

Biden administration announces \$5 billion commitment for research and development of computer chips

February 9 2024, by Josh Boak



U.S. Commerce Secretary Gina Raimondo speaks Dec. 11, 2023, during a visit to BAE Systems, in Nashua, N.H. The Biden administration on Friday, Feb. 9, 2024, will announce the investment of \$5 billion in a public-private consortium aimed at supporting research and development in advanced computer chips.

Credit: AP Photo/Steven Senne, File

The Biden administration on Friday announced the investment of \$5 billion in a newly established public-private consortium aimed at supporting research and development in advanced computer chips.

The National Semiconductor Technology Center is being funded through the CHIPS and Science Act. That 2022 law aims to reinvigorate the computer chip sector within the United States through tens of billions of dollars in targeted government support.

Stakeholders in the chips industry gathered on the White House campus to discuss how the center should prioritize research and worker training for an industry poised to expand because of government backing. The coronavirus pandemic exposed the risk to the economy and national security of an overdependence on Taiwan for advanced chips, while the emergence of artificial intelligence is likely to push demand for newer and more innovative chips upward.

"This is an inflection point in the industry," Commerce Secretary Gina Raimondo told the group. "Not just because we're dangerously dependent on one country for so many of our chips, but because AI is going to lead to an explosion of demand for chips, for sophisticated chips, more energy-efficient chips, cost-effective chips."

The center would help to fund the design and prototyping of new chips, in addition to training workers for the sector.

Companies say they need a skilled workforce in order to capitalize on the separate \$39 billion being provided by the government to fund new and expanded computer chip plants. Raimondo said there will be "a drumbeat" of funding announcements for companies in the next six to 12 weeks.

The sector would likely increase rapidly in terms of its need for highly

specialized workers. Labor Department data say that about 375,000 people are employed in the production of computer chips with an average income of \$82,830.

© 2024 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Biden administration announces \$5 billion commitment for research and development of computer chips (2024, February 9) retrieved 27 April 2024 from <https://techxplore.com/news/2024-02-biden-administration-billion-commitment-chips.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.