

1997 RECONVENED SESSION

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VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend the Code of Virginia by adding in Chapter 22.3 of Title 59.1 a section numbered 59.1-284.15, relating to trade and commerce; semiconductor performance grants.

[S 946]

Approved

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 22.3 of Title 59.1 a section numbered 59.1-284.15 as follows:

§ 59.1-284.15. Semiconductor Memory or Logic Wafer Manufacturing Performance Grant Program

II.

A. As used in this section:

"Eligible county" means any county in Virginia with a population of at least 217,500 but not more than 220,000.

"Manufactures wafers" means manufacturing wafers in an eligible county, and includes on-site processing that increases the value of wafers by transforming raw wafers into semiconductor memory or logic wafers.

"Qualified manufacturer" means any manufacturer of semiconductor products which has made a capital investment of at least \$1 billion in buildings and equipment located in an eligible county for the manufacture of wafers in such eligible county. In the case of a qualified manufacturer which is a partnership, qualified manufacturer means the partnership or its individual partners.

"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 circuits shall be considered a logic wafer.

"Wafer used" or "uses wafers" means (i) the consigning or transferring of processed wafers to any manufacturing or processing facility of the qualified manufacturer for probe, assembly, or test or (ii) the consigning or transferring of wafers to a manufacturing or processing facility of a subsidiary or other affiliated corporation, a joint venture, a partner, or an independent contractor of the qualified manufacturer.

B. Beginning five years after the commencement of manufacture of wafers, any qualified 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 performance grant in the amount of \$100 per memory wafer and \$250 per logic wafer sold or used. The grants under this section (i) shall be paid from a fund to be entitled the Semiconductor Memory or Logic Wafer Manufacturing Performance Grant Fund II subject to appropriations by the General Assembly, (ii) shall not exceed \$15 million in the aggregate, and (iii) shall be paid, as provided in subsections E and F, to the qualified manufacturer during the calendar year immediately following the calendar year in which a particular wafer was sold or used.

C. If applications for grants under this section for wafers sold or used during a particular calendar 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, times a fraction. The numerator of that fraction shall equal the amount listed or described below for the year, and the denominator shall equal the aggregate dollar amount of grants to which all applicants would be entitled for such calendar year absent this subsection C. The aggregate amount of the grants under this section for a particular year shall not exceed the following:

Year of Sale or Use

Amount

2003 \$3 million

2004 \$6 million, less the aggregate amount

of grants to which all qualified manufacturers

were entitled for wafers sold or used during

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SB946ER

56 the calendar year 2003
 57
 58 2005 \$9 million, less the aggregate amount
 59
 60 of grants to which all qualified manufacturers
 61
 62 were entitled for wafers sold or used during
 63
 64 the calendar years 2003 and 2004
 65
 66 2006 \$12 million, less the aggregate amount
 67
 68 of grants to which all qualified manufacturers
 69
 70 were entitled for wafers sold or used during
 71
 72 the calendar years 2003 through 2005
 73
 74 2007 \$15 million, less the aggregate amount
 75
 76 of grants to which all qualified manufacturers
 77
 78 were entitled for wafers sold or used during
 79
 80 the calendar years 2003 through 2006
 81
 82 2008 \$15 million, less the aggregate amount
 83
 84 of grants to which all qualified manufacturers
 85
 86 were entitled for wafers sold or used during
 87
 88 the calendar years 2003 through 2007
 89
 90 2009 \$15 million, less the aggregate amount
 91
 92 of grants to which all qualified manufacturers
 93
 94 were entitled for wafers sold or used during
 95
 96 the calendar years 2003 through 2008
 97

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

106 *E. Within ninety days after the filing deadline in subsection D, the Secretary shall certify to (i) the*
 107 *Comptroller and (ii) each applicant the amount of the grant to which such applicant is entitled under*
 108 *this section for wafers sold or used by it during the immediately preceding calendar year. Payment of*
 109 *such grant shall be made by check issued by the Treasurer of Virginia on warrant of the Comptroller*
 110 *within sixty days of such certification; provided that no payments shall be made to a partnership, but*
 111 *shall instead be made to its partners in accordance with their written instructions delivered to the*
 112 *Secretary prior to the filing deadline or, in the absence of such written instructions, in equal shares to*
 113 *each partner.*

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

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