

December 10, 2015

The Honorable Orrin Hatch
Chairman
Committee on Finance
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Kevin Brady
Chairman
Committee on Ways and Means
Washington, D.C. 20515

The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
Washington, D.C. 20515

Dear Chairmen Hatch and Brady, Ranking Members Wyden and Levin:

The Semiconductor Industry Association (SIA) supports the Conference Report to H.R. 644 and S. 1269, the Trade Facilitation and Trade Enforcement Act of 2015, and urges its passage. As one of the nation's top exporting industries, with over 80 percent of industry sales overseas, the semiconductor industry depends on the efficient movement of goods in and out of the U.S., which will be advanced by this legislation.

This bipartisan legislation includes language supported by SIA that would require Customs and Border Protection (CBP) to share information and samples of suspect counterfeit parts, including counterfeit semiconductors, with rights holders. Counterfeit semiconductors pose a significant threat to public health and safety and also threaten national security, ending up in critical military systems. CBP has previously redacted images of suspect counterfeit semiconductors and delayed sharing information with companies that play a vital role in determining if parts are counterfeit and require seizure. Passage of this legislation will require CBP to share information with rights holders, utilize the expertise of rights holders in determining if parts are counterfeit, and help prevent counterfeit products from entering the United States.

The legislation also authorizes the CBP Centers of Excellence and Expertise, which play an important role in enhancing U.S. economic competitiveness by enforcing trade laws to protect U.S. trademarks and keep dangerous products, like counterfeit semiconductors, out of the country. It will reduce paperwork and processing delays by raising the de minimis amount from \$200 to \$800, ensure swift and successful implementation of trade facilitation measures such as the U.S. single window, and improve consultations between CBP, Congress and the trade community.

Regards,



John F. Neuffer
President and CEO