



Texas

Texas could see additional Samsung semiconductor plants

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July 22nd, 2022

Texas could become home to even more semiconductor manufacturing facilities than originally thought, Gov. Greg Abbott's office said this week.

The new facilities by Samsung are dependent on the passage of the federal Creative Helpful Incentives to Produce Semiconductors (CHIPS) Act, which aims to reduce America's dependence on foreign chip manufacturers and incentivize domestic manufacturing.

Samsung says it could add 11 additional facilities in Taylor and Austin. The company initially announced a \$17 billion plan for one facility last year.

"Texas is a national leader in the semiconductor industry," Abbott said. "More than 30,000 Texans work in this field and in the last year alone, Samsung and Texas Instruments announced major projects in Texas investing up to \$47 billion, with the potential to create 5,000 new jobs."

Abbott also urged Congress to pass the CHIPS Act.

"This legislation will assist the United States in cementing a secure semiconductor supply chain, which is vital to our nation's economy and national security, and better equip Texas to compete for investment in this industry," the governor said. "The federal incentives in the CHIPS Act of 2022 will help Texas leverage our investments in the semiconductor industry, and the tax provisions will benefit the semiconductor-related companies already operating in the state, while attracting others that are looking to expand and grow."

The incentives have been questioned by experts with the CATO Institute as The Center Square previously reported.

CATO's Scott Lincicome and Alfredo Carrillo Obregon say the chip shortage could be coming to an end, since chipmakers have invested more recently in the U.S.

“Taxpayer dollars either will pay giant corporations to do what they already planned on (and are) doing or will finance additional and undisciplined domestic capacity expansions that could cause a painful global glut,” they said

The CHIPS Act passed a procedural vote in the Senate earlier this week.