

President Trump urges Congress to 'get rid of the CHIPS Act' which would impact Intel

By Reuters and Staff Reports

President Donald Trump during his address to Congress on Tuesday said lawmakers should "get rid" of the 2022 CHIPS Act that paved the way for the \$28 billion Intel project in New Albany.

"The CHIPS act is a horrible, horrible thing. We give hundreds of billions of dollars and it doesn't mean a thing. They take our money and they don't spend it," Trump said. "You should get rid of the CHIPS Act and whatever is left over, Mr. Speaker, you should use it to reduce debt."

Intel has received \$2.2 billion of its \$7.865 billion in funding as part of the federal CHIPS Incentives Program. At least \$1.5 billion of that funding was set to go toward the New Albany project near Columbus, according to the U.S. Department of Commerce.

Last month, Intel announced that its first factory in the Licking County portion of New Albany would not be completed until 2030 and would begin operations sometime shortly thereafter in either 2030 or 2031 — a sign of just how much remains in flux.

By the time it opens, Intel's first factory will have faced at least five or six years of delays, as it was originally scheduled to begin operating in 2025. Intel's second Ohio factory won't be completed until at least 2031 and will begin running in 2032, according to the company.

The CHIPS and Science law signed by then President Joe Biden in August 2022 included \$39 billion in subsidies for U.S. semiconductor manufacturing and related components along with \$75 billion in government lending authority. Commerce Secretary Howard Lutnick has praised the program but said previously he wanted to review awards finalized during the Biden administration.

Under Biden, the Commerce Department convinced all five leading-edge global semiconductor firms, including Intel, to locate factories in the United States in the effort to tackle national security risks from imported chips.