

# United States Senate

WASHINGTON, DC 20510

January 23, 2024

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
United States Government Accountability Office  
441 G Street Northwest  
Washington, DC 20548

Dear Mr. Dodaro:

We write to request that the Government Accountability Office (GAO) assess the effectiveness of the Department of Commerce’s recent export controls on advanced semiconductors, semiconductor manufacturing equipment, and related technologies, as recommended by the United States-China Economic and Security Review Commission’s 2023 Report to Congress.<sup>1</sup>

The United States leads the world in technological innovation. China and other adversaries have long sought to erode U.S. security and economic advantages by acquiring our advanced technology. In particular, China is intent on out-competing the United States in the most cutting-edge areas of technology—including artificial intelligence—which is predicated upon the ability to acquire, develop, or produce advanced semiconductors.

In recent years, our government has emphasized the importance of export control tools in maintaining our nation’s technological edge in order to secure our national and economic security. On October 25, 2023, the Commerce Department’s Bureau of Industry and Security (BIS) issued an interim final rule,<sup>2</sup> which expands an October 7, 2022 rule that implemented export controls for certain advanced semiconductors and semiconductor manufacturing equipment used in the development of artificial intelligence, advanced weapons systems, and high-tech surveillance capabilities. The updated rule also expands licensing requirements to many new countries.

These controls are a tangible and positive step toward maintaining U.S. competitiveness and protecting our advanced technology. However, their effectiveness will ultimately be determined by the private sector’s knowledge of and compliance with such controls, the U.S. government’s ability to implement and enforce the controls, and support from allied and partner governments.

Therefore, we request that GAO study the effectiveness of the October 7, 2022 rule, as amended by the October 25, 2023 rule, “in preventing China from either acquiring or developing the capacity to manufacture certain advanced semiconductors,”<sup>3</sup> including an analysis of the following:

1. The progress that BIS has made in implementing the October 7, 2022 rule, as amended by the October 25, 2023 rule, and any challenges encountered.

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<sup>1</sup> U.S.-China Economic and Security Review Commission: *2023 Report To Congress* 438 (2023).

<sup>2</sup> *Export Controls on Semiconductor Manufacturing Items*, 88 Fed. Reg. 73424 (Oct. 25, 2023).

<sup>3</sup> U.S.-China Economic and Security Review Commission, *supra* note 1, at 438.

2. The nature and degree of U.S. interagency cooperation and coordination in enforcing export controls on advanced semiconductors, semiconductor manufacturing equipment, and related technologies.
3. The degree of cooperation received from allied and partner governments in combating transshipment, diversion, and circumvention of U.S. export controls on advanced semiconductors, semiconductor manufacturing equipment, and related technologies.
4. How U.S. allies and partners are seeking to curb the flow of advanced semiconductors, advanced semiconductor equipment, and related technologies to China through their own domestic export control regulatory frameworks.
5. Whether the private sector faces compliance challenges with the implementation of the 2022 and 2023 rules, and whether additional actions are necessary to improve compliance.

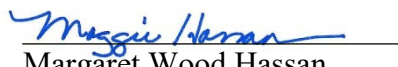
We request that GAO provide Congress with a report addressing these questions and other items deemed relevant by GAO no later than December 1, 2024. The report shall be unclassified, but shall include a classified annex if necessary. While GAO develops the report, we request that GAO provide an interim briefing to the signatories of this letter within 180 days of receipt of this request.

Thank you for your attention to this request. For questions, please contact Audra Kinney on Senator Romney's staff at 202-224-0736 and Nick Caron on Senator Hassan's staff at 202-224-6579.

Sincerely,



Mitt Romney  
Ranking Member  
Subcommittee on Emerging Threats and  
Spending Oversight  
United States Senate



Margaret Wood Hassan  
Chair  
Subcommittee on Emerging Threats and  
Spending Oversight  
United States Senate