



GLOBAL
BUSINESS
ALLIANCE

Investing in America

May 25, 2022

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

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

The Global Business Alliance (GBA) appreciates the efforts of the conference committee to resolve differences between the United States Innovation and Competition Act of 2021 (USICA) (S. 1260) and the America Creating Opportunities for Manufacturing Pre-Eminence in Technology and Economic Strength Act of 2022 (America COMPETES) (H.R. 4521). During your deliberations, GBA respectfully requests your support to include the full funding of the Creating Helpful Incentives to Produce Semiconductors for America Act (CHIPS for America Act) title, which is in both the House and Senate bills. GBA believes the investments and incentives included in the CHIPS for America Act will help grow the U.S. economy, increase jobs in advanced manufacturing, strengthen our national security and assure the supply of critical components essential to virtually all sectors of the economy.

GBA is the only organization that exclusively represents the U.S. subsidiaries of many of the world's leading international companies. Our mission is to promote policies that will ensure the United States remains the most competitive nation for Foreign Direct Investment (FDI), which in turn increases American employment and U.S. economic growth. Nearly eight million U.S. workers are employed by foreign-headquartered companies, and U.S. workers at these companies earn an average of over \$83,000 annually, 18 percent higher than the economy-wide average. Moreover, international companies are especially concentrated in the manufacturing industry - creating 69 percent of the new manufacturing jobs in the past five years.

Advanced technology like semiconductors have benefited greatly from global collaboration. The U.S. has leveraged its position as the best place in the world to collaborate, encouraging

numerous foreign companies to make significant investments in the domestic semiconductor manufacturing industry. These investments include: ASML's opening of a new state-of-the-art R&D facility in Silicon Valley, which created 180 new jobs; EMD Electronics' \$28 million investment to build a new factory and create over 100 new jobs in Chandler, Arizona; Infineon Technologies Americas Corp. moved its Austin, Texas, production site to renewable power with the goal of achieving carbon-neutrality by 2030; Samsung announced a \$17 billion investment for a new facility in Taylor, Texas, which is expected to create over 2,000 high-tech jobs; and Taiwan Semiconductor Manufacturing Company's \$12 billion investment for a new plant in Phoenix, Arizona, will be operating in early 2024.

The funding included under the CHIPS for America Act title would incentivize companies to continue these types of investments in the United States. The provision also meets the urgent need to increase domestic semiconductor production and address the national security, economic and supply chain vulnerabilities resulting from the current shortage.

Thank you again for your work on this important legislation. Please reach out with any questions.

CC: USICA/America COMPETES Act Conference Committee Members

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nancy McLernon', with a long horizontal flourish extending to the right.

Nancy McLernon

President and CEO

The Global Business Alliance