

July 1, 2022

The Honorable Nancy Pelosi  
Speaker  
United State House of Representative  
Washington, DC 20515

The Honorable Kevin McCarthy  
Republican Leader  
United State House of Representatives  
Washington, DC 20515

The Honorable Charles E. Schumer  
Majority Leader  
United States Senate  
Washington, DC 20515

The Honorable Mitch McConnell  
Republican Leader  
United States Senate  
Washington, DC 20515

Dear Speaker Pelosi, Leader McCarthy, Leader Schumer and Leader McConnell:

As state attorneys general, we are grateful for Congress' attention to the current supply chain issues and national security concerns raised by the shortage of semiconductors, more commonly known as microchips. We understand that the House and Senate each have passed a version of the Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America Act, and that this measure is currently assigned to conference committee. We urge each of you to exert your leadership on the conferees to allow \$50 billion of investments and incentives to accelerate domestic semiconductor production.

It is no exaggeration to say that our daily lives, our economy and our national security rely on microchips. A modern vehicle may use dozens of chips for just a single electronic component, and could use hundreds or even thousands of chips throughout the vehicle. Other consumer products, such as washing machines, cell phones, computers and even electric toothbrushes rely on microchips. They are just as vital for our national defense, because they are key components of satellites, ships, radar, advanced fighter jets and other military hardware.

Unfortunately, our nation does not produce enough microchips to meet our needs. Roughly seventy-five percent of the chips manufactured worldwide come from foreign markets, and the evidence of overreliance on foreign microchip production is all around us.

Across the country, empty lots and fields have been transformed into vast parking lots for incomplete vehicles waiting on the arrival of microchips. At the height of the shortage last year, Ford Motor Company parked thousands of incomplete trucks at the Kentucky Speedway, and this was only a fraction of the total vehicles the company parked while waiting on their chips.

The CHIPS Act will provide more than \$50 billion in incentives to accelerate domestic semiconductor production, which in turn, will help to ease some of the supply chain constraints that have affected our markets. More important, it will ensure that no foreign nation can exploit a chokepoint to harm our economy and our national defense.

Our states and many others stand to benefit directly from increased investment in domestic microchip production, and every state and territory benefits when our national security is not dependent on the whims of a foreign nation.

We welcome Congress' efforts to support domestic investment in the semiconductor field via the \$50 billion contained in the CHIPS Act. State attorneys general stand willing to be your partners in this important work and would be happy to provide any assistance you may need.

Thank you for considering our views.

Sincerely,



Dave Yost  
Ohio Attorney General



Joshua R. Diamond  
Vermont Acting Attorney General



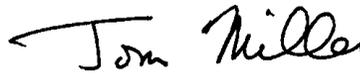
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Iowa Attorney General



Dana Nessel  
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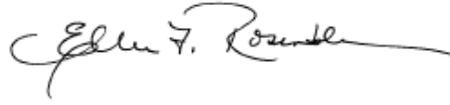
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