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ADVANCING CRITICAL SUPPLY CHAINS FOR
AMERICA'S TRANSPORTATION AND ENERGY NEEDS.
COMMANDINGHEIGHTS.ORG

February 7, 2022

The Honorable Mitch McConnell
Senate Republican Leader
U.S. Senate
Washington, D.C. 20510

Re: Vital Semiconductor Provisions to Pass

Dear Minority Leader McConnell:

The Congress is debating steps to restore America's semiconductor leadership and ensure secure supply chains. The urgency is only heightened by the recent Commerce Department report that revealed alarming declines in chip inventories and concluded, "America needs to produce more semiconductors." Likewise, "Congress must pass funding for domestic semiconductor production . . . to solve our supply challenges for the long term."

SAFE Commanding Heights is the non-partisan initiative dedicated to advancing critical supply chains for America's transportation, energy, and defense needs. The semiconductor supply chain is a vital, yet vulnerable, element of these sectors, and a cornerstone of America's economic and national security. For this reason, SAFE has created the American Semiconductor Center, which we co-chair.

Both the United States Innovation and Competition Act (USICA) and the America COMPETES legislation contain important provisions to restore America's competitive position globally, and particularly with respect to the People's Republic of China. Given current semiconductor trends, we are writing today to urge the Congress to:

- 1) Provide full funding for the CHIPS Act provisions in USICA and America COMPETES.
- 2) Ensure these funds are available to companies from *America's friends and allies*—so they can build manufacturing capacity in the U.S. while creating good, high-paying jobs for Americans.
- 3) Enable such appropriations to boost the *fabless-foundry model* that drives innovation and produces the vast majority of the world's leading-edge chips.
- 4) *Accelerate the shift from legacy chips*—in particular, for military, automotive, and industrial use—to true 21st century capabilities, 28 nm nodes and below.
- 5) Replicate Operation Warp Speed for semiconductors: first, use *Other Transactional Authorities (OTAs)* and improve permitting process to streamline federal disbursement and environmental processes and produce rapid outcomes, and second, require federal authorities to work closely with state and local governments.

We respectfully stress these points from our perspective as business and military leaders dedicated to America's national security and economic prosperity.

Very respectfully yours,

Michael Splinter

Co-Chair of the American Semiconductor Center
Former Chairman and CEO, Applied Materials



Admiral Jonathan W. Greenert (Ret.), USN

Co-Chair of the American Semiconductor Center
30th Chief of Naval of Operations

