United States Senate

WASHINGTON, DC 20510

July 14, 2022

The Honorable Charles Schumer Majority Leader United States Senate Washington, DC 20510 The Honorable Mitch McConnell Minority Leader United States Senate Washington, DC 20510

Dear Majority Leader Schumer and Minority Leader McConnell,

I write to urge you to work in a cooperative manner to swiftly pass bipartisan legislation to create jobs, lower rising costs, strengthen supply chains, and keep American scientific innovation at the forefront of the world. At this critical moment, families across the country are struggling with rising costs at home while our country faces unprecedented geopolitical threats from autocratic and expansionary regimes like the Communist Party of China and Vladimir Putin's Russia. This historic bipartisan legislation is too vital to be used to score political points, and employing tactics to derail this critical and overwhelmingly bipartisan bill is shameful. Americans need leadership, not political gamesmanship.

Just today, it was reported that inflation has reached a forty-year high. With costs for Americans soaring, this bill is critical to helping lower costs for families across the country. This important legislation would create new programs at the Department of Commerce to monitor and map supply chains so that we can identify problems before they occur. It would also strengthen the domestic production of one of America's most vital resources: semiconductors. Semiconductor chips are essential components in the products that support thousands of good-paying jobs in Georgia and on which Georgia families across the state rely. These range from cars to computers to ATMs. These chips are also used in technology critical to our national security. Last year, I was proud to lead the introduction of a bipartisan amendment to the *National Defense Authorization Act* directing the Department of Defense to investigate the impact of the semiconductor chip shortage on defense acquisition programs. The strength of our national defense depends on their availability, and I am pushing for this amendment's inclusion this year.

Our semiconductor supply chains are under significant strain both from production limits and geopolitical threats. It is unacceptable for America to represent only twelve percent of the global semiconductor output when the Chinese Communist Party is investing heavily in their own semiconductor manufacturing. As Secretary of Defense Lloyd Austin wrote to us, we are at a tipping point where international companies are making significant decisions about capital investment, and we have already seen several of these entities hesitate to invest in American manufacturing due to Congressional inaction. If we fail to pass this bill immediately, we may set back America's competitiveness for a generation or more.

For months, I have heard from Georgians about how this legislation will protect and secure strong, good-paying jobs at home. I have even submitted letters to the Congressional Record representing Georgia's Chambers of Commerce, colleges, automakers, and other companies extolling the importance of passing the competition legislation and highlighting the direct economic benefits of

the legislation to their respective missions. For over a year, I have worked with colleagues on both sides of the aisle to ensure that this bill includes strong support for scientific research and, just as important, technology transfer programs, so that our scientists and engineers can bring their ideas to market. Our nation thrives when we draw from every community, which is why I have worked to support programs to create regional innovation hubs across our nation. Funding greater scientific and technological growth across the country will help create more stable, high-tech jobs and uplift all of our communities.

We are living in a moment when autocratic regimes across the world are threatening the global order. Scientific innovation is not just the economic engine that has uplifted so many American families. It is the battleground on which so much of our national security now rests and will invariably determine our ability to meet the threat of tomorrow. A recent report from the Center for Strategic and International Studies found that industrial spending by the Chinese Communist Party is more than double that of the United States. This legislation is the first critical step we need to close this strategic gap. Our ability to rise to this occasion will demonstrate whether the United States is willing to cede the innovative higher ground to the Chinese Communist Party or whether we will stand up to the People's Republic of China and reinvest in what has made America a lone superpower for decades. The Chinese Communist Party has already demonstrated it will use this technology to oppress not only its own people but also to bolster autocratic regimes throughout the world. We must pass this legislation now to reaffirm our commitment to leveraging industrial policy in a way that supports our free market system and democratic society.

Political threats to block this legislation are shameful. At this moment, families need our help more than ever. We should not force a choice between helping Americans afford essential medication and creating good-paying jobs through innovation. Our economy and our communities need and deserve both.

As we all work to help our constituents weather this changing economy, I pose these questions: Can we, in good conscience, stand by and refuse to help the families in our communities who are struggling with their rising bills or facing shortages in critical goods? I submit that we cannot. Would it be moral for Congress to abdicate its power and instead leave hardworking families prey to rising health care costs and prescription drug prices? I submit that it would not. And is it not our responsibility to plot a course for keeping our country at the forefront of the global economy and to combat the rise of autocracy with a clear economic vision? As duly elected members of the world's greatest deliberative body, I submit that it is.

This critical moment requires all of us to put the country above politics and come together to protect American families and strengthen U.S. competitiveness. I will never stop fighting to achieve these goals for Georgians and for all Americans.

Sincerely,

Reverend Raphael Warnock United States Senator

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