

Congress of the United States
Washington, DC 20515

December 6, 2017

Chairman Rodney Frelinghuysen
House Committee on Appropriations
2306 Rayburn House Office Building
Washington, DC 20515-0001

Ranking Member Nita Lowey
House Committee on Appropriations
2365 Rayburn House Office Building
Washington, DC 20515-0001

Dear Chairman Frelinghuysen and Ranking Member Lowey:

As Co-Chairs of the Congressional Semiconductor Caucus, we write to urge you to prioritize investments in research and development (R&D) that contribute to advancing the state of the art in semiconductors as you work to negotiate final FY 2018 appropriations.

Semiconductors form the foundation of the digital infrastructure our country depends on for economic growth, productivity, and solutions to societal and governmental challenges. The U.S. has long been the global leader in this critical industry, thanks to robust and sustained investments in R&D by both the federal government and U.S. companies – which invest nearly 20 percent of revenue into research and development each year, totaling over \$34 billion last year.

Federal investments in semiconductor R&D at the Department of Defense (DOD), especially DARPA, the Department of Energy (DOE) Office of Science, the National Science Foundation (NSF), and National Institute of Standards and Technology (NIST) supplement and accelerate robust private sector innovation. Federally funded semiconductor R&D programs, often co-funded by U.S. semiconductor companies, support critical pre-competitive investigations that yield insights that will undergird the next generation of semiconductor technologies. These programs also help train the highly-skilled engineers and scientists to fill quality, high-paying American semiconductor jobs.

Our global competitors recognize that U.S. economic and military strength derive in large part from our commitment to innovation. China in particular has committed to unprecedented levels of investment in R&D, targeting semiconductors specifically as a market they strive to dominate. Though U.S. semiconductor companies lead the world in sales revenue, we must commit to out-innovating our global competitors, if we are to maintain our advantage.

Federal investments in R&D at DOD, DOE, NSF, and NIST provide a tremendous return to the American taxpayer, from state-of-the-art electronics to a highly skilled workforce that will drive our prosperity long into the future. We urge you to keep these programs at the top of mind as you work toward final FY 2018 appropriations.

Sincerely,



Pete Sessions
Member of Congress



Zoe Lofgren
Member of Congress