



Committee: House Permanent Select Committee on Intelligence
Event: [Persistent Competition & Legacy Architectures](#)
Date: September 2, 2026

Executive Summary:

On September 2, 2026, the House Permanent Select Committee on Intelligence held a hearing on the status of the current U.S. counterintelligence structure and risks posed by both China and Russia. Bipartisan concerns were raised surrounding the continued export of Nvidia H200 chips to China.

Member Toplines:

[Chair Rick Crawford \(R-AR-01\)](#): Crawford framed the focus of the hearing around whether the domestic legacy national security architecture is ready to combat threats posed by China, Russia, and others. He underscored that artificial intelligence (AI) is accelerating in reach, and that China and Russia are seeing success at utilizing today's technologies to their advantage.

[Rep. Raja Krishnamoorthi \(D-IL-08\)](#): Krishnamoorthi reiterated that the focus of the hearing was on the counterintelligence architecture, and expressed interest in learning more about potential improvements, such as hardening cyber defenses.

Witness Toplines:

[Frank Cilluffo, Director, McCrary Institute for Cyber & Critical Infrastructure, Auburn University](#): Cilluffo underscored that counterintelligence today is too reactive. He noted that, in this digital age, adversaries may be targeting engineers, researchers, startups, venture capitalists, and supply chains involved in frontier AI development. He stressed the need to translate intelligence into timely and actionable warnings for impacted parties, including those outside of the classified world.

[David Feith, Senior Fellow, Hudson Institute](#): Feith explored crisis hypotheticals, such as Chinese-origin equipment within data centers leading to mass grid destabilization. He emphasized the need to protect the domestic power grid, protect AI development from intellectual property theft, invest in and protect semiconductor production, and rebuild critical industrial capacity, with an eye toward startup success.

[Dr. Seth Jones, President, Defense & Security Department, Center for Strategic & International Studies](#): Jones flagged the risk of nuclear strike capacity from China, Russia, and North Korea, as well as potential for drone attacks.

Major Takeaways:

Hacking Risks

- Krishnamoorthi noted that in the past few months, 12 states reported that cyberattacks had occurred against their water systems, and that Chinese hackers recently broke into numerous government agencies. He also highlighted that the Cybersecurity & Infrastructure Security Agency had one third of its workforce laid off as of last year, warning of the implications.
- Rep. **Joaquin Castro** (D-TX-20) asked about hacking risks as thousands of Flock cameras are installed across the U.S. He noted that camera access could be used to track the American public and gather intelligence. Feith asserted that there is a difference between cameras deployed by a U.S. company and cameras sold into the U.S. by Chinese companies.
 - Castro highlighted that Flock cameras are located near sensitive sites and pose security risks, particularly when there is limited regulation surrounding footage access.

China & Chips

- Rep. **Darin LaHood** (R-IL-16) flagged that China is still importing Nvidia's H200 chips to advance AI buildout. He asked why export controls are lacking. Feith agreed that advanced AI chips are key to AI and quantum advancements and also noted issues with chips being smuggled past export controls.
 - Feith noted that the development of advanced models, like Mythos, may present security risks as China applies advanced computing to military applications.
- Rep. **Steve Cohen** (D-TN-09) noted that President Trump decided to give China the Nvidia chips. Feith confirmed that the current administration adjusted export control policies in the last 18 months, and that President Trump is more focused on utilizing tariffs than export controls.
 - In response, Feith flagged that there is a series of bills pending in the Fiscal Year 2027 *National Defense Authorization Act* (NDAA) that could help address export control policy.
- Rep. **Chrissy Houlahan** (D-PA-06) asked if President Trump made a mistake allowing the Chinese to have access to H200 chips. Feith and Jones agreed.
 - Feith urged passage of the NDAA. He also highlighted that China can rent access to American computing capacity via overseas data centers, noting that there have been debates in Congress on addressing remote access.
 - Cilluffo recommended that the administration create a national security list of technologies. Jones elaborated here that there should be a list of chips and microprocessors that cannot be exported to China.
- Rep. **Scott Perry** (R-PA-10) raised concerns regarding Chinese foreign nationals buying farmland. Feith replied that the related oversight measures that were advanced out of Congress were "really insufficient."
- Chair Crawford concluded the hearing by emphasizing that China poses a "real threat" and that he is "pulling the alarm" because he "see[s] the flames."