding the identity of the applicant and its ultimate corporate parent, the location of the proposed project(s), the estimated total capital expenditure for the proposed project(s), the status of its application (e.g., complete and pending review, approved for entry into due diligence, in due diligence, denied, or withdrawn); whether a non-binding Preliminary Memorandum of Terms has been offered to the applicant, as well as basic terms thereof; disclosures of project information and environmental impacts required under Federal environmental review requirements, such as the National Environmental Policy Act (as determined by the Department), any notifications to Congress required by law, or any other disclosures required by law.

Any accepted non-binding Preliminary Memorandum of Terms or CHIPS Incentives Award will specify additional information that the Department may make public, including, for example, the identity of the recipient, the type(s) and amount(s) of the CHIPS Incentives, and appropriate summaries of the project(s). As will be set forth in the terms and conditions of a CHIPS Incentives Award, successful applicants will be expected to support program and project reviews, audits, and evaluations, including by submitting required financial and performance information and data in an accurate and timely manner, making available documents and other records related to the award project(s) upon request, and by cooperating with Department and external program evaluators, including the Office of the Inspector General. Certain post-award progress reporting may also be made public.

The Department may also publish aggregated information from statements of interest, pre-applications, and applications.

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 60-day Federal Register Notice (FRN) soliciting public comments was published on Wednesday, April 12, 2023 (Vol. 88, Number 70, page 22009). No comments were received.

A 30-day Federal Register Notice (FRN) soliciting public comments was published on Wednesday, September 6, 2023 (Vol. 88, Number 171, page 60932).

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.

CPO recognizes the importance of protecting confidential business information from public disclosure. CPO and the Department will follow applicable laws, including, for example, the CHIPS Act, the Trade Secrets Act, and the Freedom of Information Act (FOIA), to protect such information. Section IV.C of the CHIPS Incentive Program – Commercial Fabrication Facilities Notice of Funding Opportunity (NOFO) provides the additional information on the maintenance of confidentiality and use of the information collected in greater detail.

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.

As this is a new program and burden is largely estimated, a review of expected response rates will be conducted periodically so that the program may adjust burden rates with OMB. Initial estimate:

<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>
Full-Application	140	1	140	125 hours	17,500 hours

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	140	1	125 hours	\$47.32	\$828,100
Total	--	--	--	--	\$828,100

* 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 Interest, Full-Application, and Full-application. The cost of developing the Full Application as a portion of that contract is approximately \$1.72M. Continued maintenance and licensing costs will be approximately \$873,032 per year.

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	65.6% (leave and benefits)	40%	\$112,608
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)	40%	\$675,648
Other Objects (Non-labor)					
Licenses					\$50,000
Total Cost to the Government					\$873,032

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

This is an extension to 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 full application submitted, correlated by geographic area, cross referenced with the proposed type of project submitted in the full application. 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.

The Notice of Funding Opportunity (NOFO), CHIPS Incentives Program – Commercial Fabrication Facilities, section IV, paragraph C. 3. Use of Information states:

Any person or entity submitting information under this NOFO acknowledges and understands that information and data contained in or submitted in connection with statements of interest, pre-applications, full applications, or due diligence under this NOFO (together, “applicant information and data”) may be accessed and used by Federal employees for the purposes of this NOFO and carrying out the government’s responsibilities in connection with the CHIPS Incentives Program, or as otherwise required by law....The Department may also publish aggregated information from statements of interest, pre-applications, and applications.

Note: more information on the data analysis is found in the supporting statement part B.

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).