United States Senate

WASHINGTON, DC 20510

August 15, 2025

The Honorable Donald J. Trump President of the United States 1600 Pennsylvania Ave NW Washington DC 20500

Dear President Trump:

We write to urge you to reverse your decision to allow AMD and Nvidia to sell advanced AI semiconductor chips ("covered chips") to the People's Republic of China ("PRC"), in exchange for a fee. These sales to a leading adversary run counter to U.S. national security interests, and the collection of fees appear to violate U.S. statutes and may even be unconstitutional.

Our export controls exist to ensure that American goods and technologies are protected from our adversaries. To ensure such protection, export laws explicitly state that, "[n]o fee may be charged in connection with the submission, processing, or consideration of any application for a license or other authorization or other request."

Yet on August 11, 2025, you stated that: "I want 20 percent if I'm going to approve [these licenses] for [Nvidia (and AMD)] and "[Nvidia] said, 'Would you make it 15?' So we negotiate a little deal". This "negotiated deal," allowing American semiconductor manufacturers to pay a 15 percent fee for the ability to sell critically sensitive technology to our adversary, blatantly violates the purpose of export control laws. Additionally, your spokesperson has indicated that your administration may be considering this form of "deal making" for other exports.

A cornerstone of U.S artificial intelligence strategy for years has been to protect America's advantage in AI computing capability and access to leading-edge hardware, compared to the PRC and other key adversaries. AI represents a crucial enabling technology that is critical to the future of everything from finance to healthcare, manufacturing, and national security. The PRC seeks to use AI to strengthen its military systems like hypersonics, as well as its communications, surveillance, battlefield decision-making processes. In April, your administration placed export controls on the flow of Nvidia's H20 and AMD's MI308 chips to the PRC, identifying the national security risk of the PRC's military having access to these advanced AI chips. However, only months later, following industry lobbying, you have flippantly reversed that decision with no coherent explanation for how the national security risks you had in April have been mitigated in August.

Our national security and military readiness relies upon American innovators inventing and producing the best technology in the world, and in maintaining that qualitative advantage in sensitive domains. The United States has historically been successful in maintaining and building that advantage because of, in part, our ability to deny adversaries access to those technologies. The willingness displayed in this arrangement to "negotiate" away America's competitive edge that is key to our national security in

¹ 50 U.S.C. § 4815(c) (2018)

exchange for what is, in effect, a commission on a sale of AI-enabling technology to our main global competitor, is cause for serious alarm.

We again urge your Administration to quickly reverse course and abandon this reckless plan to trade away U.S. technology leadership. In order to assist the public in its understanding of this proposed deal, we request the following information by August 22:

- 1. What entities or parties were involved in the "negotiation" that resulted in the 15 percent payment requirement as a condition for granting a license to sell covered chips to the PRC?
- 2. What laws, regulations, or other factors were identified, raised, evaluated, and/or otherwise determined to be relevant in those negotiations, including any legal opinions provided by Administration attorneys used to inform the legality of various approached proposed during those deliberations?
- 3. Who was responsible for determining that this arrangement complies with United States laws, regulations, and international obligations?
- 4. Describe the manner in which the 15 percent fee will be determined and collected.
- 5. What individual(s) or entities are responsible for making the determination and collection identified in item 4?
- 6. List all purposes to which the 15 percent fee payments will be directed once collected.
- 7. What other companies are under consideration for this kind of deal utilizing export control laws?

Thank you for your prompt attention to this matter.

R Werner

Sincerely,

Mark R. Warner

United States Senator

Charles E. Schumer

United States Senator

Jack Reed

United States Senator

(Mu la

Christopher A. Coons United States Senator Jeanne Shaheen

Jeanne Shaheen United States Senator Ranking Member, Senate Foreign Relations Committee

Elizabeth Warren Ranking Member

Committee on Banking, Housing, and Urban Affairs