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United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS
WASHINGTON, DC 20510-6075

February 6, 2024

The Honorable Joseph R. Biden
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden:

As you finalize your Fiscal Year 2025 budget request, we urge you to include a significant increase in funding for the export control mission of the Department of Commerce's Bureau of Industry and Security (BIS).

In December, speaking at the Reagan Defense Forum, Commerce Secretary Gina Raimondo described the critical, increasing role of export controls in addressing national security risks posed by the Chinese government's technology development and acquisition strategies. She discussed the need to build a "more muscular" Commerce Department to address those risks, noting that despite the importance of BIS's mission, "BIS has the same budget today as it had a decade ago with twice as many licensing requests." Secretary Raimondo emphasized the importance of funding BIS "like it needs to be funded so we can do what we need to defend America." These comments build on previous statements by Administration officials, including National Security Advisor Jake Sullivan who noted that "if implemented in a way that is robust, durable, and comprehensive, [export controls] can be a new strategic asset."

BIS is a critical component of our national security policy, using export controls to achieve strategic national security and foreign policy objectives. In recent years BIS built a global export control coalition that denies Russia's military critical inputs in response to their continued invasion of Ukraine. It imposed country-wide controls on exports to China of supercomputing, advanced semiconductors, and advanced semiconductor manufacturing equipment. And it issued landmark enforcement actions against companies and individuals violating export control laws and regulations. These aggressive actions have restricted the export of critical U.S. technology, software, and goods in furtherance of our national security and foreign policy interests.

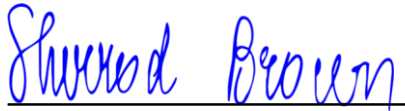
To keep pace with technology development and those who seek to evade U.S. export controls, BIS must continually evaluate what resources and personnel are needed to maintain an effective, efficient, and responsive export control regime. It must assess what technology improvements and capabilities are necessary to root out illegal procurement and export control evasion networks, what expertise is required to evaluate critical and emerging technologies for controls, what additional capacity is needed to expand our international engagement with allies and partners on export controls, and what analytic infrastructure can enable BIS to more quickly and effectively conduct the analysis needed to determine whether and when to apply controls, what the potential collateral consequences of those controls may be, and how it can improve its capacity to assess the effectiveness of export controls over time.

Last month, the Senate Committee on Banking, Housing, and Urban Affairs held a hearing on national security challenges related to the development and acquisition of advanced technology. A central theme of the hearing was the growing use of export controls and the need to strengthen our economic and national security authorities and resources. Among their recommendations, witnesses called for increased funding for the Bureau of Industry and Security – specifically for additional funding to strengthen BIS’s international engagement efforts, its access to unbiased industry information and trade data, and its analytical capacity to evaluate specific technologies and evaluate the effectiveness of those controls.

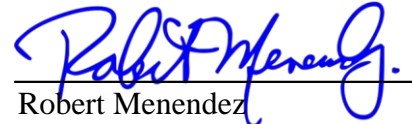
An important step toward building a stronger, more responsive export control system is ensuring BIS has the resources it needs to achieve its critical mission. With those efforts in mind, we encourage you to include robust funding for BIS in your FY25 budget request.

We stand ready to work with you to provide that funding through the appropriations process.

Sincerely,



Sherrod Brown
Chairman
Senate Committee on
Banking, Housing, and Urban
Affairs



Robert Menendez
United States Senator



Jack Reed
United States Senator



Mark R. Warner
United States Senator

CC:

The Honorable Shalanda Young, Director, U.S. Office of Management and Budget
The Honorable Gina Raimondo, Secretary, U.S. Department of Commerce