1997 SESSION

	971285805			
1	SENATE BILL NO. 946			
2 3	Offered January 16, 1997			
5 4 5	A BILL to amend the Code of Virginia by adding in Chapter 22.3 of Title 59.1 a section numbere 59.1-284.15, relating to trade and commerce; semiconductor performance grants.			
5 6	Patrons—Stosch, Barry, Benedetti, Chichester, Earley, Gartlan, Hawkins, Houck, Howell, Marsh, Walker			
7	and Wampler; Delegates: Cunningham, Diamonstein, Dickinson, Dillard, McEachin, Phillips and			
8	Thomas			
9 10 11	Referred to the Committee on Commerce and Labor			
12	Be it enacted by the General Assembly of Virginia:			
13	1. That the Code of Virginia is amended by adding in Chapter 22.3 of Title 59.1 a section			
14	numbered 59.1-284.15 as follows:			
15 16	§ 59.1-284.15. Semiconductor Memory or Logic Wafer Manufacturing Performance Grant Progr II.	am		
17	A. As used in this section:			
18	"Eligible county" means any county in Virginia with a population of at least 217,500 but not m	ore		
19 20	than 220,000. "Manufactures wafers" means manufacturing wafers in an eligible county, and includes on	ita		
20 21 22	processing that increases the value of wafers by transforming raw wafers into semiconductor memory logic wafers.			
$\frac{22}{23}$	"Qualified manufacturer" means any manufacturer of semiconductor products which has made	e a		
24	capital investment of at least \$1 billion in buildings and equipment located in an eligible county for			
25 26	manufacture of wafers in such eligible county.			
20 27	"Secretary" means the Secretary of Commerce and Trade or his designee. "Wafer" means a semiconductor memory or logic wafer. A wafer containing mixed memory and logic			
28	circuits shall be considered a logic wafer.			
29	"Wafer used" or "uses wafers" means (i) the consigning or transferring of processed wafers to			
30 31	manufacturing or processing facility of the qualified manufacturer for probe, assembly, or test or (ii) consigning or transferring of wafers to a manufacturing or processing facility of a subsidiary or ot			
32	affiliated corporation, a joint venture, a partner, or an independent contractor of the qualij			
33	manufacturer.			
34 35	B. Beginning five years after the commencement of manufacture of wafers, any quality			
33 36	manufacturer who, from January 1, 2003, through December 31, 2009, sells or uses wafers that it manufactured in an eligible county shall be entitled to receive an annual semiconductor manufacturing			
37	performance grant in the amount of \$100 per memory wafer and \$250 per logic wafer sold or used. The			
38	grants under this section (i) shall be paid from a fund to be entitled the Semiconductor Memory or			
39 40	Logic Wafer Manufacturing Performance Grant Fund II subject to appropriations by the Gene Assembly, (ii) shall not exceed \$15 million in the aggregate, and (iii) shall be paid, as provided	rai in		
41	subsections E and F, to the qualified manufacturer during the calendar year immediately following			
42	calendar year in which a particular wafer was sold or used.			
43 44	C. If applications for grants under this section for wafers sold or used during a particular calend year exceed the approache amount listed below for that year each eligible applicant's grant for the year.			
45	year exceed the aggregate amount listed below for that year, each eligible applicant's grant for the year shall equal the amount of the grant to which the applicant would be entitled, absent this subsection C,			
46	times a fraction. The numerator of that fraction shall equal the amount listed or described below for the			
47 48	year, and the denominator shall equal the aggregate dollar amount of grants to which all applicants			
40 49	would be entitled for such calendar year absent this subsection C. The aggregate amount of the gra under this section for a particular year shall not exceed the following:	nis		
50	Year of Sale or Use Amount			
51				
52				
53 54	2003 \$3 million			
54 55	2004 \$6 million, less the aggregate amount			
56				
57	of grants to which all qualified manufacturers			
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59 (1)		were entitled for wafers sold or used during
60 61		the calendar year 2003
62 63	2005	\$9 million, less the aggregate amount
64 65		of grants to which all qualified manufacturers
66		
67 68		were entitled for wafers sold or used during
69 70		the calendar years 2003 and 2004
71	2006	\$12 million, less the aggregate amount
72 73		of grants to which all qualified manufacturers
74 75		were entitled for wafers sold or used during
76		
77 78		the calendar years 2003 through 2005
79 80	2007	\$15 million, less the aggregate amount
81		of grants to which all qualified manufacturers
82 83		were entitled for wafers sold or used during
84 85		the calendar years 2003 through 2006
86		
87 88	2008	\$15 million, less the aggregate amount
89 90		of grants to which all qualified manufacturers
91		were entitled for wafers sold or used during
92 93		the calendar years 2003 through 2007
94 95	2009	\$15 million, less the aggregate amount
96 97		
98		of grants to which all qualified manufacturers
99 100		were entitled for wafers sold or used during
101		the calendar years 2003 through 2008
102		

103 D. Any qualified manufacturer entitled to apply for a grant under this section shall provide evidence, 104 satisfactory to the Secretary, of the number of wafers it manufactured in an eligible county that were sold or used during a particular calendar year. The application and evidence shall be filed with the 105 Secretary in person or by mail no later than March 31 (or such later date determined by the Secretary 106 in his sole discretion) each year following the calendar year in which the wafers were sold or used. 107 108 Failure to meet the filing deadline shall render the applicant ineligible to receive a grant for the wafers 109 sold or used during such calendar year. For filings by mail, the postmark cancellation shall govern the 110 date of the filing determination.

E. Within ninety days after the filing deadline in subsection D, the Secretary shall certify to (i) the
Comptroller and (ii) each applicant the amount of the grant to which such applicant is entitled under
this section for wafers sold or used by it during the immediately preceding calendar year. Payment of
such grant shall be made by check issued by the Treasurer of Virginia on warrant of the Comptroller
within sixty days of such certification.

116 F. As a condition of receipt of a grant, a qualified manufacturer shall make available to the

117 Secretary or his designee for inspection upon his request all relevant and applicable documents to 118 determine whether the manufacture and sale or use of the wafers meets the requirements for the receipt 119 of grants as set forth in this section and subject to a memorandum of understanding between a qualified 120 manufacturer and the Commonwealth. The Comptroller shall not draw any warrants to issue checks for 121 this program without a specific legislative appropriation as specified in conditions and restrictions on 122 expenditures in the appropriation act. All such documents appropriately identified by the qualified 123 manufactures in the appropriation act.

123 manufacturer shall be considered confidential and proprietary.