were provided only on a temporary basis, so it is important that support be displayed for proposed legislation for the development of new products which is now before Congress—legislation to extend the R&D tax credit and make it a permanent part of our tax code. I support that legislation. Moreover, it is important that the legislation that emerges gives fair treatment to all important forms of R&D, such as computer software as well as hardware.

Even the sticky issue of taxes can, I believe, invite productive agreement. Policymakers in Washington have begun to appreciate the fact that while President Reagan's Economic Recovery Act of 1981 provided a windfall for traditional and "smokestack" industries, it did little for high-technology industries. In 1981, too few understood that high-technology companies depend upon relatively short-lived equipment to survive in a constantly changing industry. As a result of that oversight, the 1981 Recovery Act provided tax breaks for traditional, capital-intensive, "smokestack" industries—tax breaks which were nearly irrelevant for the high-technology electronics industries. It is now time to cooperate in an effort to get such industries some reasonable depreciation provisions in the U.S. tax code—provisions which will benefit high-growth electronics companies.

**Chip protection.** Representing Silicon Valley, I have also become acutely conscious of the fact that the special nature of R&D for silicon chips requires further legislative reforms. Representative Don Edwards and I have introduced the Semiconductor Computer Chip Protection Act (H.R. 1028) in the U.S. House of Representatives to address this fact. Our bill provides much needed copyright protection for the layouts and mask patterns of computer chips. Legal acknowledgement of the property rights of the owner of a chip layout embodied in mask designs will ensure that the time and money spent by a company to develop a new chip will be a worthwhile investment. Innovating firms often spend years, thousands of engineering manhours, and millions of dollars in order to develop a new large-scale integrated semiconductor circuit design. Yet a competing firm can photograph a chip and thus duplicate the masks used to make it, in only a few months and for a cost as low as $50,000. Once again, I believe that we can agree—we can agree on the basic principle that reasonable copyright protection is both fair and productive. And that principle can help move us toward the legislative reform embodied in the Semiconductor Chip Protection Act.

**Education.** Of course, neither incentives for R&D nor tax credits for rapidly...