

**ITI**

Promoting Innovation Worldwide

September 8, 2025

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20515

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

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

Dear Speaker Johnson, Leader Jeffries, Leader Thune, and Leader Schumer:

I write on behalf of ITI's¹ 80 member companies, which represent a broad cross-section of the U.S. artificial intelligence (AI) technology stack and are helping drive an estimated \$2.9 trillion in AI investments over the next three years.² The technology sector is foundational to the U.S. economy, accounting for around 10% of U.S. Gross Domestic Product (GDP), directly employing nine million Americans, and representing over 32% of the market capitalization of the S&P 500.³

ITI's member companies design, build, and deliver the models, hardware, software, data centers, cloud services, networking solutions, and applications that allow the American AI stack to compete in global markets. While much of the public conversation on AI and AI competition globally has focused on AI models and the semiconductors that power them, promoting U.S. economic security in the context of AI will require a comprehensive approach that takes into consideration the full tech stack that supports AI.

Congress has done important bipartisan work over several years that recognizes the importance of a U.S.-led AI stack to advance American economic and national security. Similarly, the President's AI Action Plan seeks to advance American leadership in AI by addressing the AI tech stack as an interconnected and interdependent system.⁴ However, legislation under consideration in Congress, including proposals that would require the tracking of chips, control chips' computing power, impose new and burdensome restrictions on chip exports, and restrict access to U.S. cloud computing, could compromise our shared goals for the adoption of an American-led AI stack around the world.

¹ Founded in 1916, ITI is the leading technology trade association with a team of professionals on four continents. We promote public policies and industry standards that advance competition and innovation. Our diverse membership includes hardware, software, services, cybersecurity, artificial intelligence, and semiconductor companies, and our expert staff provides policymakers with the broadest perspective and thought leadership from the technology sector. ITI is a consensus-driven organization, and this letter reflects the collective opinions of our member companies and not the position of any one company.

² Herrera et al., *Big Tech's \$400 Billion AI Spending Spree Just Got Wall Street's Blessing*, The Wall Street Journal (Jul. 31, 2025), <https://www.wsj.com/tech/ai/tech-ai-spending-company-valuations-7b92104b>.

³ Robert D. Atkinson, *How the IT Sector Powers the US Economy*, Information Technology and Innovation Foundation (Sep. 19, 2022), <https://itif.org/publications/2022/09/19/how-the-it-sector-powers-the-us-economy/>; Computing Technology Industry Association (CompTIA), *State of the Tech Workforce 2024*, CompTIA.com (Apr. 3, 2024), <https://comptiacdn.azureedge.net/webcontent/docs/default-source/research-reports/comptia-state-of-the-tech-workforce-2024.pdf>;

U.S. Bank, *Investing in tech stocks: Is now a good time?*, USbank.com (Mar. 7, 2025), <https://www.usbank.com/investing/financial-perspectives/market-news/investing-in-tech-stocks.html>;

⁴ The White House, *Winning the Race America's AI Action Plan*, Whitehouse.gov (Jul. 10, 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf>.

For example, S.Amdt. 3505, the *GAIN AI Act of 2025*, which was included in the manager's package (S.Amdt. 3748) for S. 2296, the *National Defense Authorization Act for Fiscal Year 2026* (NDAA), is overly broad and would make the Trump administration's goal of promoting U.S. leadership in the AI stack more challenging.⁵ The *GAIN AI Act* would add significant complexity to the export licensing system, further straining the Department of Commerce Bureau of Industry and Security's (BIS) limited resources and making it more difficult for U.S. semiconductor companies to compete with Chinese firms, who will not face such burdens. Instead of making sweeping changes to the export control system, policymakers must first ensure that BIS has the resources needed to review and enforce existing export controls.

The *Remote Access Security Act* (RASA), which would establish export controls on the remote access of items through the internet or a cloud computing service, could also undermine policymakers' AI goals by harming the competitiveness of U.S. companies. At a minimum, any RASA proposal needs to be further refined to ensure the proposed new regulatory requirements can be effectively implemented in key areas of concern, such as compute power, quantum information science, and malicious cyber activity. Senators Dave McCormick (R-PA) and Ron Wyden's (D-OR) version of RASA, introduced as an amendment (S.Amdt. 3567) to the Senate NDAA, incorporates some improvements, but we encourage policymakers to continue to work to scope proposed regulations with greater specificity to ensure clarity for U.S. companies.

Similarly, the *Chip Security Act* (S. 1705/H.R. 3447) would require tracking of U.S. chips, giving China a unique opportunity to gain a share of the highly competitive global semiconductor market.⁶ If the *Chip Security Act* advances in its current form, there are strong indications that it would make U.S. semiconductor companies less competitive by allowing Chinese chipmakers to market their products as tracking-free, forcing U.S. partners and allies to choose between higher-performance U.S. chips and what they may perceive as the more secure, privacy-protective, tracking-free Chinese option. Instead of advancing potentially harmful proposals like the current version of the *Chip Security Act*, Congress should support the AI Action Plan's proposal for a study of location verification capabilities to ensure that such measures are the most effective way to make the U.S. AI stack the basis for the global AI stack while also protecting U.S. national security interests.⁷

Policymakers must keep in mind that China's goal is to make its AI stack dominant by eliminating U.S. technology from its own information technology ecosystem while also exporting the Chinese AI stack abroad. Chinese AI model companies are already "aggressively courting governments in developing countries, aiming to entrench Chinese AI systems."⁸ China is also rapidly improving its domestic semiconductor ecosystem by tripling production capacity and supporting new chip designers, while also advancing memory technology and software integration.⁹ These efforts appear to be yielding results with an executive at a Chinese chipmaker recently saying, "domestic output won't be an issue for long, especially with all the capacity coming online next year."¹⁰ This surge in semiconductor production and capability is a direct reaction to the U.S. export controls environment. China's domestic chip capacity,

⁵ National Defense Authorization Act for Fiscal Year 2026, S.2296, 119th Cong. § 1 (2025).

⁶ Chip Security Act, S.1705, 119th Cong. § 1 (2025);

Chip Security Act, H.R.3447, 119th Cong. § 1 (2025).

⁷ The White House, *Winning the Race America's AI Action Plan*.

⁸ Ina Fried, *OpenAI Flags China's Global Ambitions*, Axios (Jul 25, 2025), <https://www.axios.com/2025/06/25/openai-zhipu-ai-china>.

⁹ Zijiang Wu, *China Seeks to Triple Output of AI Chips in Race with the US*, The Financial Times (Aug. 26, 2025), <https://www.ft.com/content/64caeab8-a326-4626-98fb-e1bf665827d3>.

¹⁰ Zijiang Wu, *China Seeks to Triple Output of AI Chips in Race with the US*.

September 8, 2025

Page 3

combined with its increasingly capable AI models, is giving countries around the world a viable alternative to the U.S. AI stack. In this environment, improperly scoped proposals could put U.S. companies at a disadvantage, pushing countries towards the Chinese AI stack, which would deal a significant blow to U.S. economic security.

ITI continues to work with committees of jurisdiction and the administration to craft policies that support U.S. national and economic security while avoiding self-defeating outcomes where overly broad and unilateral export restrictions interfere with making the U.S. AI stack the default choice for the world. To this end, ITI supports efforts like the administration's proposed \$122 million budget increase for BIS, which would give it the funding needed to administer and enforce existing U.S. export controls effectively.¹¹ ITI also supports efforts to improve the effectiveness of BIS's enforcement efforts, such as improving collaboration between BIS and the U.S. intelligence community, codifying key BIS programs, and improving BIS staffing levels.¹² Beyond these measures, any approach adopted by the U.S. must take a holistic view of the AI stack and avoid improperly scoped proposals that harm the competitiveness of the companies that comprise the broader U.S. AI stack.

Thank you for your consideration. ITI looks forward to working with you to advance U.S. innovation and bolster U.S. economic security.

Sincerely,



Jason Oxman
President & CEO
Information Technology Industry Council (ITI)

CC:

The Honorable Tim Scott, Chairman, U.S. Senate Committee on Banking, Housing, and Urban Affairs
The Honorable Elizabeth Warren, Ranking Member, U.S. Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Brian Mast, Chairman, U.S. House Committee on Foreign Affairs

The Honorable Gregory W. Meeks, Ranking Member, U.S. House Committee on Foreign Affairs

The Honorable Roger Wicker, Chairman, U.S. Senate Committee on Armed Services

The Honorable Jack Reed, Ranking Member, U.S. Senate Committee on Armed Services

The Honorable Mike Rogers, Chairman, U.S. House Committee on Armed Services

The Honorable Adam Smith, Ranking Member, U.S. House Committee on Armed Services

The Honorable Ted Cruz, Chairman, U.S. Senate Committee on Commerce, Science, and Transportation

¹¹ Russell T. Vought, *Fiscal Year 2026 Discretionary Budget Request*, Whitehouse.gov (May. 2, 2025), <https://www.whitehouse.gov/wp-content/uploads/2025/05/Fiscal-Year-2026-Discretionary-Budget-Request.pdf>.

¹² The White House, *Winning the Race America's AI Action Plan*; Office of Congresswoman Kamlager-Dove, *Kamlager-Dove, Huizenga, Meeks, Shreve Introduce Legislation to Strengthen Export Controls, Keep U.S. Technologies out of Adversaries' Hands*, Kamlager-dove.house.gov (Jul. 17, 2025), <https://kamlager-dove.house.gov/media/press-releases/kamlager-dove-huizenga-meeks-shreve-introduce-legislation-strengthen-export>.



Promoting Innovation Worldwide

 itic.org

September 8, 2025

Page 4

The Honorable Maria Cantwell, Ranking Member, U.S. Senate Committee on Commerce, Science, and Transportation

The Honorable Brett Guthrie, Chairman, U.S. House Committee on Energy and Commerce

The Honorable Frank Pallone, Jr., Ranking Member, U.S. House Committee on Energy and Commerce

The Honorable Brian Babin, D.D.S., Chairman, U.S. House Committee on Science, Space, and Technology

The Honorable Zoe Lofgren, Ranking Member, U.S. House Committee on Science, Space, and Technology