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CHINA'S CAMPAIGN TO STEAL AMERICA'S AI EDGE

Thursday, April 16, 2026

House of Representatives,

Select Committee on the Strategic Competition between

the United States and the Chinese Communist Party,

Washington, D.C.

The committee met, pursuant to call, at 11:08 a.m., in Room 390, Cannon House Office Building, Hon. John Moolenaar [chairman of the committee] presiding.

Chairman Moolenaar. The select committee will come to order.

Good morning, everyone. Busy day today on the Hill. I know members are having a lot of hearings and people are going to be coming and going. But I want to welcome everyone.

It is a very important topic. China's smuggling of advanced AI chips is a pervasive threat facing law enforcement, and in several cases over the past year the Trump administration disrupted multiple smuggling rings that sought to arm China with advanced American AI chips.

Just last month, the Department of Justice announced a \$2.5 billion chip smuggling case, which would be the largest export control violation in U.S. history.

The alleged smugglers went to great lengths to cover their tracks. One of them was Super Micro cofounder Wally Liaw. He and his alleged conspirator used a hair dryer to remove Super Micro serial number labels and then put those labels on fake server boxes. They even created fake AI servers to fool U.S. enforcement officers into thinking the chips were in Southeast Asia when they had already been smuggled to China.

Why is China so desperate to acquire U.S.-designated chips? The reason is obvious. AI is truly transformative technology and it is already changing how we fight wars, run our government, and operate companies.

It is essential for the United States to maintain a decisive lead in the AI race. We cannot afford a future where Beijing dominates this technology.

In a new report released this morning, the select committee documents how China currently depends on the United States and our allies across parts of the AI technology stack.

China's AI ecosystem depends on the Western semiconductor manufacturing equipment required to make most advanced AI chips. They rely on Western AI chips to develop their own most advanced AI models. They rely on Western AI models to develop their own models and AI services.

To try to keep up in the AI race, Chinese companies are buying what they legally can under existing export control regimes and stealing what they cannot.

This pattern of legal purchases and theft is happening at every layer of the AI technology stack.

Let's start with the bottom of the stack. Beijing has funneled billions of dollars into their domestic chipmakers so they can control their supply chain. Yet, at the same time, Chinese chipmakers continue to rely on U.S. and allied semiconductor manufacturing tools to make their chips.

As of now, Chinese chipmakers remain unable to produce five-nanometer chips at scale, putting them at least seven years behind the leading edge.

That is why Chinese chipmakers are the world's biggest customers for chipmaking tools, buying \$38 billion in foreign tools in 2024 alone.

The country buying the most tools today is China, and that means that one day we might depend on China for our own chips. We cannot allow that to happen.

Let's move on to the next layer of the AI tech stack, the chips themselves.

Despite billions in government subsidies, China's best chips are far inferior to our cutting-edge semiconductors.

Nor are they keeping up in quantity. Huawei proudly announced recently that it will produce 750,000 of its 950PR chips, but that figure amounts to less than one week of quality-adjusted U.S. AI chip production.

Given the sheer quality and quantity gap, Chinese AI companies continue to rely on American chips.

As the founder of Chinese AI champion DeepSeek has said, "Our problem has never been funding. It is the embargo on high-end chips."

So it should come as no surprise that Chinese AI firms are doing everything they can to legally

and illegally acquire U.S. chips.

To work around export controls, Chinese companies are building billion-dollar AI supercomputers in countries like Malaysia and then accessing that compute power remotely through the cloud.

They have also resorted to outright chip smuggling. Estimates of China's illegally obtained chips range anywhere from tens of thousands of chips to several hundred thousand chips.

Finally, the last layer of the AI tech stack are the models themselves. American AI labs like OpenAI continue to produce the best proprietary models in the world using tens of billions of dollars worth of AI chips.

That is why Chinese labs are resorting to unauthorized distillation attacks to extract information from our best AI models. Since they don't have enough AI chips to develop the models on their own, they prefer to simply steal them from their American competitors. Anthropic, OpenAI, and Google have all verified that this is happening.

The pattern is clear: China is dependent on our tech stack to continue their AI development. China is willing to buy what they can -- and steal what they cannot -- to advance their AI ambitions.

The task for Congress is to pass legislation that will stop China's multiprong effort to legally and illegally acquire America's tech stack to use it against us.

I look forward to hearing from our witnesses today, but I now want to recognize Representative Andre Carson for his opening statement.

[The statement of Chairman Moolenaar follows:]

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Mr. Carson. Thank you, Chairman. You are appreciated very dearly. Thank you.

And thank you to the witnesses for appearing before the committee today.

Last year the select committee held a very important hearing on why American AI must lead. It was very clear from that hearing that the stakes of the AI competition with China could not be higher.

If Chinese AI models win, we face a future filled with censorship and surveillance, not to mention in the key industries of the future, including sectors like manufacturing and biotechnology that drive Indiana's economy, we will fall behind.

But if American AI models keep its lead, the American people will get to decide on the rules of the road. We can enact protections for workers against displacement, ensure communities do not face hikes to their utility bills, and ensure civil rights and human rights are designed into the algorithms.

China understands these stakes very well. That is why the CCP will stop at no lengths to win this competition.

Just last week, OpenAI, Anthropic, and Google all came together to form the Frontier Model Forum, a joint effort to stop China's campaign to reverse engineer their AI models. And just last month the Department of Justice indicted individuals for trying to smuggle restricted chips to China.

We should all be deeply concerned by how far Chinese companies are willing to go to gain an edge, even if it means breaking the law.

But we should also remember why China wants to get our technologies in the first place. It is because American technologies, built by talented engineers around the world, often with the support of Federal funding, are simply better.

Unfortunately, the Trump administration's immigration policies, budgetary cuts, and attacks on leading AI labs are putting us on a path where we can't take advantage of anything, nor can we

take anything for granted.

Nearly two-thirds of the top AI companies in America were founded or cofounded by immigrants. That is what is great about our country. Thirty-eight percent of the top AI researchers in America are originally from China.

Anyone who hears those statistics and uses common sense knows we need those immigrants. We should welcome them and reject wholeheartedly any form of xenophobia.

But instead, unfortunately, this administration is banning immigration from dozens of countries, putting a \$100,000 fee on the H-1B visas that AI researchers frequently use and scaring away students with ICE raids.

The scorecard on Federal research funding, the foundation on which so much American innovation depends, is a similar story. We are slashing Federal grants to universities, including colleges like IU Indy, Purdue, as China increases overall scientific research spending by nearly 10 percent annually.

Meanwhile, the Defense Department is trying to put one of our leading AI labs out of business because of a contract dispute.

Killing Claude doesn't help us beat China. That sounds to me like benching one of our top scorers in a championship game.

If we keep down this path, I fear that 10 years from now we may not have as many technologies that China wants to take.

That means we need a two-pronged approach.

Firstly, I agree wholeheartedly we need to enforce our laws and protect our advantages. Chinese companies like DeepSeek cannot and should not get away with stealing our most innovative tech. The Commerce Department should go after those who break laws and break the rules with everything we have got.

And it shouldn't just be us holding China accountable. We need a global coalition. We

should work with our friends in the Netherlands and Japan to protect sensitive IP in areas like lithography. Now we are all in this competition together.

But secondly, we need to make sure our technology remains the best. We need to attract top talent, train the next generation of workers, and keep America's innovation engines running. The easiest way for China to win is if we shoot ourselves in the foot.

The future of AI must be built on American values and not the CCP's dystopian vision of censorship or surveillance. I believe we can keep our edge and win the future if we get to work.

Thank you. I yield back, Chairman.

[The statement of Mr. Carson follows:]

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Chairman Moolenaar. Thank you very much, Representative Carson.

And if any other member wishes to submit a statement for the record, without objection, those statements will be added to the record.

Now I would like to get to our witnesses, and we are very fortunate to have you with us today.

Mr. Dmitri Alperovitch is the cofounder and chairman of Silverado Policy Accelerator and cofounder and former CTO of CrowdStrike, one of the world's largest cybersecurity firms.

Mr. Alperovitch has served as a special advisor to the Department of Defense and served on the Department of Homeland Security Advisory Council and the Cybersecurity and Infrastructure Security Agency's Cyber Safety Review Board.

Mr. Yusuf Mahmood is currently serving as director of AI and emerging technology at the America First Policy Institute. Prior to joining AFPI, Mr. Mahmood worked part-time during law school at Rand, where he focused on energy deregulation for U.S. AI leadership.

At AFPI, Mr. Mahmood's research has covered U.S.-CCP AI competition, including accelerating the U.S. AI data center buildout, building Federal Government capacity to counter distillation, and forthcoming research on securing U.S. AI companies from CCP espionage.

Dr. Kyle Chan is a fellow in the John Thornton China Center at Brookings Institution. His research focuses on China's technology development and industrial policy across a wide range of sectors, including AI, robotics, semiconductors, electric vehicles, and batteries.

Dr. Chan has testified as an expert on China's industrial policy before the U.S.-China Economic and Security Review Commission and he has a Ph.D. in sociology from Princeton University.

And with that, I want to welcome all of our witnesses.

Beginning here this morning, let's start with you, Mr. Alperovitch. You are now recognized for your opening remarks.

STATEMENTS OF MR. DMITRI ALPEROVITCH, CHAIRMAN, SILVERADO POLICY ACCELERATOR; MR. YUSUF MAHMOOD, DIRECTOR OF AI AND EMERGING TECHNOLOGY, AMERICA FIRST POLICY INSTITUTE; AND MR. KYLE CHAN, FELLOW, JOHN L. THORNTON CHINA CENTER AT BROOKINGS

STATEMENT OF DMITRI ALPEROVITCH

Mr. Alperovitch. Thank you, Chairman Moolenaar, Congressman Carson, and distinguished members of the committee. Thank you for the opportunity to testify today on how China is acquiring, through both legal and illicit channels, advanced U.S. artificial intelligence technology.

We are in a race and the stakes could not be higher. Artificial intelligence will transform every industry, every battlefield, and every government, and whoever fields the best models, running on the best infrastructure, will likely win not just the AI race, but the 21st century.

The single most important input to winning is compute, the processing power used to train and run AI models. Let me say that plainly, because it is a finding that should anchor everything that Congress and this committee do on AI policy.

The binding constraint in this competition is not talent, it is not data, and it is not cash. Both the United States and China have talented researchers and financial resources. And we have learned that frontier models trained on generic data routinely outperform smaller models trained on more specialized inputs. It all comes down to compute.

At its core, compute is based on chips: how many a country has, how powerful they are, and how well they work together. The exponential scaling of that chip power is what has driven virtually every meaningful improvement in AI over the last decade.

This is not a secret, and China understands it as clearly as we do. DeepSeek's founder said it succinctly: "Our problem has never been funding; it is the embargo on high-end chips," quote.

Because they cannot access the best technology, DeepSeek needs, he says, "twice the computing power to achieve the same results" as their international competitors.

But if any doubt remains about how seriously China takes this, the lengths to which it is willing to go to acquire compute should settle that question. In the last several months, the Department of Justice has unsealed indictments involving billions of dollars in illicitly exported NVIDIA chips routed through Southeast Asia.

The stakes of that gap could not be higher. There is a moment coming in AI development, a threshold of what is called recursive self-improvement, when AI systems begin to meaningfully accelerate their own advancements.

The country that crosses that threshold first will enjoy a compounding advantage that may never be closed.

The good news is that we have a chokepoint, and export controls have prevented China from closing the compute gap. But we are not fully exploiting it, and in some cases we are actively undermining it.

To ensure the United States remains ahead and China cannot catch up, my recommendation is condensed into two overarching imperatives: Don't arm the enemy and don't create another Strait of Hormuz.

To ensure that we do not arm the enemy, we need to first hold the line on export controls and close the loopholes. Providing China with cutting-edge AI chips is the modern equivalent of selling rockets to the Soviets during the moon race. No one in 1962 would have seriously entertained licensing our best rocket technology, or even our second best, to Moscow just for business returns or for the ridiculous notion that it would get the Soviets, quote, "addicted" to our space tech stack.

The strategic stakes today are just as clear and arguably even higher. We should be no more willing to hand China the tools it needs to beat us in this race than we were to hand them to the

Soviets in the last one. There should be no licenses granted for advanced AI chips to China, period.

To that end, the AI Overwatch Act offers a sound framework: mandatory congressional notification before any such export is approved, verifiable safeguards preventing military end use, and a guarantee that chip exports do not come at the expense of domestic availability.

Second, stop supplying China with equipment to build its own chips. Export controls on finished chips mean little if the U.S., Netherlands, and Japan continue selling China the semiconductor manufacturing equipment to eventually produce them domestically. The MATCH Act is a strong step forward and I am glad to support it.

Third, strengthen protection against AI model distillation attacks that enable theft from leading U.S. AI frontier models.

Fourth, establish Know Your Customer, KYC, rules for cloud companies to ensure that Chinese models do not get trained using chips outside of China.

Finally, we need to ensure we do not create a semiconductor Strait of Hormuz, a chokepoint where a strategic adversary can disrupt global supply and constrain U.S. policy choices.

The United States must address a longer-term strategic risk: China's drive to dominate foundational or so-called legacy chip markets.

While the United States and allies lead on advanced chips, China is pursuing foundational chip dominance through the same state-backed nonmarket policies it has deployed in steel, solar, and electric vehicles.

Following these recommendations can ensure the United States keeps its lead in the most consequential technological race of our time.

Thank you, and I look forward to your questions.

[The statement of Mr. Alperovitch follows:]

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Chairman Moolenaar. Thank you very much.

Now, Mr. Mahmood, you may proceed.

STATEMENT OF YUSUF MAHMOOD

Mr. Mahmood. Thank you, Chairman Moolenaar, Ranking Member, and members of the committee.

I am Yusuf Mahmood, the director of AI and emerging technology policy at the America First Policy Institute. It is an honor to speak to this committee about the CCP's campaign to steal and sabotage American AI technology.

Today I want to discuss a stark and urgent reality: We are not prepared to secure our AI systems. If we decided tomorrow that it was a top national security priority to prevent the CCP from stealing our most capable AI software, we would face extraordinary challenges. We are starting from a vulnerable position.

The CCP seeks full AI domination by 2030, and it lacks the capital and talent to win fairly, so it steals.

These aren't theoretical harms. Right now Chinese AI developed from stolen American technology is helping Iran target American warfighters.

Let me walk through four ways that we are vulnerable to CCP theft, especially on the software side.

First, distillation attacks. Chinese companies run industrial-scale attacks against American AI platforms using stolen outputs to train their own systems. Every major American AI lab has been hit, and distillation of American IP helps to fuel China's AI ecosystem.

Although there are legitimate uses of distillation, distillation by our adversaries to steal American AI outputs is a threat to American AI dominance.

Second, trade secret theft. The CCP actively supports a campaign to steal American AI trade secrets. In the Linwei Ding case, a Google engineer stole over 2,000 pages of AI trade secrets for Chinese intelligence.

Around 38 percent of top AI researchers at American labs received their undergraduate education in China, and the vast majority are likely China nationals. I think this should make us clear-eyed about continued vulnerability.

Third, model weight security. Model weights can be thought of as the brains of AI systems. If you steal them and have the compute to run them, you can weaponize and replicate the system at low cost as you wish. Insiders at labs believe we are not prepared to resist nation-state-level efforts to steal model weights.

Fourth, and a threat I believe is underrated, is the poisoning of American AI models. Frontier AI models train on trillions of data points scraped from the open internet. If an attacker manipulates even a tiny fraction of that data, it can insert hidden back doors, triggers that cause the model to malfunction under specific conditions while appearing perfectly safe otherwise.

Last year, an independent researcher proved this was possible. Working alone with essentially no budget, he planted manipulated text on public websites, DeepSeek scraped it, and the result was a hidden back door baked into China's best AI model. The CCP can do the same to us.

And a poisoned model might pass every evaluation and then be activated by an adversary at the worst possible moment, for example, during a conflict when American lives are on the line. Deploying that system in a secure setting like a DOW compute cluster may not help if the model was compromised before it ever arrives.

To address these threats, I have five recommendations for Congress.

First, to combat distillation, direct the Center for AI Standards and Innovation, in coordination

with the NSA, other IC partners, and industry, to develop voluntary guidance on counter-distillation best practices.

Second, authorize and fund the Center for AI Standards and Innovation in the Department of Commerce at 50 to 100 million dollars annually and authorize the Bureau of Emerging Threats in the State Department. These offices are critical for the situational awareness needed to monitor and counter the CCP.

Third, direct the Department of War to publish frontier AI lab security standards and extend them to all frontier labs, not just Pentagon contractors.

Fourth, direct the NSA to run red team exercises against the full AI development pipeline to find security vulnerabilities and work with industry to address them.

And, fifth, pass whistleblower protection so AI researchers can inform policymakers of security vulnerabilities without fear of retaliation.

The U.S. is in an AI race where the other side is cheating. Today's AI is the least capable it will ever be, and as AI becomes more powerful, the need to secure it will become ever more urgent. I urge this committee to act with the speed this moment demands.

Thank you, and I look forward to your questions.

[The statement of Mr. Mahmood follows:]

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Chairman Moolenaar. Thank you very much.

Now let's turn to Dr. Chan.

STATEMENT OF KYLE CHAN

Mr. Chan. Chairman, Congressman, members of the committee, thank you for inviting me to speak.

I would like to frame my opening remarks around one big question: What does it mean for America to win in AI?

We can all agree that AI is likely to be the most consequential technology of our lifetimes and that the United States must win the AI race with China. But what does that actually mean?

Let me offer three versions of what it means to win in AI and describe how the U.S. stacks up against China.

One, does winning mean developing the world's most powerful AI models?

If yes, then the U.S. has the decisive lead. American AI models are widely recognized as the best in the world on virtually every metric you can think of, from math and reasoning to coding and AI agents.

American private companies continue to set the pace at the technological frontier, supported by deep capital markets, a dynamic innovation ecosystem, and the best talent from around the world.

China's AI models are improving quickly, but continue to lag behind. Chinese AI companies face real constraints on compute due to our export controls and their own limited capital resources.

So instead, they are prioritizing other goals. They are focused on efficiency, building models that are cheaper to train and run. They are focused on adoption, using an open source strategy to

win users around the world. And they are focused on integration with other platforms and services.

On sheer performance, I would expect the gap between our models and theirs to persist or even widen over time, but model performance is not everything.

Two, does winning mean having the strongest AI stack? America leads in several critical layers: frontier models, advanced semiconductors, and compute infrastructure.

But on energy, China is ahead. In the past four years alone, China built the equivalent of the entire U.S. power grid.

Energy is one of our biggest bottlenecks and we must find ways to add capacity while keeping a lid on energy bills for our local communities.

In general, China is pursuing a full stack approach to accelerating their AI development, from chips and compute to models and applications. They are focused on not just the best models, but on deployment and diffusion. They want to use AI to turbocharge a wide range of sectors, from manufacturing and research to education and healthcare, as well as, of course, their military. They are placing a special emphasis on physical applications of AI, including humanoid robots, autonomous vehicles, and industrial automation.

In particular, a large part of their industrial policy efforts are aimed at semiconductors, which they have kicked into high gear in the face of our export controls and other measures.

China is now racing to build a resilient domestic semiconductor industry across the entire supply chain: photoresist etching and deposition tools, chip design software, memory, packaging, and even advanced lithography machines.

Export controls are not a panacea, but they have bought us some time. The question is how we use this time effectively.

Three, does winning mean making sure that AI benefits the American economy and the American people? This may be the most important definition of winning and the one we focus on the least.

Technological leadership does not automatically translate into broad-based social and economic gains. Having the biggest and baddest models alone won't cut it.

The real test will be whether we can leverage AI to make our economy more productive, our workers better off, and our communities more vibrant. This also means managing the disruptions caused by such a transformative and new technology.

When many Americans hear about AI, they feel worried -- worried about jobs, worried about energy costs, worried about their children's futures. We cannot just focus on the upsides while leaving these real concerns unaddressed.

So when I think about what it means for America to win in AI, I think about all three definitions. We need the best AI models. We need the strongest AI stack, which includes energy. And we need to make sure AI benefits ordinary Americans while addressing the disruptions it may cause.

This is where Congress plays a crucial role and where American democracy has the greatest edge over China.

Thank you.

[The statement of Mr. Chan follows:]

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Chairman Moolenaar. Thank you very much, all three of you.

And now we will move to questions, and I would like to start with a few.

Mr. Alperovitch, some people are saying that we can keep China addicted to our tech stack by selling them our top AI capabilities.

Is that even an achievable goal? Can we actually foster China's reliance on the American AI stack by selling them more capable chips?

Mr. Alperovitch. Thank you, Mr. Chairman. This is a great question.

First of all, it is important to understand what the American AI tech stack is. It is not chips. It is like saying the car is tires.

The American AI stack is chips running in American cloud providers and operating American models. That is the American AI stack. Selling China chips that they run in their own data centers that are used to train and run Chinese AI models is not helping us one bit.

And chips themselves are not cocaine. They are not addictive. In fact, if you look today at all of the major AI models, whether it is Google's, Anthropic's, or OpenAI's, they are all trained on a variety of different chips, Google's TPUs, Amazon's Trainium, and NVIDIA chips. And in fact, I was told by one of the leading labs that it took them just less than a dozen engineers and a couple of months to move off Nvidia's architecture and add other chips to the mix of the training infrastructure that they run.

So the idea that by selling advanced chips to China we would keep them addicted is contradicted by historical evidence. If it takes this little effort today for our own labs to move off this infrastructure, why would it take China any more effort?

Chairman Moolenaar. Thank you.

And, Dr. Chan, you have mentioned that you believe that export controls have meaningfully slowed China's AI development in the near term while also noting that they have spurred China's

domestic semiconductor efforts in ways that would ultimately reduce our leverage in the long term.

How do you reconcile those two findings? And what recommendations do you have in that area?

Mr. Chan. So I think this is really key when we talk about the effects of export controls, that they are not be all/end all solutions to winning the AI race. They can slow China down in the near term. And we have talked about and you guys have talked about how Chinese AI developers need better chips and their compute constraint. So this is slowing them down today.

The issue is, as Mr. Alperovitch has noted, there is a broader AI stack, and China is trying to develop a more robust semiconductor industry in response to some of our actions.

So I do think that we have to consider the net effects and we have to think about this as an important but temporary and partial measure that we need to complement with a whole host of other policies.

Thank you.

Chairman Moolenaar. Thank you.

And, Mr. Mahmood, right now Chinese companies' distillation of models may violate the terms of service of American AI labs without clearly violating U.S. law.

Should the Bureau of Industry and Security make certain types of adversarial distillation illegal? And what can the Federal Government do to deter adversarial distillation? You mentioned some of that in your opening remarks, but if you could continue to elaborate.

Mr. Mahmood. Thank you for the question, Chairman Moolenaar.

I think the answer is yes, the Federal Government has a lot that it can do. In part, the intelligence community has a massive ability to collect threat intelligence and determine where the actors are that are engaging in distillation attacks.

I think it is worth noting that over the past few years distillation attacks have changed in their strategies in response to counter-distillation efforts by the top AI labs.

So whereas before, when there were fewer counter-distillation efforts, there would be a small number of accounts prompting the models many hundreds of thousands of times, now there are thousands of small accounts that are prompting the models a very small number of times, and that is because they are actively trying to avoid getting caught doing distillation attacks.

So I think that intelligence community monitoring and collection can help significantly. I also think that Congress can direct the Center for AI Standards and Innovation to create voluntary guidance for AI companies in best practices and counter-distillation and they can do so working with the IC and working with industry to create those best practices.

And I think even the ability for companies to share intelligence with one another is very valuable, and I think having the Federal Government take that initial position would be very useful.

Chairman Moolenaar. Thank you very much.

Representative Carson.

Mr. Carson. Thank you, Chairman.

We all know that AI competition is either make or break, and the stakes couldn't be higher.

Last week Anthropic released a new model known as Mythos. It is so powerful that the company isn't even releasing it to the public. That is because hackers would use it to find bugs in the system that essentially supports our financial system and critical infrastructure.

If China manages to create a model as powerful as Mythos, do you all think they will take the same precautions as Anthropic, or might they just release it, allowing hackers or even China itself to use it against our infrastructure? What are your thoughts?

Mr. Alperovitch. Congressman, this is not even a hypothetical, because we know that China has built a vulnerability disclosure database with a mandate for researchers within China to disclose vulnerabilities first to the government before they release it publicly, and we also know that they have used that database to attack American and other Western targets.

So if they had a capability like Mythos to automatically discover bugs, absolutely they would

use it to compromise our government networks and the commercial sector on an unprecedented scale.

And this Mythos situation actually highlights the chips point even more so, because the estimates out there from AI researcher Ryan Fedasiuk are that Mythos is running on at least 100,000, maybe 200,000 NVIDIA chips just to work with companies to identify the bugs in their systems today under Project Last Wing.

Well, according to Secretary Lutnick, the entire production line for China estimated this year is 200,000 chips. So if China had this model, they would literally use the entire year's worth of production just to run this type of project aside from being able to run any other models or even train new ones.

So this is why compute is so essential, not just to help stop China from creating these models, but also to prevent them from running them effectively.

Thank you.

Mr. Carson. Mr. Mahmood.

Mr. Mahmood. Thank you for the question, Representative.

I think it is also worth asking how they would come to acquire that capability to begin with, and one key way they could acquire that capability is by stealing it directly from American AI companies.

Now, as I mentioned in my oral testimony, today's AI systems are the least capable they will ever be. And as impressive as the most recent models are, I think if one extrapolates the trends, one can imagine even more impressive cyber offensive capabilities, much more impressive than we have today.

If such impressive cyber capabilities were to be unlocked, or I suppose the more powerful they are, the stronger the incentive is for the CCP to steal the model weights directly.

All of the top labs believe that they are not robust against CCP theft of the model weights

themselves. If you are able to steal the model weights, you can fine-tune away any safeguards that exist in those model weights trivially, it is very, very easy to do so, and you could immediately weaponize it against the American people.

Mr. Carson. Lastly, Chairman, the second is energy data centers, which are being placed in communities, many of whom don't want them for different reasons. One, raising electricity prices for ordinary folks.

Your thoughts on data centers? And I think that they should pay their way and have in-line systems like water systems that will not pass costs on to users.

Do you all agree that data centers should cover their own energy needs and not place an undue burden on citizens and rate users?

Mr. Chan. I think that if we want American AI to be competitive in the long run, to be sustainable in the long run, and to build up as kind of compute infrastructure, we need to address these local community issues. They are very real. They are very concerned. This will become a bigger and bigger issue over time.

So I completely agree, we need a robust framework to make sure that local communities don't end up bearing the costs for an American capability.

Thank you.

Mr. Mahmood. I would just like to second my fellow witness. I agree completely, and I think that Congress has a role to play in codifying the Ratepayer Protection Pledge.

Mr. Alperovitch. I will echo those comments. Thank you.

Chairman Moolenaar. Representative Bilirakis.

And, members, votes have been called, so we want to make sure we get a question in if we would like one.

Mr. Bilirakis. Thank you. Thank you, Mr. Chairman.

Earlier this week, I chaired the Commerce, Manufacturing, and Trade Subcommittee hearing

on Energy and Commerce on the state of the semiconductors ecosystem. The scale and the vulnerabilities of the global semiconductor supply chain was staggering.

What particularly struck me was a report by the Semiconductor Industry Association that estimated that the impact of a disruption to semiconductor supply chains coming from Taiwan could decrease U.S. economic output by 11 percent, double the 2008 recession.

Mr. Alperovitch, what do you view are the most important steps the United States needs to take individually and with allied countries to isolate China's potential impact to the semiconductor supply chain? I know you mentioned it. Maybe you can elaborate briefly.

Mr. Alperovitch. Absolutely, Congressman. This is a really important issue.

We need to focus on the resiliency of the semiconductor supply chain. The effort by this administration and the CHIPS Act that this Congress has passed, really vital to this effort.

If TSMC follows through on their commitment to build six fabs in Arizona, six advanced fabs, that will go a long way to achieving independence of production for U.S. needs at least in advanced chips.

We also have to focus on foundational chips, because in every single AI system, in every single device, if you look at this iPhone, there are only three advanced chips in there. There are 150 foundational chips that drive this phone.

China is trying to dominate that industry. We need to make sure that allied countries -- and the United States in particular -- invest in fabs across the spectrum of both advanced, foundational, logic, memory. This is really, really vital and we need to work with allies like Korea, Japan, and others to help build additional capacity there as well.

Thank you.

Mr. Bilirakis. Agreed.

To win the race against China, American AI companies need to succeed at home and abroad. However, we have seen foreign trading partners, especially the EU, enact sweeping new AI data

regulations that could be used to target U.S. companies.

Mr. Mahmood, how can we address new and emerging digital trade barriers to ensure American AI companies can outcompete their Chinese competitors on an even playing field?

Mr. Mahmood. Thank you for the question, Representative.

I think we should have a willingness to use the full toolkit of our own trade practices to deter efforts that may undermine the competitiveness of our own companies.

The details of what that looks like would have to be determined by the executive branch. But I think that we should broadcast a willingness to, for example, potentially apply tariffs.

And I think the example goes beyond the EU. There are also ways that other countries, in particular China, might do the same.

Mr. Bilirakis. Very good. Thank you.

I yield back, Mr. Chairman. Appreciate it.

Chairman Moolenaar. We are in the midst of figuring out if we are going to come back after. There is a multiple-vote series that they have and we are trying to figure that out.

But why don't we take a recess right now? Because of the multiple-vote series, I don't know that we are going to be able to come back.

And I just want to thank you, what a great hearing this has been, and for the information you have shared with us. And there are multiple Appropriations hearings and different things happening where members have three and four hearings at the same time.

So my apologies for the abrupt, but I just want to know we are -- anyone who wants to add a document is going to be allowed to add it to the record.

And with that, I just want to thank you again.

And with that, we are adjourned.

[Recess.]

Chairman Moolenaar. The select committee will come to order. Back by popular demand.

I would like to call on Representative Brown for some questions.

Ms. Brown. Thank you so much. Thank you, Mr. Chairman.

For a district like mine in Cleveland, in northeast Ohio, strategic competition with China is about whether working people will have a fair shot at a good-paying union job and a future they can count on or whether China's unfair labor and trade practices will undercut the industries we depend on.

My district knows manufacturing, innovation, and competition, and we know what happens when Washington talks tough on competition but fails to protect workers here at home.

In Ohio and across the Rust Belt, we know how to build. There is a deep history and connection to manufacturing. Yes, we need to stop China from stealing American innovation, smuggling advanced chips, and exploiting loopholes in our export control system, but we will not outcompete China by hallowing out our own industrial base or asking American workers to pay the price. We must invest at home.

In my district, MAGNET is helping manufacturers grow through workforce and advanced technology support, and Cuyahoga Community College is preparing students and workers for the future of work, including AI-related skills. That is what an American First competitiveness strategy looks like.

So when we talk about America's AI edge, I am thinking about the people who are a part of that edge -- the shop floor worker, the student learning AI skills, the technician adapting to new tools, and the union member wondering whether this technology will strengthen their job or ship it overseas.

I have said before that if we are serious about competing with China, it starts with standing up for communities like those in northeast Ohio and keeping good-paying union jobs here at home.

We cannot claim to defend American competitiveness while jobs are offshore, workforce programs are undermined, or manufacturing support is frozen.

So, Dr. Chan, your testimony suggests China is competing not only at the frontier, but through efficiency adoption and integration into the physical world.

What should Congress do to ensure the United States leads not only in the top end models but also in deploying AI across real industries in a way that supports American manufacturing workers rather than displacing them?

Mr. Chan. It is an excellent question. I think it is absolutely important that we focus on not just having the best models but on diffusing this technology through our society, preparing our workers for a new, AI-powered economy.

I think that we want to make ourselves more competitive, including at the local level, down to our industries, down to our manufacturing, down to our services. We want to make sure that AI can make the country better off but also make our workers better off. I absolutely agree that that is what it really means to win in AI.

Ms. Brown. Thank you so much for that.

And, Mr. Alperovitch, you argue that compute is the key chokepoint and that we should not arm the enemy, quote, unquote.

How do we make sure a tougher export control strategy is paired with domestic jobs and workforce strategy so that communities like mine are not just told what we must stop China from getting but also what we are building for American workers here at home?

Mr. Alperovitch. Great question, Congresswoman. Thank you for asking it.

Every single chip that actually goes to China, it is a zero-sum game, does not go to American companies. Right now if you are a small business that is trying to build your own AI models, maybe based off of some of the open source models that are out there, you cannot buy the compute. It is simply not available.

So when I hear that American AI companies like Jensen Huang's NVIDIA want to sell chips to China when American companies are saying we can't go get enough of the compute themselves, that is hurting American business, that is hurting American consumers directly, because there is such a shortage of chips right now.

But you are absolutely right, we have to invest more in production. We need fabs in Ohio, we need fabs in Arizona, we need fabs to manufacture these chips in as many quantities as we possibly can.

Ms. Brown. Thank you so very much.

As I close, I just want to say, as we examine China's actions we need to protect American innovation, close the loopholes, invest in domestic manufacturing, and make sure workers are not left behind or forgotten.

And with that, I want to say I look forward to working with my colleagues on addressing these issues.

And I yield back, Mr. Chairman.

Chairman Moolenaar. Thank you.

Representative Stanton.

Mr. Stanton. Thank you very much, Mr. Chairman. Thank you for continuing the hearing after votes. I know you have a busy schedule, but you were kind enough to allow it to continue, so appreciate that very much.

Thank you also to the witnesses for being here today on such an important and timely issue.

The competition to continuously create more powerful chips will decide who wins the AI race. The area that I represent, the Phoenix, Arizona, area, is quickly becoming a major world player for semiconductor manufacturing. It is termed "Semiconductor Ground Zero" here in the United States.

But we still have a critical gap, advanced packaging. For years, most advanced packaging has

been done overseas. While semiconductor companies like Intel and TSMC, which I represent in my community, are growing their advanced packaging capabilities in Arizona, the U.S. is still risking falling further behind on advanced packaging capacity and prototyping.

Advanced packaging requires continual research and development to produce the most advanced AI chips. Despite how important advanced packaging is, the United States still relies on offshore facilities for critical prototyping of next-generation semiconductor designs.

Mr. Alperovitch, how does this advanced packaging research and development gap create vulnerabilities for the United States?

Mr. Alperovitch. Well, Congressman, because of the physical limitations we are now facing with jamming more transistors onto a chip, the evolution of the technology is such that we are now trying to go 3D in the chip design, and for that to work, packaging is essential.

So packaging really is fundamental to the advancements in chip efficiencies and chip power. And, luckily, as you mentioned, both Intel and TSMC have some of the leading packaging technologies in the world. We need to make sure it comes here.

I was very heartened to hear that as part of the TSMC's investment in Arizona to build out six fabs there, they are also going to bring in advanced packaging, they are going to bring in the entire supply chain.

That is what we need to make sure that the supply chain comes here to the United States. A lot of it is going to come to your district and to Arizona.

Mr. Stanton. Thank you very much.

When we do another CHIPS and Science Act, CHIPS 2.0, workforce development will certainly be the highest priority, but advanced packaging needs to be a part of it.

I am proud to represent Arizona State University which leads the country in semiconductor R&D, including advanced packaging, prototyping, AI issues. MacroTechnology Works is a semiconductor facility in my district with nearly 50,000 square feet of industrial-grade cleaner. It is

great for the university, its students and faculty.

I noted that the United States risks falling behind on advanced technology capacity and prototyping. The MacroTechnology Works facility should be expanded to meet U.S. advanced packaging R&D demand.

Our State previously received a multi-billion-dollar CHIPS and Science award to create a national prototyping and packaging center. We were selected. It was announced. The community was very excited. The university was very excited.

That national center would have allowed domestic semiconductor manufacturers to develop and prototype new advanced packaging technologies in the United States.

However, the Department of Commerce rescinded this funding and has not articulated a plan to reallocate this funding or to fill the critical gap to have a national prototyping and packaging center.

Mr. Alperovitch, what will the effect of funding decisions such as I have mentioned be on the domestic semiconductor industry? And how can the Federal Government work with industry and research institutions to fill the advanced packaging R&D gap?

Mr. Alperovitch. Congressman, I think it is really vital for us to invest in R&D and not just stay resting on our laurels here.

The reason why the most advanced semiconductor manufacturing equipment in the world, the SML machine, was built in Mellens (ph) is because we abandoned research in that field. The Dutch continued it, and now they are the only ones with a machine that can do Extreme Ultraviolet lithography.

There is something next after Extreme Ultraviolet lithography. There is more advanced packaging. To get there first, before China, before, frankly, anyone else in the world, we have to invest in R&D, we have to invest in our universities that are at the leading edge here.

Mr. Stanton. Appreciate that.

Final question. Even when U.S. firms successfully guard their proprietary code and hardware, the CCP is utilizing model distillation to train their own AI systems using the outputs of our most advanced models. This essentially allows them to leapfrog years of R&D and billions in investment.

Last year the select committee showed how DeepSeek was built using model distillation, basically plagiarizing American innovation through systemically extracting and replicating a model's capabilities. This is unacceptable. It violates every U.S. model's term of use.

Mr. Chan, given that traditional export controls are designed for physical goods and software code, how should we be thinking about policy interventions for distillation?

Mr. Chan. So this is a major issue. It is an ongoing issue.

I think the first step is to work with the private sector, to work with our top AI companies. They are the closest to the data. They are the closest to the issue. And they are already taking the first big step, which is information sharing. That is really critical, because it is very difficult for a single company or single lab to identify some of these patterns.

The next step could possibly be support from the Federal Government in terms of facilitating this information sharing and spotting some of these bad actors.

Mr. Stanton. Thank you. This is an important hearing. I yield back.

Chairman Moolenaar. Thank you very much.

Representative Kim.

Mrs. Kim. Thank you, Chairman Moolenaar.

And I want to thank our witnesses for being with us today and even through our little break. Thank you.

You know, there are some who argue that despite efforts to slow China down, China's chip and AI companies appear to be accelerating progress.

The argument is that the fact that Huawei is expanding and that China has new and bigger

models, new start-ups and IPOs and rising revenues, sizable improvements to manufacturing capacity, and even plans to begin exporting competitive systems around the world later this year, all of this is evidence that export controls are not working.

So what is your assessment of these arguments? And how do you view the progress that China has been making? And how should we be thinking about our strategy to beating our global competitors? And I will open this up for all of you.

Mr. Alperovitch. Well, Congresswoman, all we have to do is listen to the founders of Chinese AI companies to know that export controls are working, because they tell us it is working. They are telling us that the embargo in high-end chips, the DeepSeek founder said, is his biggest issue. We hear that the impact of NVIDIA chip supply to China is huge, very huge, according to one of the leaders of Ali Cloud.

Another researcher from Alibaba says: We are stretched thin in terms of compute we are able to get.

I don't know why we would help them accelerate those developments by sending them more chips, particularly when it is a zero-sum game. Every single chip that goes to China is a chip that American AI companies cannot get. Do we want to help our companies or do we want to help China's?

Mrs. Kim. Thank you.

Mr. Mahmood.

Mr. Mahmood. Thank you for the question, Representative.

I think the point that you are making about the extent to which China is continuing to develop these capabilities is an important one. But I think if we look at the extent to which they are behind, we see a regular pattern. On average, they are about seven months behind.

There is a question of whether it is a natural outcome of their innovation that they are perpetually seven months behind or if it is partly a result of large-scale theft of our IP.

And I think from the evidence that we have seen, it suggests that the large-scale theft of our IP is a huge factor for why they are perpetually seven months behind, and you need only look to what the labs have said about how much data they are noticing is getting essentially stolen in the form of distillation.

Mrs. Kim. Thank you.

Mr. Chan.

Mr. Chan. So to build on my fellow witnesses' comments, export controls are important, but they are not the whole story. And while we are trying to slow China down, we need to make sure that we are also trying to speed up our own AI development and bolster our own AI industry, and that includes not only our chips and compute and improving our models, but as I have said earlier, on trying to make AI work for the American economy, for the American people, to diffuse, to create new applications, and to make sure that this is an engine of growth rather than a sort of narrowly focused technology.

Mrs. Kim. Thank you.

You know, last year the Biden administration approved over \$100 billion in tech licenses for Huawei and SMIC. So do you think that decision played a role in why Huawei is still growing as a semiconductor producer?

Mr. Alperovitch. I do. I think that anything that we have done to help Huawei enhance its business, to purchase equipment, to be able to harvest expertise both from the United States and Taiwan, has been detrimental to the United States' security.

And, in fact, we know that with all the concerns around the Huawei AI chips, we know the vast majority of them are actually not manufactured by Huawei. Through shell companies, they have been able to procure those chips from TSMC pretending to be someone else.

We need to cut off not just Huawei, but all the chip companies in China that are trying to use illicit methods to acquire equipment, to acquire expertise, and to acquire the chips themselves for

the AI use in China.

Mrs. Kim. Thank you.

I want to put in one more point over here.

On April 4, The Washington Post reported that Chinese AI firms with direct links to the PLA are using AI to analyze and publish intelligence on U.S. military positions in the Middle East.

Even more alarming, Chinese companies have supplied the Houthis with satellite imagery and precision targeting data to strike U.S. and allied shipping in the Red Sea.

So let me ask you, Mr. Mahmood, how should Congress think about the fact that China's AI ambitions are not just a bilateral technology competition and that they are already actively fueling conflicts involving China's partners like Iran?

Mr. Mahmood. Thank you very much for the question, Representative. This is exactly why I highlighted that very fact in my oral testimony.

I think what this should cause us to appreciate is that the stakes of securing our AI stack is only going to increase and that the harms are not theoretical. It is actually American warfighters that are being put at risk. This heightens the urgency of going after distillation and also safeguarding other aspects of our software stack.

Ms. Kim. Thank you for that. I yield back.

Chairman Moolenaar. Thank you.

Ranking Member Khanna.

Mr. Khanna. Thank you, Mr. Chairman.

I appreciated all of the testimony.

Do all of the witnesses think that the distillation is the biggest security threat to the United States right now in terms of China getting AI models?

Mr. Chan.

Mr. Chan. It is certainly a major issue. It would be hard to rank it relative to a whole bunch

of other issues.

Mr. Khanna. What would you say are the top two?

Mr. Chan. I do think that access to compute is right up there. Yeah. I would defer to my fellow witnesses to lay out some of the other examples.

Mr. Khanna. Mr. Mahmood.

Mr. Mahmood. Thank you for the question, Representative.

I think that beyond distillation -- so I would agree that it is difficult to evaluate -- but I also think other layers of the software stack are extremely important here. For example, model weights, which I talked about in my testimony.

We are not in a position to safeguard our model weights if the CCP decides that it wants to steal them. All of the labs acknowledge and admit this. And I think that as AI gets better -- today's AI, again, is the worst it will ever be -- as AI becomes more capable, we can expect the CCP and other adversaries to place more and more efforts into stealing secrets as safeguarded as model weights.

Mr. Khanna. And they would steal that from OpenAI, Google? I mean, from the people developing the models?

Mr. Mahmood. Precisely. Exactly. So all of the companies are not really in a position to reliably ensure that the CCP cannot steal their model weights.

Mr. Khanna. Mr. Alperovitch.

Mr. Alperovitch. Mr. Ranking Member, I have talked extensively to leading AI researchers at our frontier labs. They all firmly agree that there are two reasons why the Chinese companies have gotten as good as they have in their model development.

One is distillation of U.S. intellectual property by cloning our models and getting our outputs. Two is access to U.S. compute, particularly leading chips that they have been able to use in this post training of distillation. Cut off one or ideally both of those and it would be --

Mr. Khanna. Sorry to interrupt. I wanted to get your answer, but just for clarification,

been able to use because they have illegally copied them or been able to use because our export controls haven't been strict enough?

Mr. Alperovitch. I think both. They have been able to both procure them legally, use them in the cloud elsewhere, and then, because of the export control violations that we have already seen, the DOJ has just issued indictments against.

Mr. Khanna. But you are saying it is because -- not that the policy hasn't been strict enough, that people have been violating the policy? Or have they -- have we had too permissive a policy?

Mr. Alperovitch. I think actually both. You know, even if you look at when we implemented controls on chips like A100s going to China, they have been able to procure a lot of them before those chips got banned and have been able to train models on them.

Mr. Khanna. And would all of you recommend that this AI institute at Commerce be beefed up in terms of the safety regulations and security regulations?

Mr. Mahmood.

Mr. Mahmood. One of the highlighted recommendations in my testimony has been to significantly fund the Center for AI Standards and Innovation. So we believe that it should be funded at around 50 to 100 million dollars a year because it has such an important mandate.

Mr. Khanna. You agree with that?

Mr. Alperovitch. I do.

Mr. Chan. I absolutely agree with that. It is important for AI safety, AI standards, for helping the industry develop in a beneficial way.

Mr. Khanna. So in this case, I mean, I have articulated a need for AI safety regulations to protect Americans, to protect consumers, to protect jobs. But would it be fair to say that we need smart regulations for our own national security, that having AI regulation and a strong, robust agency is needed for national security?

I will let the witnesses answer and then my time is up.

Mr. Mahmood. I do think that it is very important to take national security very seriously. I was heartened to see that in the Federal framework that the White House put out there were suggestions that national security-related functions in the government be beefed up, that better AI talent go into those agencies, and that better plans be made to respond to certain contingencies.

I will flag that I do think that there are tradeoffs between having an institution like CAISI, the Center for AI Standards and Innovation, do regulations versus just having it issue voluntary guidance.

And the main tradeoff that I want to flag is that if it is a regulatory entity, it may make it significantly harder for private industry to work well with CAISI. So my recommendation at the time would be for it to be not regulatory.

Mr. Khanna. Be brief. My time is up.

Mr. Chan. I think it is very important that we have smart regulation, that we can have both innovation and progress and make sure that that progress gets funneled back into our workers and our communities. So I think we need to make sure that we play an active role, and by we, I mean Congress and the American people.

Mr. Khanna. My time is up. Do you want to answer?

Chairman Moolenaar. All right. Thank you.

Representative Tokuda.

Ms. Tokuda. Thank you so much to the witnesses for staying here.

Let me just follow up briefly on Ranking Member Khanna's questions.

Absolutely agree national security guidelines, smart regulations, domestically we absolutely do need that. My concern is it is not just about us, because, again, they steal our technology, they morph it, they steal the weights, they distill, and here we have China with no guardrails, no guidelines, or any other country or adversary for that fact.

I am concerned that we are also currently abdicating our global role on a number of entities that play an oversight role over AI. So whether it is the World Health Organization that does AI

oversight for their jurisdiction, UNESCO, the U.N., OECD, we have really moved away from there. And as we know, China has quickly moved in to provide leadership and resources in these particular entities.

China is also proposing the WAICO, the World AI Cooperative Organization. So some kind of global framework.

Should we not just be looking at ourselves but be concerned about the global instability and maybe perhaps trying to go back to providing both that leadership and that direction in terms of the smart regulation and guidelines that we should have as the world develops towards AGI and, quite frankly, ASI right behind it?

Mr. Chan. I completely agree. We need to not only lead the world in innovation on AI, but lead the world on trying to understand how we can use AI and shape regulation in an adequate way, not just at home, but around the world.

So I completely agree. We need to be working with multilateral institutions, with these international fora, with other countries to figure out a framework where some of these issues are not just domestic issues. These are global issues now.

Ms. Tokuda. Thank you.

Mr. Mahmood. I agree that the concept of American AI dominance requires that we have American standards dominance, and I think that requires that we play a role on the global stage ensuring that American standards are leading the way and that we aren't unwittingly being subject to other standards.

And I fully agree with your point that there are other major players in the game. And I think this does require some level of international understanding and cooperation, especially in certain use cases. I think the President referred to this a couple of days ago when asked about the latest AI technology.

Mr. Alperovitch. I will just add that I don't think we should be ceding any ground to China,

whether it is in AI models, whether it is in national standard bodies.

Ms. Tokuda. Thank you.

I would agree with you that there are consequences to other actors' actions or inactions as well. And I really do hope that we start to move more towards that pivotal America First-like role in many of these organizations to help lead, provide that guidance and that structure.

I did want to also elaborate.

Mr. Chan, in your testimony, I really appreciated your analysis that China is essentially looking beyond AGI. I often say in this committee that sometimes I feel like we are playing checkers and they are on 3D chess many times because it is not just about getting to AGI. It is the mass integration of the technology in order to create economic and social gains as well.

And as we know, the model for China often is to take something, make it cheaper, make it faster, proliferate, and ultimately dominate the global market. We have seen this time and time again in so many markets. They are doing the same playbook when it comes to AI.

And I am just concerned that we are still focused, as many of our allies are, singularly on getting to that AGI versus understanding how you actually use it within the community, integrate it essentially -- safely, of course -- while China is doing their typical model or we are singularly focused and they literally will come around and just absorb everything once it is done.

What do we need to do from a policy and an investment perspective to counter China on this type of strategy? Export control, absolutely. That is a given. Research. Increase our compute investments. All of these things we have to do that we talked about today to be more of a tip of the sphere.

But what really, understanding their strategy and how ours is more linear and theirs is more multidimensional, what do we as Congress need to do within the next literally year, two years, in order to counter China's strategy?

Mr. Chan. So I can offer two suggestions.

One is thinking about the diffusion problem. China has been doing a lot on the open source front, and I think this is one area that we risk ceding to China as an important channel, not just for domestic diffusion, but for global diffusion of AI models.

So this is an area where I think Congress can step in and try to support an open ecosystem, an open model ecosystem that is American.

The second thing is making sure that we have support for public research for AI and for AI standards and for AI safety more broadly. This can ensure that not only are our companies competitive, but that those benefits are going to broader society, that they are going to -- they are not just geographically concentrated in Silicon Valley, but they are spreading across the whole country.

Ms. Tokuda. Thank you.

I know my time is up, but I absolutely agree we need to invest more, support more, encourage more open source on that front. If we look at many of the AI that is out there, you have got China DNA imprinted in everything, and that was very strategically done and intentionally done.

Thank you, Mr. Chair. I yield back.

Chairman Moolenaar. Thank you. And thanks for your patience.

And I want to thank our witnesses again for spending pretty much the day with us today. It is great having you with us.

Questions for the record are due one week from today.

And, without objection, the committee hearing is adjourned -- again.

[Whereupon, at 1:15 p.m., the select committee was adjourned.]