



March 8, 2021

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear President Biden:

We, the undersigned groups, write to thank you for your leadership on critical supply chain issues, including the *Executive Order on America's Supply Chains*. Recently, the demand for semiconductors has outpaced supply, and shortages of widely-used chips have been experienced. We urge you to support the wide array of applications for semiconductors and all of the industries that enable life as we now know it by robustly funding the *Creating Helpful Incentives to Produce Semiconductors for America Act (CHIPS Act)* and refraining from picking winners and losers when addressing current semiconductor supply challenges.

For decades, semiconductors have unlocked innovation, driven economic growth, and powered technologies that have improved the lives of countless people. Technology powered by semiconductors has also fueled the pandemic response. From administering healthcare to enabling telework and facilitating remote learning, it has become increasingly clear how essential semiconductor technology is to the economy and our lives. Global demand for semiconductors will continue to grow, as a multitude of sectors across the economy employ more chips in an ever-widening array of uses.

The need to increase semiconductor supply is urgent. Demand for technologies critical to COVID response and recovery, as well as public health, economic, education, workforce, and manufacturing priorities, continues growing at a lightning-fast pace. Therefore, we urge you and your administration to work with Congress to appropriately fund the *CHIPS Act*

provisions that were included in the *National Defense Authorization Act for Fiscal Year 2021* (P.L. 116-283) while providing tax incentives for semiconductor manufacturing equipment and expenses related to domestic expansion.

Taking these actions will help to spur U.S. chip manufacturing, solidify U.S. leadership in semiconductor research and development, and better meet the projected long-term growth in the demand for chips.

We also ask that your administration and Congress refrain from taking any action or advancing any policy that picks winners or losers when addressing current semiconductor shortage issues. Intervening in semiconductor supply chains to the benefit of one or only a few chip-consuming industries, at the expense of many other sectors that have long relied on these components, will have real-world short-term and long-term consequences. Doing so, in the short term, could seriously hamper online learning, telehealth and health care, delivery of food and necessities, remote work, socially-distanced social and familial connections, emergency first response, vaccine distribution, and COVID recovery, to name just a few priorities that are powered by chip-enabled technologies. In the long run, efforts to address systemic problems like the digital divide and opportunity gap could be delayed, further denying millions of households from connecting to school, work, services, and their communities.

The tech sector is eager to help you build back better by continuing to support our public health system, connect workers and those seeking jobs with good-paying employment, help students continue learning, retrain and improve the skills of workers, and address systemic inequities in our society. We thank you, again, for your leadership on this critical issue for all industries.

Sincerely,

TechNet
Information Technology Industry Council (ITI)
Software & Information Industry Association (SIIA)
Telecommunications Industry Association (TIA)
BSA | The Software Alliance
Technology CEO Council
US Telecom – The Broadband Association
SEMI
Semiconductor Industry Association (SIA)