



Watchdog Statement on Governor Signing “Green” CHIPS Act

Handout to Chip Manufacturers is Albany at Its Worst

Reinvent Albany strongly opposes the [“Green” CHIPS bill](#) that Governor Hochul signed today. Over 20 years, the bill will give semiconductor manufacturers \$10 billion in tax breaks that could instead go to schools, clean water, or public transit.

“Green” CHIPS will not significantly boost New York’s economy because chip manufacturers will likely come to New York anyway. Economist Tim Bartik has shown that subsidies only affect where companies decide to locate [at most 25%, and at least 2% of the time](#). Companies themselves say that access to infrastructure, a qualified workforce, and quality of life [are far more important factors than tax breaks](#). We have seen no evidence suggesting that chip manufacturers are an exception.

Furthermore, we are appalled by the manner in which this bill was drafted, introduced and voted on, with \$10 billion in spending rushed through at the end of session with virtually zero public discussion or debate. Legislators and the Governor had six months to introduce this bill, and instead chose to publish it on May 31, two days before the end of legislative session. The bill barely received more than 10 minutes of comment from legislators on the floor, likely because they had no chance to review it. This is Albany at its worst.