

**Motor & Equipment Manufacturers Association**

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## **Motor & Equipment Manufacturers Association (MEMA) Applauds Congressional Passage of CHIPS-plus Legislation**

**Washington D.C. – July 28, 2022** – A statement from Bill Long, President and CEO, Motor & Equipment Manufacturers Association.

“Congratulations to the U.S. House and Senate for passing this vital Chips-plus measure that will help restore the motor vehicle component semiconductor production and strengthen the U.S. supply chain. MEMA is particularly grateful that Senator Debbie Stabenow, Senator Gary Peters, and the Michigan House Delegation made sure funds are available in the CHIPS Act for mature node chip production.

Senators Chuck Schumer and Todd Young led the effort in the Senate to get CHIPS-plus over the finish line. Their efforts make sure investment in the manufacturing and technology sectors in North America keeps pace with those in Asia and Europe.

MEMA members look forward to legacy chip manufacturers receiving CHIPS grants. All vehicle component manufacturers are facing chip shortages, but they are most acute in smaller tier 2 and tier 3 companies that can least afford it. More chips mean more jobs because of increased production and sales of U.S. motor vehicles and parts. This will provide for greater stability in U.S. production and more availability for the U.S. consumer.

Thanks to the bipartisanship of the Senate and the House, help is on the way to motor vehicle parts manufacturers large and small.”

### Background

The CHIPS-plus legislation provides \$52 billion in funding for semiconductor fab construction for the sector. This funding includes a \$2 billion mature node chip preference for chips for the motor vehicle and parts industry and full eligibility for all CHIPS programs for mature node motor vehicle grade chips producers. Additional National Science Foundation (NSF), National Institute of Standards and Technology (NIST), and Department of Energy (DOE) funding for science and basic research was also included. CHIPS-plus was earlier approved by the U.S. Senate and is now heading to President Biden’s desk for his signature.

### **About MEMA**

Since 1904, the Motor & Equipment Manufacturers Association (MEMA) has been the voice of the automotive and commercial vehicle supplier industry, the largest manufacturing sector in the United States. Across the entire range of new vehicle innovation—from autonomous to zero-emissions technologies—vehicle suppliers are leading the way. Our member companies conceive, design, and manufacture the



original equipment systems and technologies that make up two-thirds of the value in every vehicle. Member companies also supply the aftermarket with the parts that keep millions of vehicles on the road, fueling international commerce and meeting society's need for transportation. And all of our members' work is done with a focus on public safety and the environment.

MEMA is the parent organization of four affiliate associations: Automotive Aftermarket Suppliers Association (AASA), Heavy Duty Manufacturers Association (HDMA), MERA – The Association for Sustainable Manufacturing, and Original Equipment Suppliers Association (OESA). MEMA has offices in Southfield, Mich., Research Triangle Park, N.C., and Washington, D.C. Learn more about our organization, our members, and the great vehicle supplier community at [MEMA.org](http://MEMA.org).