The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, DC 20510

October 16, 2026

RE: Export Control Amendments to S.4784 FY2027 National Defense Authorization Act (NDAA)

Dear Mr. Majority Leader and Mr. Minority Leader,

The undersigned associations represent a broad cross-section of U.S. manufacturers, technology leaders, consumer-facing companies, exporters, and other businesses with significant operations in the United States. We write regarding the process surrounding consideration of proposed statutory changes to U.S. export control regulations and policies. The following bills bypassed regular order and have been included in Manager's Amendment to the Senate's National Defense Authorization Act for Fiscal Year 2027 (S.4784):

S. Amendment 6069/S.5252 Blocking Large-scale Adversarial Distillation Efforts (BLADE) Act
S. Amendment 6575/S. 4456 (H.R. 6875) AI OVERWATCH Act
S. Amendment 6585/S. 4281 (H.R. 8170) Multilateral Alignment of Technology Controls on Hardware (MATCH) Act
S. Amendment 6683/S. 1705 (H.R. 3447) Chip Security Act

None of these proposed legislative actions have received a committee markup, thus limiting the opportunity for debate, consideration of amendments, and votes. Moreover, these proposals represent some of the most significant legislative changes to the U.S. export controls framework for dual-use items and technologies since the enactment of the Export Control Reform Act of 2018 (ECRA). Proposing changes to U.S. export controls regulations and policies without careful attention to unintended consequences to U.S. commercial competitiveness and sufficient deliberation commensurate with the significance and potential impact of the policy changes risks creating roadblocks to successful implementation and creating burdensome processes that slow innovation. We urge Senate leadership to address this procedural deficiency.

Our members strongly support U.S. national security interests and believe that competitiveness is a key component of this and continued U.S. technology leadership. Ensuring that companies in the U.S. remain competitive globally depends on complex factors including sustained access to global markets based on trusted trading relations. Within this framework, export controls are national security tools that must be deployed with precision, after full exploration and evaluation of potential alternatives, an assessment of current regulatory authorities, and with a clear understanding of potential impacts beyond those intended.

The Export Administration Regulations (EAR), 15 CFR Parts 730-744, set forth dual-use export controls to further U.S. national security and foreign policy objectives and implement multilateral export control regime commitments with our allies and trading partners, was codified by ECRA. Modifications to the EAR should be made through the regulatory process and not be legislated. Using legislation to define regulatory terms results in confusion, overreach and mis-alignment

with technological reality. For example, the definition of “advanced node” is already outdated by industry standards. Similarly, codifying “countrywide controls” with a presumption of export license denial extends beyond the scope of existing law. These and other examples underscore the need for regular process including review by committees of jurisdiction and robust industry consultation.

A driving factor for these initiatives are concerns about national security threats presented by China, particularly in areas of artificial intelligence technological development and implementation. However, these efforts must not undermine this goal by:

1) Stifling U.S. innovation and technology leadership – injecting regulatory uncertainty into technological development and commercialization
2) Creating tension with allies and partners with whom the U.S. should be cooperating in common cause
3) Cutting U.S. companies off from global markets – thus leaving a void to be filled by foreign competitors including adversaries
4) Further accelerating Chinese indigenization particularly in critical technology areas including advanced semiconductors, semiconductor manufacturing equipment and related production capabilities

It is also vitally important that export controls and related legislative efforts include robust consultation, and where possible, coordination with key allies and trading partners. Export controls are most effective when they are implemented multilaterally to ensure that shared national and economic security goals are advanced and opportunities for circumvention are minimized. No country should be either unfairly disadvantaged or incentivized to continue or expand sales to foreign adversaries. Unilateral measures are exceedingly poorly suited to this endeavor, particularly where they create strife with partner nations. We urge the Senate to consider whether these proposed Amendments truly achieve national security goals or create opportunities for foreign adversaries to exploit weaknesses in trade alliances or prevent companies in the U.S. from accessing key inputs or impair U.S. companies from competing fairly around the world.

Thank you for considering our concerns. We would welcome the opportunity to meet with you, relevant Committees, and other members to provide additional information and answer any questions. Please contact Jeannette Chu (jchu@nftc.org) to arrange a discussion.

Sincerely,

National Association of Manufacturers (NAM)
National Foreign Trade Council (NFTC)
Semiconductor Equipment and Manufacturers International (SEMI)

cc: The Honorable Mike Johnson, Speaker of the House, the Honorable Hakeem Jeffries, Democratic Leader
Majority and Ranking Members, Senate Armed Services Committee

Majority and Ranking Members, Senate Banking Committee
Majority and Ranking Members, Senate Foreign Relations Committee