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September 17, 2026

Submitted via [NMED Public Comment Form](#)

James C. Kenney
Cabinet Secretary
New Mexico Environmental Department
1190 St. Francis Drive, Suite N4050
Santa Fe, NM 87505

Re: SEMI Response to NMED Request for Comment re Report to the Legislature on PFAS Protection Act Pursuant to House Joint Memorial 3

Dear Secretary Kenney:

On behalf of SEMI, the industry association serving the global semiconductor design and manufacturing supply chain, we write to offer these comments in response to the New Mexico Environment Department's (NMED) request for public comment on NMED's upcoming report to the Legislature pursuant to House Joint Memorial 3 (HJM 3). NMED will be reporting on the implementation of Per- and Poly-Fluoroalkyl Substances (PFAS) Protection Act, including "whether the Legislature should continue, modify, or remove" certain existing exemptions from the PFAS Protection Act. SEMI appreciates the opportunity to engage with NMED on this critical issue.

SEMI represents more than 675 member companies in the United States reflecting the full range of the country's semiconductor industry, including design automation and semiconductor intellectual property (IP) suppliers, device manufacturers, equipment makers, materials producers, and subcomponent suppliers. SEMI member companies are the foundation of the \$3 trillion global electronics industry, and this vital supply chain supports 350,000 high-skill and high-wage jobs across the United States.

SEMI respectfully requests that NMED recommend that the Legislature retain the existing statutory exemptions relevant to semiconductors and semiconductor manufacturing and related equipment (SMRE). As a threshold matter, SEMI interprets the PFAS Protection Act to apply exclusively to consumer products. SEMI strongly urges NMED to recommend that the Legislature retain this scope if the PFAS Protection Act is to be amended. Even so, SEMI recommends that the existing statutory exemptions remain intact. PFAS remain critical to semiconductor manufacture. Additionally, the presence of PFAS in SMRE, and in semiconductors, presents minimal exposure risk. For these reasons, removing or narrowing existing relevant exemptions would provide no meaningful environmental or public health benefit, but would have significant negative impacts on New Mexico's semiconductor manufacturing industry.

I. SEMI Supports a Continued Focus on Consumer Products

The PFAS Protection Act applies only to "consumer products," not to industrial, commercial, or other non-consumer products. The statute's scope is limited to "products," which it defines as items "prepared for sale to a consumer." (HB 212, Section 2.T.) And the statute defines a "consumer product"

as “tangible personal property that is distributed in commerce and normally used for personal, family, or household use.” (HB 212, Section 2.E.) Read together, these definitions mean that PFAS Protection Act is limited to “consumer products” – that is, products normally used for personal, family, or household use.

NMED has recognized this scope limitation. For example, NMED’s [PFAS labeling guidance](#) is entitled “Labeling Guidance for Consumer Products with Intentionally Added PFAS in New Mexico” (emphasis added). NMED’s online Q&A guidance also makes clear that labeling obligations apply exclusively to consumer products.¹ SEMI understands that NMED has also repeatedly advised stakeholders that the requirements of the PFAS Protection Act are limited to consumer products.

A sweeping, all-products labeling regime – particularly one that reaches legislatively exempt sectors like semiconductors – cannot be squared with the PFAS Protection Act’s text. As you noted in your testimony to the legislature, “we don’t need to regulate everything.”²

If the PFAS Protection Act is amended, it would be sound public policy to retain this scope limitation. First, industrial and other non-consumer applications are often precisely the applications in which exceptional chemical performance is essential. PFAS can provide durability, chemical resistance, thermal stability, and reliable performance over extended periods in extreme temperatures and highly reactive environments. In many such applications, technically and economically feasible substitutes simply do not exist.

Imposing consumer-product-style reporting, labeling, or material restrictions on these products would therefore generate substantial compliance burdens without a corresponding public health benefit. Labeling and reporting requirements would provide little useful information where the products are not ordinarily encountered or used by consumers, while material restrictions could impair the performance, reliability, or availability of products for which PFAS remain essential. Regulation that ignores those distinctions risks imposing cost and disruption without meaningfully reducing exposure.

Second, non-consumer products generally present fundamentally different exposure considerations from products used in homes and by individual consumers. Within the semiconductor manufacturing industry, for example, employees are highly trained to use appropriate personal protective equipment to manage chemical substance exposures. Accordingly, if the Legislature considers amendments to the PFAS Protection Act, NMED should urge it to preserve the statute’s existing focus on consumer products.

II. The Legislature Should Retain the Existing Exemptions Critical to the Semiconductor Industry

Section 3.A of the PFAS Protection Act lists express statutory exemptions, two of which have been, and remain, especially critical for the semiconductor manufacturing industry. Section 3.A(10) exempts:

a semiconductor, including semiconductors incorporated in electronic equipment, and materials used in the manufacture of semiconductors.

¹ Question: “What products need to be labeled, and how does a manufacturer know if they need to label a product.” Answer: “Starting January 1, 2027, consumer products with intentionally added PFAS or a component containing intentionally added PFAS must be labeled to be sold or distributed in New Mexico...” (emphasis added).

² [Hearing on HB 212 Before the House Energy, Environment & Natural Resources Committee](#) (Feb. 8, 2025) (testimony of Secretary Kenney, timestamp 9:09 AM).

Section 3.A(14) exempts:

equipment directly used in the manufacture or development of the products described in Paragraphs (1) through (13) of this subsection.

SEMI requests that NMED recommend to the Legislature that both exemptions be retained as enacted.

Both exemptions reflect the legislature's recognition of the critical role semiconductors play in modern technology and the impracticality of regulating them under the same framework as other products. Extending PFAS Protection Act obligations to these products would create unnecessary compliance burdens without advancing consumer protection.

Several policy considerations weigh towards retaining these exemptions, including:

- Semiconductors and SMRE do not present a meaningful PFAS exposure risk. Semiconductors are not standalone consumer products; they are embedded within finished devices, and consumers do not handle semiconductor wafers, chips, or integrated circuits during normal use. Chemicals in these components remain encapsulated within finished goods. SMRE is used by trained professionals in controlled facilities. Due to the lack of realistic exposure, reporting would not provide actionable information to consumers.
- SMRE is fabricated using complex global supply chains. A New Mexico-specific obligation (e.g., material restriction or reporting requirement) would force manufacturers and downstream OEMs to trace PFAS content across multiple tiers of suppliers—many of whom cannot practically provide detailed chemical composition data or treat it as proprietary—while also segregating packaging, documentation, and distribution channels for a single state. Because semiconductors are embedded within finished products that move through national and global distribution networks, a state-specific requirement would disrupt supply chains and impose disproportionate costs on an industry that already operates under stringent international standards for safety and environmental compliance.
- Narrowing or eliminating the exemption could result in negative impacts on New Mexico's semiconductor manufacturing industry. This industry employs over 4,000 people in New Mexico, and semiconductors are the state's second ranked export by value.³ Governor Lujan Grisham has recognized the importance of the semiconductor manufacturing industry to New Mexico's economy, including through statements commending investments in semiconductor manufacturing facilities in the state that generate high-quality and high-paying jobs for New Mexicans.⁴ Relatedly, chip shortages resulting from manufacturing disruptions caused by the COVID-19 pandemic highlighted the country's dependence on overseas suppliers of semiconductors and chips. Passage of the federal CHIPS and Science Act in 2022 therefore focused on strengthening domestic semiconductor manufacturing, such as through funding for research, development, and manufacturing capabilities in the states. Governor Lujan Grisham

³ Semiconductor Industry Association (SIA), [Semiconductors in New Mexico](#).

⁴ See Office of the Governor Michelle Lujan Grisham, Press Release, [New Mexico applauds Intel's \\$3.5 billion expansion in Rio Rancho](#) (May 3, 2021).

has applauded investments in New Mexican facilities under the CHIPS and Science Act as a means to fuel new technology and high-wage jobs in the state.⁵

Imposing unrealistic obligations on semiconductors and SMRE would have the potential to undermine these investments in the state's economy. If semiconductor manufacturers cannot feasibly comply with applicable requirements, their only alternative is to withdraw from the New Mexico market. This outcome would not only jeopardize thousands of high-paying jobs in New Mexico but also erode the state's competitive position in a growing sector that underpins technological progress.

- PFAS remain critical to semiconductor manufacturing. Semiconductor manufacturing depends on highly specialized equipment and processes with extremely tight performance tolerances. Even minor deviations from specifications can result in catastrophic yield losses or device failure. PFAS-based materials provide unique properties that are essential to semiconductor processes and the equipment used to run them (e.g., chemical resistance, thermal stability, dielectric performance, and low friction). These properties support extremely tight performance tolerances, and even small deviations can cause yield loss, device failure, or reliability issues. In many critical applications (e.g., wafer processing, photolithography, etching, and high-purity fluid handling), viable non-PFAS substitutes are not currently available or would compromise performance and safety.⁶ Applying the obligations of the PFAS Protection Act would not function as an effective incentive for substitution in this sector and would instead add compliance burdens without corresponding environmental or public health benefit.
- Reporting obligations could create serious confidentiality challenges for semiconductor manufacturers, including requiring disclosure of every PFAS-containing component and the location of those components within the product. Semiconductor manufacturing tools often incorporate thousands of proprietary parts, and revealing this level of detail would expose sensitive design information, materials selection, and supply chain relationships that are routinely protected as trade secrets. Such disclosures would also increase the risk of reverse engineering and counterfeiting by providing a roadmap to equipment configuration and critical components. In addition, upstream suppliers frequently treat composition and formulation data as proprietary and may be contractually restricted from sharing it, which could complicate compliance.

These important policy considerations underscore why the Legislature should retain the Section 3.A(10) and (14) exemptions as drafted.

III. Conclusion

SEMI is committed to balancing the need for environmental protection and the sustainability of semiconductor manufacturing operations, which is a complex challenge. SEMI is grateful for the opportunity to engage with NMED on the issues discussed above and welcomes the opportunity to meet

⁵ See New Mexico Economic Development Department, [Second New Mexico-Based Facility Awarded CHIPS Funding](#) (June 11, 2024).

⁶ Detailed information on PFAS uses in semiconductor manufacturing can be found in the Semiconductor PFAS Consortium Technical Papers, available [here](#).

and further elaborate on the issues discussed in these comments. If you have any questions or would like to discuss our positions, please do not hesitate to contact Ben Kallen (bkallen@semi.org).

Sincerely,

Ben Kallen
Senior Manager, Public Policy & Advocacy
SEMI