January 13, 2025

The President
The White House
1600 Pennsylvania Avenue N.W.
Washington, DC 20500

RE: Export Controls Rulemaking

Dear Mr. President:

We, the undersigned organizations, write on behalf of a broad cross-section of companies in the United States who represent the most advanced and competitive technology enterprises in the world. We are proud to have contributed to the global technological and economic leadership position the U.S. currently holds.

We are deeply concerned regarding an increasing pattern of regulatory activity during the final days of your Administration, which appears to bypass standard rulemaking processes. Agencies are issuing inadequately considered, technically complex and lengthy regulations without following federal rulemaking processes including consultation with industry stakeholders. These hastily issued regulations call for immediate compliance and implementation without regard for how U.S. national security, global leadership and competitiveness may actually be diminished through faulty assumptions and incomplete data.

Last month, we learned of plans by the National Security Council and Department of Commerce's Bureau of Industry and Security (BIS) to publish an Interim Final Rule (IFR) establishing a new export controls framework governing AI diffusion. This IFR was published earlier today without first gathering data and recommendations from the public through issuance of either an Advance Notice of Proposed Rulemaking or Notice of Proposed Rulemaking, or consultation with industry and academia.

Similarly, we understand that your Administration plans to imminently publish a separate rule modifying and expanding an export control Interim Final Rule regulating semiconductor technology published on December 5, which was effective immediately and still open for public comment. We understand that this additional rule will even more strictly control high bandwidth memory, without consideration of how such changes may impact U.S. companies or cede market share to global competitors. Again, these pending regulations have been developed without appropriate industry consultation or the opportunity for public comment, despite their long-term impacts and economic and international significance. The potential loss of U.S. market leadership due to the unilateral nature of the proposed controls damages the ability of U.S. companies and companies operating in the U.S. to fuel innovation and advancement that is central to our technology leadership and national security.

Our members recognize the importance of national security and foreign policy goals. We appreciate the need to responsibly regulate advanced and critical technologies in a targeted and effective manner that carefully considers the global competitive environment. Several signatory

organizations have partnered with your Administration on a wide range of policy matters including semiconductor manufacturing and advanced computing, artificial intelligence, outbound investment security, bulk data security and securing Information and Communication Technology and Services (ICTS) supply chains, and other matters.

This partnership has produced better-informed policies and regulations. However, your Administration is now moving ahead with regulations on artificial intelligence (AI) and semiconductor technology without adequate study, involvement of industry and research stakeholders, or multilateral coordination that is critical to the effectiveness of export controls.

Even the most deftly crafted and implemented federal regulatory efforts are beset with unintended consequences. The more complicated the technology, the greater the risk of such harmful outcomes, which undercut the national security objectives that triggered such regulation in the first place.

Your Administration's rush to publish last minute rules governing the export of AI and semiconductor technology with immediate effect – bypassing substantive consultations with subject matter experts in industry and academia – represents an unprecedented abandonment of time-honored regulatory norms and export control best practices. Compounding these concerns is the drive to issue such measures at "the 11th hour" of your term, leaving any complications, problems, or outright mistakes to be addressed by the next Administration, which has had no hand in developing them.

We respectfully request that you direct Administration officials, including BIS, to immediately cease publication of last-minute regulations that have been developed outside the standard rulemaking process and absent industry consultation. These rules are too important to be rushed or left to chance as they will significantly impact U.S. national security, the operations of a broad range of U.S. enterprises, U.S. global leadership in critical technology areas and our country's international and economic relationships with key partners and allies.

Sincerely,

Information Technology Industry Council (ITI)
National Association of Manufacturers (NAM)
National Foreign Trade Council (NFTC)
SEMI
Semiconductor Industry Association (SIA)
Semiconductor Technology Leadership Council (STLC)

Cc: The Honorable Gina Raimondo, Secretary of Commerce
The Honorable Shalanda Young, Director, Office of Management and Budget
The Honorable Jake Sullivan, Assistant to the President for National Security Affairs
The Honorable Dr. Lael Brainard, Director, National Council of Economic Advisors
The Honorable Kurt Campbell, Deputy Secretary of State
The Honorable Alan Estevez, Undersecretary for Industry and Security,
U.S. Department of Commerce