

February 26, 2021

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

We the undersigned Governors write to express our concerns over the ongoing crisis involving a global shortage of auto-grade semiconductor wafers, which is already having a harmful impact on the U.S. automotive industry and its workers by forcing plant closures and production volume reductions in several of our states. It is our understanding that your Administration has already engaged relevant government and industry officials in markets where most of the auto-grade semiconductor wafers are produced, and we thank you for those efforts. However, in light of the growing list of automakers, suppliers, and dealers negatively affected by the shortage, we ask you to redouble those efforts.

The automotive industry is heavily reliant on semiconductors given their use in vehicle safety, control, emissions, and driver information systems. Amid the onset of the COVID-19 outbreak, semiconductor wafer production was diverted, leading to the current shortage facing the automotive sector. Unfortunately, when automotive assembly and auto parts production ramped-up after North American auto facilities reopened in May, auto-grade wafer production was not restored to pre-pandemic levels.

We know of other foreign governments that continue to urge wafer and semiconductor companies to expand production capacity and/or temporarily reallocate a modest portion of their current production to auto-grade wafer production. We respectfully request that the Biden Administration do the same by continuing the drumbeat on behalf of automakers in the U.S. and their workers until there is a sufficient semiconductor supply to meet the strong demand for our vehicles, which has been one of the bright spots in our recovering economy.

As you know, automakers, suppliers, dealers, and others in the production chain support hundreds of thousands of jobs and contribute billions to our economy. It is our hope that we can again count on your leadership and support to ensure this vital industry has what it needs to be successful. We also look forward to working with you to develop new federal and state policies that will help ensure our American

automotive industry can continue to provide a strong engine for our nation's recovery from the global pandemic.

We thank you for your attention to this critical issue, and we appreciate your timely consideration of our request.

Sincerely,

Governor Gretchen Whitmer

State of Michigan

Governor Eric Holcomb State of Indiana

Governor Andy Beshear State of Kentucky

Governor Mike DeWine

State of Ohio

Governor Kay Ivey State of Alabama

Governor Laura Kelly State of Kansas

Governor Mike Parson State of Missouri

Governor Henry McMaster State of South Carolina

CC: Brian Deese, Director of the United States National Economic Council