

Committee on Banking, Housing, and Urban Affairs
Nomination Hearing for Mr. Ben DeMarzo, Mr. Craig Trainor, Mr. Jovan Jovanovic, Mr.
Francis Brooke, and Mr. David Peters
June 12, 2025

Questions for Mr. David Peters, to be Assistant Secretary, Department of Commerce, from Ranking Member Elizabeth Warren:

1. In your hearing, you refused to provide a clear answer to my question on whether you agree we need to impose robust safeguards to ensure that countries like Saudi Arabia and the UAE do not simply take our chips and provide them to China. Stopping bad actors from diverting or providing unauthorized access to controlled items will be core to your role, if confirmed, as Assistant Secretary for Export Enforcement, and both these countries have a history of transshipment and misuse of technology. Please respond with a clear yes or no, and explain your answer.

Answer: As stated in my testimony to the committee, we face significant challenges in securing our strategic technologies against malign state and non-state actors. I share your concern regarding the potential for unlawful transshipment and/or re-export of our sensitive technologies to our adversaries. Indeed, ECRA proscribes this exact conduct in Title 50, United States Code, Section 4819, et seq. As I understand it, your question is related to rule making within BIS, which is the responsibility of the Office of Export Administration. I believe robust enforcement of our export control laws is crucial to fulfilling BIS's national security mission. I commit to enforcing the law, as set forth in ECRA, regarding unlawful exporting of controlled technologies, as well as any other federal law or regulation relevant to my responsibilities.

2. BIS has been criticized for not enforcing the rules vigorously enough. What steps would you take to ensure we are sending a message to would-be violators of our rules?

Answer: If confirmed, I commit to vigorous and fair enforcement of the law, and, where appropriate, I will consider the full range of penalties available under ECRA and the EAR.

3. Will you commit to reporting to this committee within 180 days of being confirmed on what additional tools and resources BIS needs to catch violators?

Answer: If confirmed, I would welcome the opportunity to consult with the Committee regarding potential additional tools and resources that BIS may need.

4. Will you commit to conducting a review of BIS's red flag guidance to ensure that companies are not turning a blind-eye on likely violations and reporting to this committee within 180 days?

Answer: Export Enforcement's red flag guidance is critical to our partnership with the private sector. If confirmed, I commit to working with my colleagues within BIS, and this Committee, to ensure we are providing clear red flag guidance to the private sector.

5. A number of Chinese companies that are currently on the Entity List, including Huawei, SMIC, and Sugon, have managed to spin-up aliases and cut-outs to keep acquiring U.S.

Committee on Banking, Housing, and Urban Affairs
Nomination Hearing for Mr. Ben DeMarzo, Mr. Craig Trainor, Mr. Jovan Jovanovic, Mr.
Francis Brooke, and Mr. David Peters
June 12, 2025

technology. Many of these entities remain

- a. If so, will you commit to taking steps to address this behavior, including adding additional front companies to the Entity List?

Answer: The Entity List is a key tool in the fight to prevent diversion of our strategic technologies to malign actors. Such actors are constantly seeking to avoid the Entity List's proscriptions. ECRA provides authorities to BIS and Export Enforcement to place entities on the Entity List. I commit to following the law and applicable regulations as it relates to Export Enforcement's role with respect to the End-User Review Committee in adding and removing entities from the Entity List, including entities that are related to other entities that are already on the Entity List.

- b. Will you review how BIS uses the Entity List and identify ways to end the "whack-a-mole" approach that currently epitomizes use of the Entity List, including by automatically applying an Entity List designation to all subsidiaries and affiliates of the added party and requiring greater due diligence from U.S. firms?

Answer: If confirmed, I look forward to working with my colleagues in BIS, as well as the members of this Committee, to ensure the Entity List remains an effective tool to prevent diversion, transshipment, and unlawful re-export of our sensitive technologies.

6. Do you believe that Huawei and SMIC violated U.S. law by producing 7-nanometer chips with U.S. technology?

Answer: Yes.

7. The Entity List is an important tool available to Export Enforcement to enforce our export controls. Will you commit to adding any entity involved in diverting or smuggling U.S.-origin items to the Russian war machine to the Entity List?

Answer: I commit to following the law and applicable regulations as it relates to Export Enforcement's role with respect to the End-User Review Committee in adding and removing entities from the Entity List.

8. New reports have shown a disturbing degree of industry access and influence at BIS that has negatively impacted its ability to fulfill its mission. How will you address this problem?

Answer: One of the guiding principles of BIS is to work in partnership with the private sector. That said, if confirmed, I commit to vigorously enforcing our export control laws without fear or favor.

Committee on Banking, Housing, and Urban Affairs
Nomination Hearing for Mr. Ben DeMarzo, Mr. Craig Trainor, Mr. Jovan Jovanovic, Mr.
Francis Brooke, and Mr. David Peters
June 12, 2025

9. If you do agree to meet with lobbyists, foreign agents, and others about matters before BIS, will you treat those who did and did not contribute to the Trump campaign and related Trump family interests the same?

Answer: In my testimony, I highlighted the importance of national security. I will ensure that national security will be the highest priority when my staff and I conduct our duties.

10. Will you commit to not receiving compensation from an entity that is regulated by BIS for at least 4 years after leaving BIS?

Answer: Upon my departure from BIS, I would follow the applicable ethics rules for former government employees.