

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Commerce, Manufacturing, and Trade Member Kathy Castor

Hearing on “Computing Power and Competition: Examining the Semiconductor Ecosystem”

April 15, 2026

Semiconductors are a critical part of the electronic devices we all use every day, including everything from computers, phones, cars, to medical equipment and more. They also are essential for artificial intelligence, including providing the processing power to train AI systems.

While the United States has been a consistent leader in chip design, the same cannot be said for chip manufacturing. Since 1990, our nation’s share of global semiconductor manufacturing dropped from 36 percent to just ten percent in 2020.

During the pandemic, we saw the impact of this decline when global supply chains for everything from autos to video game consoles were disrupted. This led to higher consumer prices and concerns about access to chips for critical sectors.

In response to the national and economic security threats presented by lack of domestic semiconductor manufacturing, Congress passed and President Biden signed into law the CHIPS and Science Act in 2022.

This landmark legislation provided \$50 billion in funds to support domestic manufacturing and research and development of chips.

As of July 2025, almost exclusively thanks to the work of the Biden Administration, the Department of Commerce had awarded more than \$30 billion to 19 companies in manufacturing grants for projects across the country including in Arizona, Ohio, and New York.

We should be building on this progress, but instead the Trump Administration has slashed staff dedicated to CHIPS and shut down Natcast, a nonprofit dedicated to distributing billions in R&D funds under the law. At a time when other nations are investing heavily in research and development, it is irresponsible and dangerous to delay our own efforts.

Even more irresponsible, President Trump’s reckless war with Iran and chaotic tariffs are straining the already complex and fraught semiconductor manufacturing supply chain at a time of unprecedented demand for chips.

This demand is driving a shortage right now of memory chips, which is raising prices of consumer devices at a time when Americans are already struggling to afford basic goods like gas and groceries.

April 15, 2026

Page 2

Finally, as we talk about semiconductors, which make possible the AI models that are becoming increasingly enmeshed in our lives, we cannot ignore the downstream impacts of those models on Americans, including the privacy impacts.

We should be protecting consumers using AI through strong, bipartisan comprehensive federal data privacy legislation that includes both robust data minimization to defend consumers from abuse of their personal and sensitive information and safeguards in the face of AI-enabled consequential decisions about health, employment, and more. We also must allow states to continue to play a role in keeping their citizens safe in the age of AI.

And with that I yield back the balance of my time.