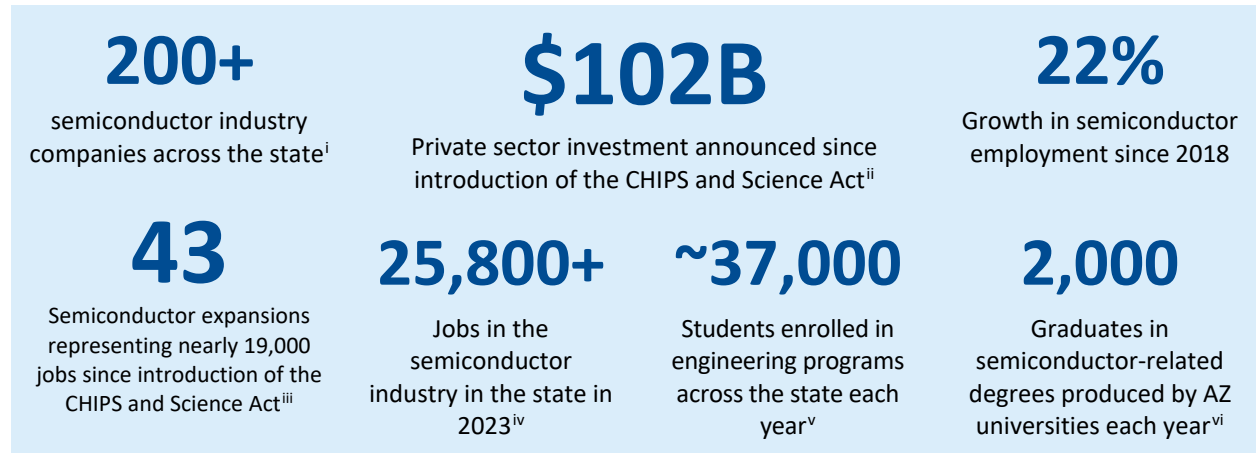


Background: The Semiconductor Industry in Arizona



The Investing in America agenda is promoting growth of the semiconductor industry in Arizona including:

- CHIPS for America has announced proposed investments in **leading-edge logic chip manufacturing** including:
 - Up to **\$8.5 billion in proposed direct funding for Intel Corporation** to construct two new fabs and modernize one existing fab in Chandler as part of a multi-state investment; and
 - Up to **\$6.6 billion in proposed direct funding for TSMC Arizona Corporation** to construct three greenfield leading-edge fabs in Phoenix.
- Phoenix was designated as an **Investing in America Workforce Hub** by the White House in May 2023 for several key industries including **semiconductor manufacturing**;
- Arizona State University (ASU) is leading the **Southwest Advanced Prototyping Hub**, awarded **\$39.8 million** through the **Department of Defense Microelectronics Commons** program; and
- ASU was awarded **\$13.8 million from the U.S. State Department** to bolster the assembly, testing, and packaging capabilities in partner countries in the Americas and Indo-Pacific.

The CHIPS and Science Act (“CHIPS”) is spurring new investments in critical infrastructure including:

- **\$200+ million** by the City of Phoenix in new public infrastructure investments, including roadways, water and wastewater;
- **\$30+ million** in water and road improvements by the City of Chandler, including construction of a new reclaimed water facility that supports drought prevention;
- **\$10+ million** invested by the City of Peoria and **\$50+ million** by Pinal County for roadway and other infrastructure needs;
- **\$1+ billion** in new funding from the state, county, and U.S. Department of Transportation to widen Interstate 10, a major thoroughfare key to connecting the semiconductor ecosystem; and
- Implementation of **fast track** and **expedited permitting** programs in Chandler and Phoenix to get projects quickly from design to construction.

CHIPS is stimulating the growth of research and development assets including:

- **\$270 million** public-private investment in ASU's **Materials-to-Fab Center**;
- **\$17.5 million** state investment in expansion of **ASU's MacroTechnology Works** facility to support advanced packaging and gallium nitrate research capabilities;
- **\$35.5 million** in state funding to expand the **University of Arizona's Micro/Nano Fabrication Center**;
- **\$13 million** state investment in **Northern Arizona University (NAU)** to expand research and educational programs related to metrology.

CHIPS is catalyzing new workforce development pipelines to connect residents with good-paying jobs in the semiconductor industry including:

- **\$4 million** investment by the Arizona Commerce Authority in **growing semiconductor Registered Apprenticeship Programs (RAPs)** and announcements with **Intel, NXP, and TSMC**;^{vii}
- **\$15 million** state investment in a new semiconductor-focused **Future48 workforce accelerator** in collaboration with Maricopa Community Colleges;
- **\$13 million** City of Phoenix investment in the **Innovation 27 Workforce Training and Education Collaborative** to support high school students in obtaining certifications for high-demand jobs in advanced manufacturing with tuition covered by the State;
- Expansion of Arizona's **Semiconductor Technician Quick Start Program**, a partnership between Intel, TSMC, and Maricopa County Community Colleges; and
- State investments in new semiconductor program offerings at **NAU; ASU; U of A;** and **Pima and Central Arizona** Community Colleges.

CHIPS is mobilizing new initiatives to ensure economic benefits of semiconductor industry growth reach the whole community including:



Addressing the Childcare Shortage

Arizona's new [child care needs study](#) includes a focus on the semiconductor industry and aims to both identify current gaps and challenges in childcare and devise strategies to meet current and future needs.



Supporting Wraparound Services

[Arizona Community Foundation](#) will drive the creation of a \$5 million philanthropic fund in partnership with other community-based organizations to provide wraparound services for training of 1,500 non-traditional talent and underserved residents.



Growing the Innovation Ecosystem

[Plug and Play accelerateAZ](#) pairs promising startups with industry leaders to promote innovation. The accelerator is focusing its first program on advanced manufacturing including semiconductors.



Expanding the Construction Pipeline

[BuildItAZ](#) is leading a statewide initiative to double the number of construction and trades registered apprentices by 2026 to almost 8,000. This program is expanding access to pre-apprenticeships, creating new pathways into the industry especially for women and other individuals from underrepresented communities.

Arizona Economic Development Contacts:

- **Arizona Commerce Authority**
 - **Contact Email:** RyanR@azcommerce.com
- **Greater Phoenix Economic Council**
 - **Contact Email:** ccamacho@gpec.org
- **City of Phoenix Community and Economic Development**
 - **Contact Email:** christine.mackay@phoenix.gov
- **City of Chandler Economic Development**
 - **Contact Email:** micah.miranda@chandleraz.gov

Note: This fact sheet provides examples of entities, programs, and initiatives that CHIPS for America is aware of in the State of Arizona to support its growing semiconductor industry. The information is based on CHIPS for America engagement with entities involved in Arizona’s semiconductor industry and was collected in collaboration with the Arizona Commerce Authority. The Arizona Commerce Authority provided the list of state and local economic development organizations in geographies with leading-edge CHIPS Incentives announcements.

Inclusion in this fact sheet does not convey the CHIPS Program Office’s approval, endorsement, sponsorship, or other evaluation of any entity, program, or initiative, nor does the exclusion of any entity on the list convey any disapproval. The CHIPS Program Office makes no claims, promises, or guarantees about the completeness, accuracy, or currency of information in this fact sheet. All examples are non-exhaustive and provided for informational purposes only.

ⁱ Arizona Commerce Authority client data

ⁱⁱ Arizona Commerce Authority client data

ⁱⁱⁱ Arizona Commerce Authority client data

^{iv} BLS QCEW, modified by Lightcast (2024.1 datarun)

^v <https://www.gpec.org/industries-operations/industries-in-greater-phoenix/semiconductors/>

^{vi} <https://www.gpec.org/industries-operations/industries-in-greater-phoenix/semiconductors/>

^{vii} \$4 million is part of the larger \$100 million commitment from the State to semiconductor workforce development and R&D.