

July 15, 2022

Dear Bipartisan Innovation Act Conferee,

On behalf of the US-China Business Council (USCBC), an association of 270 US companies that do business with China, I write today regarding the negotiations over the Bipartisan Innovation Act (BIA) and recent reports that Congress may move to pass a pared-down version of the legislation.

I would like to express USCBC's support for moving forward with the CHIPS for America Act (CHIPS Act) during this work period. While we appreciate and applaud the bipartisan effort to agree upon a more comprehensive bill, Congress should not further delay its consideration of the CHIPS Act, which would provide needed funding to incentivize and accelerate domestic semiconductor production. The legislation would be an important step in strengthening US competitiveness in the global marketplace and will help spur new and important innovations here at home.

Additionally, I understand that Congress may seek to attach other provisions to a pared-down version of the BIA. If this is the case, I would like to offer the following two requests on behalf of our member companies:

First, we would strongly encourage Congress to include Section 73001 of the United States Innovation and Competition Act / Make It in America Act (S 1260). This language would reinstate the expired exclusions to the Section 301 tariffs and create a new exclusion process. We believe this provision would help provide relief to US businesses and consumers facing record-high and increasing prices without reducing pressure on China to change its unfair practices.

Second, USCBC continues to oppose the version of the National Critical Capabilities Defense Act (NCCDA) approved by the House as part of the America COMPETES Act (HR 4521). We understand Congress' interest in protecting US national security through an outbound screening mechanism, but have deep concerns about the provision's scope, process, and unilateral nature. While we are pleased to hear that the sponsors of the NCCDA are working to modify the legislative language, such a major shift in US policy deserves careful and transparent consideration under regular order, including through relevant committee hearings and markups. It should not be included in a pared-down version of the BIA without this important process to ensure that it is appropriately designed.

USCBC aims to continue being a vital bridge between US companies and lawmakers. We would welcome further discussions on any of the issues raised here.

Sincerely,



Craig Allen  
President, US-China Business Council  
US Ambassador (ret.)