

United States Senate
WASHINGTON, DC 20510

March 16, 2023

The Honorable Gina Raimondo
Secretary
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, DC 20230

Dear Secretary Raimondo,

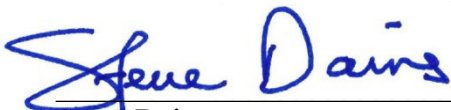
We write to express our concerns with recently released U.S. Department of Commerce guidance for applicants seeking federal semiconductor incentives provided for in the bipartisan CHIPS and Science Act. We are in strong opposition to regulations your Department is putting in place that will use this legislation and the funding it provides as a tool to pursue controversial policies that go beyond the requirements of the law and reduce American jobs and high-tech investments in the process. This overreach unfortunately does not come as a surprise considering you stated on the day you rolled out these regulations, "If Congress wasn't going to do what they should have done, we're going to do it in implementation."

On February 28, 2023, your Department announced a series of conditions for companies applying for the first round of semiconductor funding. Among these were several costly mandates that represent significant federal intervention in the private sector and fly in the face of the congressional intent of this legislation. Even worse, they will inevitably increase the time and already significant expense of producing semiconductors in the U.S., undermining our position in the high-tech race with the People's Republic of China (PRC).

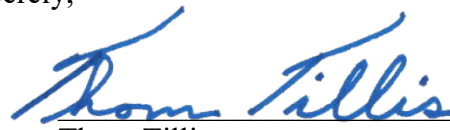
The CHIPS and Science Act was passed with strong bipartisan support because it represented an investment in American innovation and technology which strengthened national security relative to the PRC. These onerous mandates fail to further these goals and instead stand to widen the gap between us and our adversaries. In fact, the negative impact is already being felt, with some of the world's largest chipmakers expressing serious concern with the conditions and viewing the U.S. as a less attractive investment option as a result.

We urge you to immediately remove these and any other impositions on this critical funding which threaten the expansion of America's semiconductor manufacturing capacity and job creation in our country.

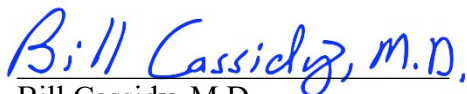
Sincerely,



Steve Daines
United States Senator



Thom Tillis
United States Senator



Bill Cassidy, M.D.
United States Senator



John Cornyn
United States Senator