



The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, D.C. 20510

May 30, 2025

Dear Senators Thune and Schumer,

On behalf of IEEE-USA and our more than 150,000 individual technologist members across the United States, I write to share our views on the FY 2026 reconciliation budget package recently passed by the House of Representatives. As the Senate considers this legislation, we encourage you to preserve and strengthen key provisions that support American innovation, workforce development, and national security—and to reconsider others that would impede technological progress.

We are encouraged by the bill's investment in **naval shipbuilding** and **unmanned and advanced maritime systems**. These investments will have long-term impacts on our national security and technological edge, while creating high-quality jobs in advanced manufacturing.

IEEE-USA also supports the changes to the **Sec. 174 R&D Tax Credit** in the bill. Eliminating the amortization of the tax credit for four years will benefit small businesses and startups by improving their cash flow and encouraging them to continue investing in R&D. With this change, Congress would enable innovators to realize tax benefits while allowing these companies to innovate and expand faster. We encourage the Senate to make this change permanent.

We are excited to see that the **Sec. 48D Advanced Manufacturing Investment Tax Credit** was left intact within the House version. This credit plays a crucial role in incentivizing investments in advanced manufacturing, particularly in the semiconductor industry. This credit encourages companies to expand their capabilities and invest in cutting-edge technologies, which is essential for maintaining competitiveness in the global market. Congressional support for this credit reflects a commitment to fostering growth and resilience within the semiconductor industry.

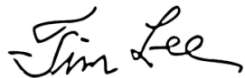
IEEE-USA is also pleased to see inclusion of the "Freedom to Invest in Tomorrow's Workforce Act." Transforming **529 college savings accounts** into career savings accounts will help Americans obtain and maintain professional certifications, licenses and credentials. This reform is critical to meeting the needs of a dynamic labor market.

However, we urge the Senate to reconsider the proposed 10-year **federal preemption of state laws related to artificial intelligence (AI)**. This sweeping moratorium would nullify dozens of state-level AI safeguards and prevent states from acting in the absence of federal standards.

IEEE-USA believes that responsible, science-informed AI regulation is compatible with economic growth and technological leadership. Until Congress can pass thoughtful national AI legislation, states should retain their authority to craft reasonable, transparent and adaptive approaches to managing risk and enabling innovation.

We appreciate your leadership as you work to shape the final FY 2026 reconciliation package. Thank you for considering these views on behalf of the U.S. electrical engineering and technology community.

Sincerely,

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

Timothy T. Lee
IEEE-USA President