

United States Senate

July 29, 2025

The Honorable Howard W. Lutnick
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, Northwest
Washington, D.C. 20230

Dear Secretary Lutnick:

Thank you for all you are doing to fulfill the promises made by President Trump to restore America's technology manufacturing dominance, create good-paying jobs, and revitalize communities across the country. As you continue your efforts to do this while spending taxpayer dollars wisely and undoing the mess created by Democrats over the past four years, I want to draw your attention to how taxpayer dollars are disbursed under the *CHIPS Act* (Public Law No: 117-167). It is critical that we evaluate each tax dollar being spent, starting with a clear accountability mechanism for companies receiving federal subsidies through this program. American taxpayers should get a return on all dollars expended under the *CHIPS Act*.

When the Senate was considering the *CHIPS Act* in 2022, I warned my colleagues about the dangers of giving taxpayer-funded corporate welfare to some of the world's most profitable corporations without any accountability or guarantee of return on investment to American taxpayers. We have already seen several projects funded by *CHIPS Act* funding that leave us with the question, where is the return for American taxpayers?

While I support efforts to bring advanced semiconductor manufacturing back to the United States, that is not what is happening here. Unfortunately, my concerns are playing out in real time as the companies that were given money under the Biden administration were never held accountable for a return to the American taxpayer. The *CHIPS Act* was not intended to subsidize corporate indecision or speculative construction, as it was under the Biden administration. It was meant to strengthen America's semiconductor environment, and we must ensure that federal dollars are only flowing to projects that deliver on that promise and provide a return to American taxpayers.

Thankfully, President Trump is back in the White House, and together you are taking great strides to restore accountability and transparency in our federal government by making sure every dime of taxpayer money is used efficiently. To build on this great work, it is crucial for us to set requirements for companies, including Intel, Samsung, and many others, when they accept billions in federal subsidies, including regular progress updates on operational readiness, market viability, contribution to U.S. semiconductor capacity, and a return to American taxpayers. If these companies fail to deliver, there must be a transparent and enforceable process to claw back the billions in taxpayer dollars.

During my time as Governor of Florida, we provided incentives for job creation for new investments in Florida. Every project had to provide a return to Florida taxpayers through new tax collection or they were ineligible to receive any funding from the state. This requirement ensured that all Florida taxpayer dollars spent on projects provided a positive return.

I know you share these same concerns, and I have the utmost confidence in your commitment to cleaning up the mess the previous administration left behind. To help in this effort, I urge you to consider implementing a performance-based funding structure, as I did in Florida, for all *CHIPS Act* awards moving forward. This should include requirements for companies to:

- Demonstrate a positive return on investment to American taxpayers through operational output, customer contracts, and job creation;
- Hit key construction and equipment installation milestones within timed parameters; and,
- Accept and immediately implement claw-back provisions if their facilities or projects fail to become operational within a reasonable timeframe or fail to meet other requirements as listed above.

Thank you again for your hard work and dedication to the American people. I look forward to your response and working together to enact President Trump's agenda and ensure the *CHIPS Act* and its investments deliver real, long-term value to the United States and its citizens.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott", with a stylized, cursive script.

Rick Scott
United States Senator