

September 5, 2025

The Honorable Mike Johnson  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Thune  
Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Hakeem Jeffries  
Democratic Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Charles E. Schumer  
Democratic Leader  
U.S. Senate  
Washington, DC 20510

Dear Speaker Johnson and Leaders Thune, Schumer, and Jeffries:

I write on behalf of the Semiconductor Industry Association (SIA), the voice of the U.S. semiconductor industry, to express serious concerns with the Guaranteeing Access and Innovation for National Artificial Intelligence Act of 2025 (GAIN AI Act) included in the substitute amendment for the Senate National Defense Authorization Act (NDAA) for Fiscal Year 2026 (FY26) and as proposed in Amendment #900 to the House NDAA for FY26.

The legislation, which was added outside the regular order of a committee review process, represents an unprecedented expansion in scope and intent of export controls. It introduces complex requirements that would be impossible to comply with as a practical matter and would have a significant adverse impact on the U.S. semiconductor industry. If signed into law, the GAIN AI Act would irreparably harm global demand for U.S. chips, directly undermine the administration's AI Action Plan and the goal of achieving U.S. leadership in AI, and threaten the significant investments being made by the global semiconductor industry in the United States. We respectfully ask the provision not advance in the final FY26 NDAA.

The GAIN AI Act requires a presumption of denial for all license applications of "advanced integrated circuits" and any product containing such chips if a company is unable to certify there is no U.S. demand by any single U.S. person or there will be no disruptions to supply. The provision also allows any U.S. person to indefinitely halt the export of covered chips or related product sales, even by signaling an interest in procurement, and prevent the routine intracompany transfers of such technologies. Additionally, the normal, lengthy production time to fabricate chips, many of which are made to order, may be considered a "backlog" under this legislation. The provision would also compel license applicants to publish confidential business information related to pricing, customers, and other normal business operations, raising significant antitrust and anticompetitive issues for the industry. As a result, it would be virtually impossible for any company to make the certification required under the amendment, thus resulting in a denial of licenses for a wide range of chips used in commercial products.

Furthermore, the scope of technologies subject to this amendment is not limited to technologies that pose national security concerns. Rather, the proposal would expand controls on such technologies to chips not currently subject to a license requirement—like those for gaming consoles—and further extend restrictions to more than 140 new countries with the effect of controlling allocations and shipping schedules for commercial, off-the-shelf products. Some of the chips proposed for control by this measure have limited demand in the United States, and this measure would codify and freeze already outdated technical performance thresholds for advanced compute and memory chips. Placing these constraints on companies seeking licenses for export of such chips do not seemingly address a

national security risk and unnecessarily adds a layer of regulatory burden that is difficult to satisfy. Such barriers could cause global customers to look to foreign competitors due to the perceived unreliability of U.S. supply.

We share the goal of securing U.S. leadership in advanced AI technologies. However, the requirements under the GAIN AI Act are not necessary to ensure an adequate supply of advanced compute chips to support the buildout of AI in the United States. But they would be detrimental to the normal business operations of U.S. semiconductor companies and impede the administration's AI Action Plan. Compliance with such requirements, if enacted, would indefinitely pause legitimate global commerce and sales of U.S. technologies, which the U.S. semiconductor industry relies on to make sustained investment into R&D and new capital expenditures in the United States.

As Congress works to reconcile the House and Senate FY26 NDAA bills, we respectfully request the GAIN AI Act not be included in the final legislation.

Sincerely,



cc: The Honorable Roger Wicker, Chairman of Senate Armed Services Committee  
The Honorable Jack Reed, Ranking Member of Senate Armed Services Committee  
The Honorable Mike Rogers, Chairman of House Armed Services Committee  
The Honorable Adam Smith, Ranking Member of Armed Services Committee  
The Honorable Tim Scott, Chairman of Senate Banking Committee  
The Honorable Elizabeth Warren, Ranking Member of Senate Banking Committee  
The Honorable Brian Mast, Chairman of House Foreign Affairs Committee  
The Honorable Gregory Meeks, Ranking Member of House Foreign Affairs Committee  
The Honorable Ted Cruz, Chairman of Senate Commerce Committee  
The Honorable Maria Cantwell, Ranking Member of Senate Commerce Committee  
The Honorable Brett Guthrie, Chairman of House Energy and Commerce Committee  
The Honorable Frank Pallone, Ranking Member of House Energy and Commerce Committee  
The Honorable Brian Babin, Chairman of House Science Committee  
The Honorable Zoe Lofgren, Ranking Member of House Science Committee