



February 1, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

The Honorable James McGovern
Chairman
U.S. House of Representatives
Rules Committee
Washington, D.C. 20515

The Honorable Tom Cole
Ranking Member
U.S. House of Representatives
Rules Committee
Washington, D.C. 20515

Dear Speaker Pelosi and Leader McCarthy, and Chairman McGovern and Ranking Member Cole:

On behalf of the Security Industry Association (SIA), we are writing to express our support for certain provisions of H.R. 4521, the *America Creating Opportunities for Manufacturing, Pre-Eminence in Technology, and Economic Strength Act of 2022*, known as the "COMPETES Act." SIA represents over 1,200 innovative companies that provide safety and security technology solutions essential to public safety and the protection of lives, property, information, and critical infrastructure. SIA members include companies that provide advanced security solutions that are integral to the larger, digital ecosystem – e.g., "smart cities," the Internet of Things (IoT), biometrics, and artificial intelligence (AI) – and our members compete on a global scale to reinforce U.S. leadership in promoting the ethical use of emerging technologies.

SIA supports sections of H.R. 4521 that enable the U.S. and our allies to remain globally competitive against nation states that pose a risk to core democratic values and aim to surpass U.S. leadership in the development of emerging technologies. The COMPETES Act and S. 1260, the *U.S. Innovation and Competition Act*, known as "USICA," address the challenges of a globalized economy by boosting domestic competition and strengthening the resiliency of critical supply chains needed to export our technology and increase our industry's investment footprint in foreign markets.

The sections highlighted below will have a significant impact on our members' ability to develop security technologies and provide goods and services across the globe.

SIA Position on Relevant Sections and Submitted Amendments to H.R. 4521, the COMPETES Act

SIA supports the inclusion of the following sections and amendments – H.R. 4521:

Supply Chain Resiliency Measures (Secs. 20201-20208). SIA supports House Energy & Commerce supply chain legislation that creates a “Crisis Response Office” within the Department of Commerce (DOC) to address supply chain shocks and provides \$45 billion grant, loan, and loan guarantee funds to manufacturers seeking funds to assist with the production and shipment of qualified equipment. We applaud these sections’ prioritization of “key technology areas” which would allow eligible SIA members to apply for funding assistance and provide input to DOC on supply chain shortages that impact critical industries.

NIST Biometrics Testing (Secs. 10226-10227). NIST’s biometrics testing programs are known globally as the gold standard for scientifically testing the quality and accuracy of biometric modalities, such as facial recognition and fingerprint. Under NIST’s Information Technology Laboratory, the Image Analysis Unit provides critical resources for law enforcement, government, and commercial entities to assess the quality of their biometric technologies. Codifying NIST’s biometrics testing programs affords NIST the direction it needs to expand its testing infrastructure to capture additional modalities and cloud-based applications, more thoroughly evaluate performance of biometrics across demographic variables, test the full range of available algorithms, and partner with agencies that deploy biometrics in the field.

CHIPS Act Funding (Secs. 10001-10002). Semiconductor chips play an essential role in the security industry’s infrastructure by enabling security equipment to function, interoperate with other communication systems and augment traditional solutions to include artificial intelligence, 5G and IoT functionalities. In light of the global chip shortage – including manufacturing and shipping delays, supply chain disruptions and increased demand for semiconductor chips that impact product manufacturers – SIA supports incentivizing eligibility for CHIPS Act funding programs.

[AMDT 37](#) (Blunt Rochester, DE) *Ensures NIST supports educational activities with the Manufacturing Extension Partnership (MEP) for Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs).* SIA strongly supports that intent of this amendment to ensure NIST engages with HBCUs and MSIs to cultivate diverse talent pipeline of individuals that are well positioned to leverage MEP programs upon entering the workforce.

Following passage of H.R. 4521, we encourage the House and Senate to move swiftly to reconcile the differences between COMPETES Act and USICA during the conference stages. Importantly, in order for the U.S. and our allies to remain competitive, there are key provisions within USICA that must be adopted into the final conference report – specifically, the \$190 billion in authorized NSF funding to support public-private partnerships and spur additional R&D investments in key technologies. Furthermore, we recommend the conferees reevaluate some of the burdensome trade sections in the COMPETES Act that affect outbound investment reviews, de minimis requirements, and antidumping and countervailing duties. Congress has an opportunity to reassert the U.S. as the leader in technology development, but this can only be accomplished by striking an appropriate balance to limit barriers to entry and export and by allowing the federal government to invest in emerging technologies that seismically shift the global technological landscape.

We thank you for your consideration of our requests, and we look forward to providing additional input during the conference stages.

Sincerely,

A handwritten signature in black ink that reads "Don Erickson". The signature is written in a cursive, flowing style.

Don Erickson
CEO – Security Industry Association

CC: Members of the House Science, Space & Technology Committee
Members of the House Energy & Commerce Committee

For more information, please contact Joe Hoellerer, SIA Senior Manager of Government Relations, at jhoellerer@securityindustry.org