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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

September 3, 2025

The Honorable Howard Lutnick
Secretary
Department of Commerce
1401 Constitution Ave. NW
Washington, D.C. 20230

Dear Secretary Lutnick:

I write with great concern about President Donald Trump's decision to invest \$8.9 billion of taxpayer dollars in Intel, taking a 10% stake in the company, without any conditions or safeguards to ensure that American workers and taxpayers benefit. Intel is a failing company. After spending years focused on chasing short-term profits at the expense of long-term investments in its competitiveness, the company's share price fell 60 percent last year. Yet the President has handed billions of dollars to Intel, with no meaningful strings attached.

The Biden Administration, as part of its implementation of the CHIPS Act, awarded Intel nearly \$8 billion in 2024. That grant came with a clear deliverable: Intel was to invest over \$100 billion in new fabs and facilities across the country.¹ It also came with specific guardrails to protect the public. Under the agreement, Intel agreed to generally refrain from stock buybacks for five years,² work closely with labor unions, and expand affordable childcare.³ If Intel made excessive profits from its investments, the government would share a portion of those profits.⁴ And the entire agreement was enforceable, with specific milestones that Intel would need to achieve before it receives the next disbursement of public funds.

¹ U.S. Department of Commerce, "Biden-Harris Administration Announces CHIPS Incentives Award with Intel to Advance U.S. Leading-Edge Chip Capacity and Create Tens of Thousands of Jobs," press release, November 26, 2024, <https://www.commerce.gov/news/press-releases/2024/11/biden-harris-administration-announces-chips-incentives-award-intel>.

² Barron, "Intel Receives \$7.9 Billion in Chips Act Funding, but Says It Won't Take Federal Loans," Tae Kim, Nov. 26, 2024, <https://www.barrons.com/articles/intel-intc-chips-act-stock-price-buybacks-c7ecfd37>.

³ The White House, "FACT SHEET: President Biden Announces Up To \$8.5 Billion Preliminary Agreement with Intel under the CHIPS & Science Act," March 20, 2024, <https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2024/03/20/fact-sheet-president-biden-announces-up-to-8-5-billion-preliminary-agreement-with-intel-under-the-chips-science-act>.

⁴ Reuters, "Biden to require chips companies winning subsidies to share excess profits," David Shepardson, March 1, 2023, <https://www.reuters.com/technology/us-require-companies-winning-chipmaking-subsidies-share-excess-profits-2023-02-28>.

President Trump has long lambasted the CHIPS Act as government waste, calling it a “horrible, horrible thing.”⁵ Yet, on August 22, 2025, after a meeting with Intel CEO Lip-Bu Tan, the President announced that the federal government would be converting the CHIPS grants awarded to Intel into equity, taking a 10% stake in the company. The President’s remarks in the following days involved fantastical claims, such as his assertion that he paid “zero” for \$11 billion in shares of Intel.⁶ But the details of the President’s deal, revealed by Intel in its latest filings with the Securities Exchange Commission, tell a different story: the President is handing billions of dollars of taxpayer money to Intel and asking for nothing in return.

In fact, according to Intel’s SEC filing, the President agreed to absolve Intel of nearly all responsibility to the public or to the goal of reshoring supply chains. The company no longer needs to invest in onshoring semiconductor production or build its previously planned fabs. “[T]o the maximum extent permissible under applicable law, the Company’s obligations [under the CHIPS Act] will be considered discharged,” the company’s filing stated.⁷ Moreover, the government under this agreement - despite making a massive investment - has no voice in how the company is run. Although it will become Intel’s biggest shareholder, the government will have no board seat nor an independent voting right. Whatever voting right the government holds, it “must vote [...] in favor of nominees of and any proposals recommended by the Board of Directors,” which has historically fallen short of its obligations to shareholders and the public. This will empower and embolden the board, not rein it in, or force it to change its ways.

What is the American public getting from this deal? An extremely risky investment. Intel’s stock lost 60 percent of its value last year, and its new CEO has revealed no plans to turn the company around beyond cutting jobs.⁸ You have claimed that the taxpayers are getting “a piece of the action”⁹ - but this comes with significant risks as the company is suffering from declining revenue,¹⁰ missed business opportunities,¹¹ and a struggle to operationalize new manufacturing processes.¹² And as Intel revealed in its own SEC filing, the deal will also create new risks for the company:

⁵ The New York Times, “Trump’s Call to Scrap ‘Horrible’ Chip Program Spreads Panic,” Tripp Mickle and Ana Swanson, March 10, 2025, <https://www.nytimes.com/2025/03/10/technology/trump-chips-act.html>.

⁶ NBC News, “U.S. could take stakes in more companies, Trump adviser says,” Steve Kopack and Gabe Gutierrez, August 25, 2025, <https://www.nbcnews.com/business/business-news/us-stakes-companies-trump-sovereign-wealth-fund-rcna226946>.

⁷ Intel Corporation, “Current Report on Form 8-K. U.S. Securities and Exchange Commission,” August 25, 2025, <https://www.intc.com/filings-reports/all-sec-filings/content/0000050863-25-000129/0000050863-25-000129.pdf>.⁸

The New York Times, “Intel Expects Work Force to Shrink by 25,000,” Don Clarke, July 24, 2025, <https://www.nytimes.com/2025/07/24/technology/intel-layoffs-25000.html>.

⁹ CNBC, “Lutnick: Trump administration considering stake in Intel, sends stock higher,” Annie Palmer, August 19, 2025, <https://www.cnbc.com/2025/08/19/lutnick-intel-stock-chips-trump.html>.

¹⁰ Yahoo Finance, “Intel (INTC) Declines 8.5% on Dismal Earnings, New Round of Layoffs,” Angelica Ballesteros, July 26, 2025, <https://finance.yahoo.com/news/intel-intc-declines-8-5-143620288.html>.

¹¹ The Register, “Intel has officially missed the boat for AI in the datacenter,” Tobias Mann, February 1, 2025, https://www.theregister.com/2025/02/01/intel_ai_datacenter/.

¹² Reuters, “Exclusive: Intel struggles with key manufacturing process for next PC chip, sources say,” Jeffrey Dastin and Max A. Cherney, August 5, 2025, <https://www.reuters.com/world/asia-pacific/intel-struggles-with-key-manufacturing-process-next-pc-chip-sources-say-2025-08-05/>.

The existence of a significant US Government equity interest in the Company... may substantially limit the Company's ability to pursue potential future strategic transactions that may be beneficial to stockholders, including by potentially limiting the willingness of other third parties to engage in such potential strategic transactions with the Company. The Company's non-US business may be adversely impacted by the US Government being a significant stockholder.... Having the US Government as a significant stockholder of the Company could subject the Company to additional regulations, obligations or restrictions, such as foreign subsidy laws or otherwise, in other countries. The Company may experience other adverse consequences resulting from the announcement or completion of the transactions. Given the scarcity of recent US precedents for transactions such as those contemplated by the Purchase Agreement and of the US Government becoming a significant stockholder of a company like the Company, it is difficult to foresee all the potential consequences. Among other things, there could be adverse reactions, immediately or over time, from investors, employees, customers, suppliers, other business or commercial partners, foreign governments or competitors. There may also be litigation related to the transaction or otherwise and increased public or political scrutiny with respect to the Company.

The filing concludes that “[a]ny of the foregoing could have a material adverse effect on the Company’s revenue, operations, financial position, cash flows, access to financing, cost structure, competitiveness, reputation, profitability, and prospects and could exacerbate other risks.” No prudent investor would commit billions to a struggling venture like this without protection for its investment, or demanding changes and a seat at the table. President Trump has evidently demanded neither.

Equity investments can be an important tool in reshoring America’s supply chains. That’s why I co-sponsored a CHIPS Act amendment with Senator Bernie Sanders that would have required the Commerce Department to secure a warrant, equity, or senior debt in exchange for CHIPS Act funding.¹³ These government stakes, if used responsibly, can be used to ensure that big corporations that produce a public good remain focused on sustainable, long-term investments, to ensure they can continue to ably serve the public, rather than chasing short-term profits to enrich corporate executives or activist shareholders.

But these equity stakes must be obtained and managed in a transparent and strategic fashion, not the chaotic special interest-favoring approach taken by the President. The President claims to be a master dealmaker - but in this case, he allowed workers, taxpayers, and the government to be taken for a ride. As a result of the bad deal, the company - now flush with taxpayer funds - can offshore jobs and renege on planned investments in the United States, and it faces few meaningful barriers to resuming stock buybacks.¹⁴

¹³ S.Amdt. 5145 to S.Amdt. 5135 to H.R. 4346 (Amendment Text), <https://www.congress.gov/amendment/117th-congress/senate-amendment/5145/text>.

¹⁴ As a condition of the original funding agreement under the CHIPS Act, Intel agreed not to engage in stock buybacks for five years. According to the Intel Forms 8-K, filed on August 25, 2025 and August 29, 2025, the company disclosed the agreement to discharge obligations under that agreement “to the maximum extent of the law,” other than “restrictions on using funds received under the Creating Helpful Incentives to Produce Semiconductors and Science Act of 2022 [CHIPS Act] for dividends or share repurchases,” respectively. Accordingly, we understand the amendment to limit buybacks only to those using CHIPS Act funds.

President Trump has indicated that he is not done with significant government interventions in the private sector, indicating that he intends to “have many more cases” like Intel.¹⁵ If this is true, the President should learn the lessons from his bad deal with Intel and ensure that, rather than simply handing out billions of dollars to corporate CEOs, he adequately protects taxpayers, workers, and communities when the government plays an active role in private sector investments.

To address my specific concerns on this matter, I also ask that you provide answers to the following questions with regard to the Intel arrangement no later than September 17, 2025.

1. Under what authority did President Trump take the government’s 10% stake in Intel?
2. Is Intel's statement in its filing to the SEC that the agreement “discharges” them of all obligations under the CHIPS Act, with the exception of those related to Secure Enclave, accurate?
 - a. Is this statement accurate?
 - b. If so, why did President Trump discharge these obligations?
 - c. If not, please elaborate on what conditions remain.
3. Aside from President Trump, which agencies and officials were involved in negotiating and reviewing the terms of the deal?
4. Was Intel’s Board involved in negotiating the deal, or were President Trump and Mr. Tan the only negotiators?
5. What specific protections are in place for taxpayers if the value of Intel stock declines in the short- or long-term?
6. What are the terms and conditions under which the government may exit its stake?
7. What protections are in place to avoid Intel executives handing out big dividend payments or engaging in stock buybacks?
8. What protections are in place to ensure that the company retains union labor at its facilities in the United States?

¹⁵ The New York Times, “After U.S. Takes Stake in Intel, Trump Pledges ‘Many More’ Deals,” Tony Romm and Ana Swanson, April 25, 2025, <https://www.nytimes.com/2025/08/25/us/politics/trump-intel-economy-strategy.html>.

9. Why did the government give up the right to vote independently from the Board, other than with respect to a limited number of matters?

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs