

WASHINGTON, DC 20510-3203

February 29, 2024

The Honorable Gina M. Raimondo Secretary U.S. Department of Commerce 1401 Constitution Avenue NW Washington, DC 20230

Dear Secretary Raimondo:

I write in support of the New York Semiconductor Manufacturing and Research Technology Innovation Corridor Consortium (NY SMART I-Corridor) proposal for an over \$50 million Tech Hub implementation grant to further help transform the Upstate New York region's economy as we build a globally-recognized semiconductor manufacturing and supply chain hub in the next decade. The I-Corridor Consortium Tech Hub that spans across the Buffalo, Rochester, Ithaca, and Syracuse region has engaged 100+ institutions and has assembled commitments from industry, academia, labor, non-profit, philanthropic, and government members, including Micron in Syracuse, Corning in Rochester, and Moog in Buffalo, among several other industry partners.

As evidenced by the Commerce Department designating this region as a federal Tech Hub last fall, the NY SMART I-Corridor is already home to a diverse semiconductor ecosystem that features semiconductor chip fabs, including Micron's upcoming \$100 billion megafab which will be one of the largest semiconductor facilities in the US, plus over 100 semiconductor supply chain firms and globally recognized academic research institutions. The Consortium's proposal will not only leverage these existing assets, but expand the I-Corridor into a global hub of semiconductor innovation by solving growth challenges the region would otherwise face over the coming decade, including: training thousands of in-demand workers, creating new supply-chain firms needed by fabs, innovating technological advances to keep the U.S. on the cutting-edge of this industry, and closing equity gaps to ensure all populations benefit from these opportunities. The Consortium has brought together the key industry and community players who over the past several months have created this blueprint to seize this historic once-in-a-generation opportunity to shift the trajectory of Upstate New York by building a leading global semiconductor and supply chain economy. More specifically, to achieve these goals, the Consortium proposed the following activities:

<u>Supply Chain:</u> The proposed Supply Chain Activation Network (SCAN) initiative which will be led by University at Buffalo (UB) will enable existing advanced manufacturers and suppliers to make the transition to sell to the semiconductor industry, providing the products and services needed by I-Corridor chip fabs. With over 4,000 local business already identified that could expand into the semiconductor sector, SCAN will grow the domestic supply chain vital to our national security, with a focus on boosting women- and minority-owned business participation, so that products now sourced overseas can instead be made in the U.S.

<u>Workforce Training</u>: Fabs and suppliers in the corridor will face a gap of over 10,000 jobs by 2034 that requires immediate action to train 5,000 middle-skill jobs like electrical assemblers and processing technicians, 4,000 construction jobs like electricians and welders,

and 2,500 high-skill engineering jobs like industrial engineers and software developers. The Semiconductor Talent & Employer Partnership in Upstate New York (STEP UP) initiative will be led by Monroe Community College and will focus on meeting this need to close these critical gaps in upskilling, hiring, and retention. This work will also focus on creating career pathways for populations that have been historically excluded from tech and manufacturing related job opportunities.

<u>Commercialization</u>: The Commercialization & Collaboration Center (C3) will be led by Empire State Development's Division of Science, Technology and Innovation (NYSTAR) as a one-stop-shop for access to regional semiconductor R&D assets. This activity will stimulate innovation for semiconductor manufacturing and facilitate collaboration across many of our nation's leading labs and cleanrooms located at research and higher education institutions in the I-Corridor. Creating this common platform across labs and universities to share R&D to advance the semiconductor manufacturing innovations is needed to make cutting-edge microchips and help fulfill our national security and economic competitiveness goals of reducing our reliance on overseas microchips by producing more domestically.

<u>Startup Innovaton</u>: The Semiconductor Advancement, Leadership, and Entrepreneurship (SCALE) Initiative will be led by Syracuse University and will provide early-stage funding, technical assistance, and commercialization support to incubate new semiconductor supply chain companies. It will provide hands-on support for entrepreneurs and researchers looking to start new semiconductor technology businesses in key technology areas critical for improving semiconductor manufacturing processes like optics and photonics, software development, climate and decarbonization.

<u>Governance</u>: The SMART I–Corridor Innovation Office will drive the Tech Hub's work to advance industry and worker needs, equity efforts, and support consortium members to reach proposed goals.

This implementation proposal is exactly the type of comprehensive, regional effort I had in mind as author of the Tech Hubs program in my original *Endless Frontier Act* and later in the final *CHIPS and Science Act* that passed into law. This proposal was developed by industry and community stakeholders within this Upstate New York Tech Hub corridor who joined together to identify exactly what they need to grow jobs and become a global semiconductor manufacturing leader that can help strengthen our national security. This region is ripe for technological and economic growth that can be unlocked with this EDA support and will help power U.S. global leadership in semiconductor innovation and manufacturing. Again, I am pleased to support this application and appreciate your close consideration.

Sincerely,

Jailes Schume

Charles E. Schumer United States Senator