

in any employment decision by the institution, including employment through consulting or part-time opportunities, on the basis of—

(1) whether they are citizens or nationals of, or holders of a passport issued by, a member country of, or a state or other jurisdiction that receives assistance from, the international financial institution; or

(2) any other consideration that, in the determination of the Secretary, unfairly disadvantages Taiwan nationals with respect to employment at the institution.

(c) **WAIVER AUTHORITY.**—The Secretary of the Treasury may waive subsection (b) for not more than 1 year at a time after reporting to the Committee on Financial Services of the House of Representatives and the Committee on Foreign Relations of the Senate that providing the waiver—

(1) will substantially promote the objective of equitable treatment for Taiwan nationals at the international financial institutions; or

(2) is in the national interest of the United States, with a detailed explanation of the reasons therefor.

(d) **PROGRESS REPORT.**—The Chairman of the National Advisory Council on International Monetary and Financial Policies shall submit to the committees specified in subsection (c) an annual report, in writing, that describes the progress made toward advancing the policy described in subsection (b), and a summary of employment trends with respect to Taiwan nationals at the international financial institutions.

(e) **INTERNATIONAL FINANCIAL INSTITUTION DEFINED.**—In this section, the term “international financial institutions” has the meaning given the term in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)).

(f) **SUNSET.**—The preceding provisions of this section shall have no force or effect beginning on the earlier of—

(1) the date that is 7 years after the date of the enactment of this Act; or

(2) the date that the Secretary of the Treasury reports to the committees specified in subsection (c) that each international financial institution has adopted the policy described in subsection (b).

TITLE XCIX—CREATING HELPFUL INCENTIVES TO PRODUCE SEMICONDUCTORS FOR AMERICA

Sec. 9901. Definitions.

Sec. 9902. Semiconductor incentives.

Sec. 9903. Department of Defense.

Sec. 9904. Department of Commerce study on status of microelectronics technologies in the United States industrial base.

Sec. 9905. Funding for development and adoption of measurably secure semiconductors and measurably secure semiconductors supply chains.

Sec. 9906. Advanced microelectronics research and development.

Sec. 9907. Prohibition relating to foreign entities of concern.

Sec. 9908. Defense Production Act of 1950 efforts.

SEC. 9901. DEFINITIONS.

In this title:

(1) The term “appropriate committees of Congress” means—

(A) the Select Committee on Intelligence, the Committee on Energy and Natural Resources, the Committee on Commerce, Science, and Transportation, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Homeland Security and Governmental Affairs, and the Committee on Finance of the Senate; and

(B) the Permanent Select committee on Intelligence, the Committee on Energy and Commerce, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Science, Space, and Technology, the Committee on Appropriations, the Committee on Financial Services, the Committee on Homeland Security, and the Committee on Ways and Means of the House of Representatives..

(2) The term “covered entity” means a private entity, a consortium of private entities, or a consortium of public and private entities with a demonstrated ability to substantially finance, construct, expand, or modernize a facility relating to fabrication, assembly, testing, advanced packaging, or research and development of semiconductors.

(3) The term “covered incentive”:

(A) means an incentive offered by a governmental entity to a covered entity for the purposes of constructing within the jurisdiction of the governmental entity, or expanding or modernizing an existing facility within that jurisdiction, a facility described in paragraph (2); and

(B) a workforce-related incentive (including a grant agreement relating to workforce training or vocational education), any concession with respect to real property, funding for research and development with respect to semiconductors, and any other incentive determined appropriate by the Secretary, in consultation with the Secretary of State.

(4) The term “person” includes an individual, partnership, association, corporation, organization, or any other combination of individuals.

(5) The term “foreign entity”—

(A) means—

(i) a government of a foreign country and a foreign political party;

(ii) a natural person who is not a lawful permanent resident of the United States, citizen of the United States, or any other protected individual (as such term is defined in section 274B(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)(3)); or

(iii) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; and

(B) includes—

(i) any person owned by, controlled by, or subject to the jurisdiction or direction of a an entity listed in subparagraph (A);

(ii) any person, wherever located, who acts as an agent, representative, or employee of an entity listed in subparagraph (A);

(iii) any person who acts in any other capacity at the order, request, or under the direction or control, of an entity listed in subparagraph (A), or of a person whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in majority part by an entity listed in subparagraph (A);

(iv) any person who directly or indirectly through any contract, arrangement, understanding, relationship, or otherwise, owns 25 percent or more of the equity interests of an entity listed in subparagraph (A);

(v) any person with significant responsibility to control, manage, or direct an entity listed in subparagraph (A);

(vi) any person, wherever located, who is a citizen or resident of a country controlled by an entity listed in subparagraph (A); or

(vii) any corporation, partnership, association, or other organization organized under the laws of a country controlled by an entity listed in subparagraph (A).

(6) The term “foreign entity of concern” means any foreign entity that is—

(A) designated as a foreign terrorist organization by the Secretary of State under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189);

(B) included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury;

(C) owned by, controlled by, or subject to the jurisdiction or direction of a government of a foreign country that is listed in section 2533c of title 10, United States Code; or

(D) alleged by the Attorney General to have been involved in activities for which a conviction was obtained under—

(i) chapter 37 of title 18, United States Code (commonly known as the “Espionage Act”) (18 U.S.C. 792 et seq.);

(ii) section 951 or 1030 of title 18, United States Code;

(iii) chapter 90 of title 18, United States Code (commonly known as the “Economic Espionage Act of 1996”);

(iv) the Arms Export Control Act (22 U.S.C. 2751 et seq.);

(v) sections 224, 225, 226, 227, or 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2274–2278; 2284);

(vi) the Export Control Reform Act of 2018 (50 U.S.C. 4801 et seq.); or

(vii) the International Economic Emergency Powers Act (50 U.S.C. 1701 et seq.); or

(E) determined by the Secretary, in consultation with the Secretary of Defense and the Director of National Intelligence, to be engaged in unauthorized conduct that is detrimental to the national security or foreign policy of the United States under this Act.

(7) The term “governmental entity” means a State or local government.

(8) The term “Secretary” means the Secretary of Commerce.

(9) The term “semiconductor” has the meaning given that term by the Secretary.

SEC. 9902. SEMICONDUCTOR INCENTIVES.

(a) FINANCIAL ASSISTANCE PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish in the Department of Commerce a program that, in accordance with the requirements of this section and subject to the availability of appropriations for such purposes, provides Federal financial assistance to covered entities to incentivize investment in facilities and equipment in the United States for semiconductor fabrication, assembly, testing, advanced packaging, or research and development.

(2) PROCEDURE.—

(A) IN GENERAL.—A covered entity shall submit to the Secretary an application that describes the project for which the covered entity is seeking financial assistance under this section.

(B) ELIGIBILITY.—In order for a covered entity to qualify for financial assistance under this section, the covered entity shall demonstrate to the Secretary, in the application submitted by the covered entity under subparagraph (A), that—

(i) the covered entity has a documented interest in constructing, expanding, or modernizing a facility described in paragraph (1); and

(ii) with respect to the project described in clause (i), the covered entity has—

(I) been offered a covered incentive;

(II) made commitments to worker and community investment, including through—

(aa) training and education benefits paid by the covered entity; and

(bb) programs to expand employment opportunity for economically disadvantaged individuals; and

(III) secured commitments from regional educational and training entities and institutions of higher education to provide workforce training, including programming for training and job placement of economically disadvantaged individuals; and

(IV) an executable plan to sustain the facility described in clause (i) without additional Federal financial assistance under this subsection for facility support.

(C) CONSIDERATIONS FOR REVIEW.—With respect to the review by the Secretary of an application submitted by a covered entity under subparagraph (A)—

(i) the Secretary may not approve the application unless the Secretary—

(I) confirms that the covered entity has satisfied the eligibility criteria under subparagraph (B);

(II) determines that the project to which the application relates is in the interest of the United States; and

(III) has notified the appropriate committees of Congress not later than 15 days before making any commitment to provide a grant to any covered entity that exceeds \$10,000,000; and

(ii) the Secretary may consider whether—

(I) the covered entity has previously received financial assistance made under this subsection;

(II) the governmental entity offering the applicable covered incentive has benefitted from financial assistance previously provided under this subsection;

(III) the covered entity has demonstrated that they are responsive to the national security needs or requirements established by the Intelligence Community (or an agency thereof), the National Nuclear Security Administration, or the Department of Defense; and

(IV) when practicable, a consortium that is considered a covered entity includes a small business concern, as defined under section 3 of the Small Business Act (15 U.S.C. 632), notwithstanding section 121.103 of title 13, Code of Federal Regulations; and

(iii) the Secretary may not approve an application if the Secretary determines that the covered entity is a foreign entity of concern.

(D) RECORDS.—The Secretary may request records and information from the applicant to review the status of a covered entity. The applicant shall provide the records and information requested by the Secretary.

(3) AMOUNT.—

(A) IN GENERAL.—The Secretary shall determine the appropriate amount and funding type for each financial assistance award made to a covered entity under this subsection.

(B) LARGER INVESTMENT.—Federal investment in any individual project shall not exceed \$3,000,000,000 unless the Secretary, in consultation with the Secretary of Defense and the Director of National Intelligence, recommends to the President, and the President certifies and reports to the appropriate committees of Congress, that a larger investment is necessary to—

(i) significantly increase the proportion of reliable domestic supply of semiconductors relevant for national security and economic competitiveness that can be met through domestic production; and

(ii) meet the needs of national security.

(4) USE OF FUNDS.—A covered entity that receives a financial assistance award under this subsection may only use the financial assistance award amounts to—

(A) finance the construction, expansion, or modernization of a facility or equipment to be used for semiconductors described in paragraph (1), as documented in the application submitted by the covered entity under paragraph (2)(B), as determined necessary by the Secretary for purposes relating to the national security and economic competitiveness of the United States;

(B) support workforce development for a facility described in subparagraph (A);

(C) support site development and modernization for a facility described in subparagraph (A); and

(D) pay reasonable costs related to the operating expenses for a facility described in subparagraph (A), including specialized workforce, essential materials, and complex equipment maintenance, as determined by the Secretary.

(5) CLAWBACK.—

(A) TARGET DATES.—For all major awards to covered entities, the Secretary shall—

(i) determine target dates by which a project shall commence and complete; and

(ii) set these dates by the time of award.

(B) PROGRESSIVE RECOVERY FOR DELAYS.—If the project does not commence and complete by the set target dates in (A), the Secretary shall progressively recover up to the full amount of an award provided to a covered entity under this subsection.

(C) TECHNOLOGY CLAWBACK.—The Secretary shall recover the full amount of an award provided to a covered entity under this subsection if, during the applicable term with respect to the award, the covered entity knowingly engages in any joint research or technology licensing effort—

(i) with a foreign entity of concern; and

(ii) that relates to a technology or product that raises national security concerns, as determined by the Secretary and communicated to the covered entity before engaging in such joint research or technology licensing.

(D) WAIVER.—In the case of delayed projects, the Secretary may waive elements of the clawback provisions incorporated in each major award after—

(i) making a formal determination that circumstances beyond the ability of the covered entity to foresee or control are responsible for delays; and

(ii) submitting congressional notification.

(E) CONGRESSIONAL NOTIFICATION.—The Secretary shall notify appropriate committees of Congress—

(i) of the clawback provisions attending each such major award; and

(ii) of any waivers provided, not later than 15 days after the date on which such a waiver was provided.

(b) COORDINATION REQUIRED.—In carrying out the program established under subsection (a), the Secretary shall coordinate with the Secretary of State, the Secretary of Defense, the Secretary

of Homeland Security, the Secretary of Energy, and the Director of National Intelligence.

(c) GAO REVIEWS.—The Comptroller General of the United States shall—

(1) not later than 2 years after the date of disbursement of the first financial award under subsection (a), and biennially thereafter for 10 years, conduct a review of the program established under subsection (a), which shall include, at a minimum—

(A) a determination of the number of instances in which financial assistance awards were provided under that subsection during the period covered by the review;

(B) an evaluation of how—

(i) the program is being carried out, including how recipients of financial assistance awards are being selected under the program; and

(ii) other Federal programs are leveraged for manufacturing, research, and training to complement the financial assistance awards awarded under the program; and

(C) a description of the outcomes of projects supported by awards made under the program, including a description of—

(i) facilities described in subsection (a)(1) that were constructed, expanded, or modernized as a result of awards made under the program;

(ii) research and development carried out with awards made under the program;

(iii) workforce training programs carried out with awards made under the program, including efforts to hire individuals from disadvantaged populations; and

(iv) the impact of projects on the United States share of global microelectronics production; and

(2) submit to the appropriate committees of Congress the results of each review conducted under paragraph (1).

SEC. 9903. DEPARTMENT OF DEFENSE.

(a) DEPARTMENT OF DEFENSE EFFORTS.—

(1) IN GENERAL.—Subject to the availability of appropriations for such purposes, the Secretary of Defense, in consultation with the Secretary of Commerce, the Secretary of Energy, the Secretary of Homeland Security, and the Director of National Intelligence, shall establish a public-private partnership through which the Secretary shall work to incentivize the formation of one or more consortia of companies (or other such partnerships of private-sector entities, as appropriate) to ensure the development and production of measurably secure microelectronics, including integrated circuits, logic devices, memory, and the packaging and testing practices that support these microelectronic components by the Department of Defense, the intelligence community, critical infrastructure sectors, and other national security applications. Such incentives may include the use of grants under section 9902, and providing incentives for the creation, expansion, or modernization of one or more commercially competitive and sustainable microelectronics manufacturing or advanced research and development facilities in the United States.

(2) RISK MITIGATION REQUIREMENTS.—A participant in a consortium formed with incentives under paragraph (1)—

(A) shall have the potential to enable design, perform fabrication, assembly, package, or test functions for microelectronics deemed critical to national security as defined by the National Security Advisor and the Secretary of Defense;

(B) may be a fabless company migrating its designs to the facility envisioned in paragraph (1) or migrating to an existing facility onshore;

(C) may be companies, including fabless companies and companies that procure large quantities of microelectronics, willing to co-invest to achieve the objectives set forth in paragraph (1);

(D) shall include management processes to identify and mitigate supply chain security risks; and

(E) shall be capable of providing microelectronic components that are consistent with applicable measurably secure supply chain and operational security standards established under section 224(b) of the National Defense Authorization Act for Fiscal Year 2020 (Public Law 116-92).

(3) NATIONAL SECURITY CONSIDERATIONS.—The Secretary of Defense and the Director of National Intelligence shall select participants for each consortium and or partnership formed with incentives under paragraph (1). In selecting such participants, the Secretary and the Director may jointly consider whether the companies—

(A) have participated in previous programs and projects of the Department of Defense, Department of Energy, or the intelligence community, including—

(i) the Trusted Integrated Circuit program of the Intelligence Advanced Research Projects Activity;

(ii) trusted and assured microelectronics projects, as administered by the Department of Defense;

(iii) the Electronics Resurgence Initiative program of the Defense Advanced Research Projects Agency; or

(iv) relevant semiconductor research programs of the Advanced Research Projects Agency–Energy;

(B) have demonstrated an ongoing commitment to performing contracts for the Department of Defense and the intelligence community;

(C) are approved by the Defense Counterintelligence and Security Agency or the Office of the Director of National Intelligence as presenting an acceptable security risk, taking into account supply chain assurance vulnerabilities, counterintelligence risks, and any risks presented by companies whose beneficial owners are located outside the United States; and

(D) are evaluated periodically for foreign ownership, control, or influence by a foreign entity of concern.

(4) NONTRADITIONAL DEFENSE CONTRACTORS AND COMMERCIAL ENTITIES.—Arrangements entered into to carry out paragraph (1) shall be in such form as the Secretary of Defense determines appropriate to encourage industry participation of nontraditional defense contractors or commercial entities and

may include a contract, a grant, a cooperative agreement, a commercial agreement, the use of other transaction authority under section 2371 of title 10, United States Code, or another such arrangement.

(5) IMPLEMENTATION.—Subject to the availability of appropriations for such purposes, the Secretary of Defense—

(A) shall carry out paragraph (1) jointly through the Office of the Under Secretary of Defense for Research and Engineering and the Office of the Under Secretary of Defense for Acquisition and Sustainment; and

(B) may carry out paragraph (1) in collaboration with any such other component of the Department of Defense as the Secretary of Defense considers appropriate.

(6) OTHER INITIATIVES.—

(A) REQUIRED INITIATIVES.—Subject to the availability of appropriations for such purposes, the Secretary of Defense, in consultation with the Secretary of Energy and the Administrator of the National Nuclear Security Administration, as appropriate, may dedicate initiatives within the Department of Defense to carry out activities to advance radio frequency, mixed signal, radiation tolerant, and radiation hardened microelectronics that support national security and dual-use applications.

(B) SUPPORT PLAN REQUIRED.—The Secretary of Defense, in consultation with the heads of appropriate departments and agencies of the Federal Government, shall develop a plan, including assessment of resource requirements and designation of responsible officials, for the maintenance of capabilities to produce trusted and assured microelectronics to support current and legacy defense systems, other government systems essential for national security, and critical infrastructure of the United States, especially for items with otherwise limited commercial demand.

(C) ASSESSMENT OF PUBLIC PRIVATE PARTNERSHIPS AND ACTIVITIES.—In conjunction with the activities carried out under this section, the Secretary of Defense shall enter into an agreement with the National Academies of Science, Engineering, and Medicine to undertake a study to make recommendations and provide policy options for optimal public-private partnerships and partnership activities, including an analysis of establishing a semiconductor manufacturing corporation to leverage private sector technical, managerial, and investment expertise, and private capital, as well as an assessment of and response to the industrial policies of other nations to support industries in similar critical technology sectors, and deliver such study to the congressional defense committees not later than October 1, 2022.

(7) REPORTS.—

(A) REPORT BY SECRETARY OF DEFENSE.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the plans of the Secretary to carry out paragraphs (1) and (6).

(B) BIENNIAL REPORTS BY COMPTROLLER GENERAL OF THE UNITED STATES.—Not later than one year after the date on which the Secretary submits the report required

by subparagraph (A) and not less frequently than once every two years thereafter for a period of 10 years, the Comptroller General of the United States shall submit to Congress a report on the activities carried out under this subsection.

(b) NATIONAL NETWORK FOR MICROELECTRONICS RESEARCH AND DEVELOPMENT.—

(1) IN GENERAL.—Subject to the availability of appropriations for such purposes, the Secretary of Defense may establish a national network for microelectronics research and development—

(A) to enable the laboratory to fabrication transition of microelectronics innovations in the United States; and

(B) to expand the global leadership in microelectronics of the United States.

(2) ACTIVITIES.—The national network for microelectronics research and development shall—

(A) enable cost effective exploration of new materials, devices, and architectures, and prototyping in domestic facilities to safeguard domestic intellectual property;

(B) accelerate the transition of new technologies to domestic microelectronics manufacturers; and

(C) conduct other relevant activities deemed necessary by the Secretary of Defense for accomplishing the purposes of the national network for microelectronics research and development.

SEC. 9904. DEPARTMENT OF COMMERCE STUDY ON STATUS OF MICROELECTRONICS TECHNOLOGIES IN THE UNITED STATES INDUSTRIAL BASE.

(a) IN GENERAL.—Beginning not later than 180 days after the date of the enactment of this Act, the Secretary, in consultation with the heads of other Federal departments and agencies, as appropriate, including the Secretary of Defense, Secretary of Homeland Security, and the Secretary of Energy, shall undertake a review, which shall include a survey, using authorities in section 705 of the Defense Production Act of 1950 (50 U.S.C. 4555), to assess the capabilities of the United States industrial base to support the national defense in light of the global nature of the supply chain and significant interdependencies between the United States industrial base and the industrial bases of foreign countries with respect to the manufacture, design, and end use of microelectronics.

(b) RESPONSE TO SURVEY.—To the extent authorized by section 705 of the Defense Production Act of 1950 (50 U.S.C. 4555) and section 702 of title 15, Code of Federal Regulations, the Secretary shall ensure all relevant potential respondents reply to the survey, including the following:

(1) Corporations, partnerships, associations, or any other organized groups domiciled and with substantial operations in the United States.

(2) Corporations, partnerships, associations, or any other organized groups with a physical presence of any kind in the United States.

(3) Foreign domiciled corporations, partnerships, associations, or any other organized groups with a physical presence of any kind in the United States.

(c) INFORMATION REQUESTED.—To the extent authorized by section 705 of the Defense Production Act of 1950 (50 U.S.C. 4555) and section 702 of title 15, Code of Federal Regulations, the information sought from a responding entity specified in subsection (b) shall include, at minimum, information on the following with respect to the manufacture, design, or end use of microelectronics by such entity:

- (1) An identification of the geographic scope of operations.
- (2) Information on relevant cost structures.
- (3) An identification of types of microelectronics development, manufacture, assembly, test, and packaging equipment in operation at such an entity.
- (4) An identification of all relevant intellectual property, raw materials, and semi-finished goods and components sourced domestically and abroad by such an entity.
- (5) Specifications of the microelectronics manufactured or designed by such an entity, descriptions of the end-uses of such microelectronics, and a description of any technical support provided to end-users of such microelectronics by such an entity.
- (6) Information on domestic and export market sales by such an entity.
- (7) Information on the financial performance, including income and expenditures, of such an entity.
- (8) A list of all foreign and domestic subsidies, and any other financial incentives, received by such an entity in each market in which such entity operates.
- (9) A list of regulatory or other informational requests about the respondents' operations, sales, or other proprietary information by the People's Republic of China entities under its direction or officials of the Chinese Communist Party, a description of the nature of each request, and the type of information provided.
- (10) Information on any joint ventures, technology licensing agreements, and cooperative research or production arrangements of such an entity.
- (11) A description of efforts by such an entity to evaluate and control supply chain risks.
- (12) A list and description of any sales, licensing agreements, or partnerships between such an entity and the People's Liberation Army or People's Armed Police, including any business relationships with entities through which such sales, licensing agreements, or partnerships may occur.

(d) REPORT.—

(1) IN GENERAL.—The Secretary shall, in consultation with the heads of other appropriate Federal departments and agencies, as appropriate, including the Secretary of Defense, Secretary of Homeland Security, and Secretary of Energy, submit to Congress a report on the results of the review required by subsection (a). The report shall include the following:

- (A) An assessment of the results of the review.
- (B) A list of critical technology areas impacted by potential disruptions in production of microelectronics, and a detailed description and assessment of the impact of such potential disruptions on such areas.

(C) A description and assessment of gaps and vulnerabilities in the microelectronics supply chain and the national industrial supply base.

(2) FORM.—The report required by paragraph (1) may be submitted in classified form.

SEC. 9905. FUNDING FOR DEVELOPMENT AND ADOPTION OF MEASURABLY SECURE SEMICONDUCTORS AND MEASURABLY SECURE SEMICONDUCTORS SUPPLY CHAINS.

(a) MULTILATERAL SEMICONDUCTORS SECURITY FUND.—

(1) ESTABLISHMENT OF FUND.—The Secretary of the Treasury is authorized to establish a trust fund, to be known as the “Multilateral Semiconductors Security Fund” (in this section referred to as the “Fund”), consisting of any appropriated funds credited to the Fund for such purpose.

(2) REPORTING REQUIREMENT.—If the Fund authorized under subsection (a)(1) is not established, 180 days after the date of the enactment of this Act and annually thereafter until such Fund is established, the Secretary of the Treasury, in coordination with the Secretary of State, shall provide, in writing, to the appropriate committees of Congress a rationale for not establishing the Fund.

(3) INVESTMENT OF AMOUNTS.—

(A) INVESTMENT OF AMOUNTS.—If the Fund authorized under subsection (a)(1) is established, the Secretary of the Treasury shall invest such portion of the Fund as is not required to meet current withdrawals in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(B) INTEREST AND PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(4) USE OF FUND.—

(A) IN GENERAL.—Subject to subparagraph (B), amounts in the Fund shall be available, as provided in advance in an appropriations Act, to the Secretary of State—

(i) to provide funding through the common funding mechanism described in subsection (b)(1) to support the development and adoption of measurably secure semiconductors and measurably secure semiconductors supply chains; and

(ii) to otherwise carry out this section.

(B) AVAILABILITY CONTINGENT ON INTERNATIONAL ARRANGEMENT OR AGREEMENT.—

(i) IN GENERAL.—Amounts in the Fund shall be available to the Secretary of State, subject to appropriation, on and after the date on which the Secretary of State enters into an arrangement or agreement with the governments of countries that are partners of the United States to participate in the common funding mechanism under paragraph (1) of subsection (b).

(ii) CONSULTATION.—Before entering into an arrangement or agreement as described clause (i), the Secretary of State, in consultation with the Secretary of Commerce, shall ensure any partner government

maintains export control licensing policies on semiconductor technology substantively equivalent to the United States with respect to restrictions on such exports to the People's Republic of China.

(b) COMMON FUNDING MECHANISM FOR DEVELOPMENT AND ADOPTION OF MEASURABLY SECURE SEMICONDUCTORS AND MEASURABLY SECURE SEMICONDUCTORS SUPPLY CHAINS.—

(1) IN GENERAL.—The Secretary of State, in consultation with the Secretary of Commerce, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of the Treasury, the Secretary of Energy, and the Director of National Intelligence, is authorized to establish a common funding mechanism, in coordination with foreign partners, that uses amounts from the Fund to support the development and adoption of secure semiconductors and secure semiconductors supply chains, including for use in research and development collaborations among partner countries participating in the common funding mechanism. In establishing and sustaining a common funding mechanism, the Secretary of State should leverage United States funding in order to secure contributions and commitments from trusted foreign partners, including cost sharing and other cooperative measures leading to the development and adoption of secure semiconductors and secure micro-electronic supply chains.

(2) COMMITMENTS.—In creating and sustaining a common funding mechanism described in paragraph (1), the Secretary of State should promote efforts among foreign partners to—

(A) establish transparency requirements for any subsidies or other financial benefits (including revenue foregone) provided to semiconductor firms located in or outside such countries;

(B) establish consistent policies with respect to countries that—

(i) are not participating in the common funding mechanism; and

(ii) do not meet transparency requirements established under subparagraph (A);

(C) promote harmonized treatment of semiconductors and verification processes for items being exported to a country considered a national security risk by a country participating in the common funding mechanism;

(D) establish consistent policies and common external policies to address nonmarket economies as the behavior of such countries pertains to semiconductors;

(E) align policies on supply chain integrity and semiconductors security, including with respect to protection and enforcement of intellectual property rights; and

(F) promote harmonized foreign direct investment screening measures and export control policies with respect to semiconductors to align with national, multilateral, and plurilateral security priorities.

(c) ANNUAL REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, and annually thereafter for each fiscal year during which amounts in the Fund are available under subsection (a)(4), the Secretary of State shall submit to the appropriate committees of Congress a report on the status

of the implementation of this section that includes a description of—

- (1) any commitments made by the governments of countries that have entered into an arrangement or agreement with the United States to provide funding for the common funding mechanism described in subsection (b)(1) and the specific amount so committed and other cooperative measures being taken by such countries as part of the common funding mechanism;
- (2) the criteria established for expenditure of funds through the common funding mechanism;
- (3) how, and to whom, amounts have been expended from the Fund and a description of progress made utilizing the Fund to support the objectives described in subsection (b)(1);
- (4) amounts remaining in the Fund;
- (5) the progress of the Secretary of State toward entering into an arrangement or agreement with the governments of countries that are partners of the United States to participate in the common funding mechanism and the commitments described in subsection (b)(2); and
- (6) any additional authorities needed to enhance the effectiveness of the Fund in achieving the security goals of the United States.

(d) NOTIFICATIONS TO BE PROVIDED BY THE FUND.—

(1) IN GENERAL.—Not later than 15 days prior to the Fund making a financial commitment associated with the provision of expenditures under subsection (a)(4)(A) in an amount in excess of \$1,000,000, the Secretary of State shall submit to the appropriate committees of Congress report in writing that contains the information required by paragraph (2).

(2) INFORMATION REQUIRED.—The information required by this subsection includes—

- (A) the amount of each such expenditure;
 - (B) an identification of the recipient or beneficiary;
- and
- (C) a description of the project or activity and the purpose to be achieved by an expenditure of the Fund.

(3) ARRANGEMENTS OR AGREEMENTS.—The Secretary of State shall notify the appropriate committees of Congress not later than 30 days after entering into a new bilateral or multi-lateral arrangement or agreement described in subsection (a)(4)(B).

SEC. 9906. ADVANCED MICROELECTRONICS RESEARCH AND DEVELOPMENT.

(a) SUBCOMMITTEE ON MICROELECTRONICS LEADERSHIP.—

(1) ESTABLISHMENT REQUIRED.—The President shall establish in the National Science and Technology Council a subcommittee on matters relating to leadership and competitiveness of the United States in microelectronics technology and innovation (in this section referred to as the “Subcommittee”).

(2) MEMBERSHIP.—The Subcommittee shall be composed of the following members:

- (A) The Secretary of Defense.
- (B) The Secretary of Energy.
- (C) The Director of the National Science Foundation.
- (D) The Secretary of Commerce.

- (E) The Secretary of State.
- (F) The Secretary of Homeland Security.
- (G) The United States Trade Representative.
- (H) The Director of National Intelligence.
- (I) The heads of such other departments and agencies of the Federal Government as the President determines appropriate.

(3) DUTIES.—The duties of the Subcommittee are as follows:

(A) NATIONAL STRATEGY ON MICROELECTRONICS RESEARCH.—

(i) IN GENERAL.—In consultation with the advisory committee established in (b), and other appropriate stakeholders in the microelectronics industry and academia, the Subcommittee shall develop a national strategy on microelectronics research, development, manufacturing, and supply chain security to—

(I) accelerate the domestic development and production of microelectronics and strengthen the domestic microelectronics workforce; and

(II) ensure that the United States is a global leader in the field of microelectronics research and development.

(ii) ELEMENTS.—The strategy developed under this subparagraph shall address—

(I) activities that may be carried out to strengthen engagement and outreach between the Department of Defense and industry, academia, international partners of the United States, and other departments and agencies of the Federal Government on issues relating to microelectronics;

(II) priorities for research and development to accelerate the advancement and adoption of innovative microelectronics and new uses of microelectronics and components;

(III) the role of diplomacy and trade in maintaining the position of the United States as a global leader in the field of microelectronics;

(IV) the potential role of a Federal laboratory, center, or incubator exclusively focused on the research and development of microelectronics, as described in section 231(b)(15) of the National Defense Authorization Act for Fiscal Year 2017 (as added by section 276 of this Act) in carrying out the strategy and plan required under this subparagraph; and

(V) such other activities as the Subcommittee determines may be appropriate to overcome future challenges to the innovation, competitiveness, and supply chain integrity of the United States in the field of microelectronics.

(B) FOSTERING COORDINATION OF RESEARCH AND DEVELOPMENT.—The Subcommittee shall coordinate microelectronics related research, development, manufacturing, and supply chain security activities and budgets of Federal agencies and ensure such activities are consistent with the strategy required under subparagraph (A).

(C) REPORTING AND UPDATES.—

(i) **PROGRESS BRIEFING.**—Not later than one year after the date of the enactment of this Act, the President shall provide to the appropriate committees of Congress a briefing on the progress of the Subcommittee in developing the strategy required under subparagraph (A).

(ii) **STRATEGY UPDATE.**—Not less frequently than once every 5 years, the Subcommittee shall update the strategy developed under subparagraph (A) and submit the revised strategy to the appropriate committees of Congress.

(4) **SUNSET.**—The Subcommittee shall terminate on the date that is 10 years after the date of the enactment of this Act.

(b) **INDUSTRIAL ADVISORY COMMITTEE.**—

(1) **ESTABLISHMENT.**—The Secretary of Commerce, in consultation with the Secretary of Defense, the Secretary of Energy, and the Secretary of Homeland Security, shall establish an advisory committee to be composed of not fewer than 12 members, including representatives of industry, federal laboratories, and academic institutions, who are qualified to provide advice to the United States Government on matters relating to microelectronics research, development, manufacturing, and policy.

(2) **DUTIES.**—The advisory committee shall assess and provide guidance to the United States Government on—

(A) science and technology needs of the nation's domestic microelectronics industry;

(B) the extent to which the strategy developed under subsection (a)(3) is helping maintain United States leadership in microelectronics manufacturing;

(C) assessment of the research and development programs and activities authorized under this section; and

(D) opportunities for new public-private partnerships to advance microelectronics research, development, and domestic manufacturing.

(3) **FACA EXEMPTION.**—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory committee established under this subsection.

(c) **NATIONAL SEMICONDUCTOR TECHNOLOGY CENTER.**—

(1) **ESTABLISHMENT.**—Subject to the availability of appropriations for such purpose, the Secretary of Commerce, in collaboration with the Secretary of Defense, shall establish a national semiconductor technology center to conduct research and prototyping of advanced semiconductor technology to strengthen the economic competitiveness and security of the domestic supply chain. Such center shall be operated as a public private-sector consortium with participation from the private sector, the Department of Energy, and the National Science Foundation.

(2) **FUNCTIONS.**—The functions of the center established under paragraph (1) shall be as follows:

(A) To conduct advanced semiconductor manufacturing, design and packaging research, and prototyping that strengthens the entire domestic ecosystem and is aligned with the strategy required under subsection (a)(3)(A) with emphasis on the following:

(i) Semiconductor advanced test, assembly, and packaging capability in the domestic ecosystem.

(ii) Materials characterization, instrumentation and testing for next generation microelectronics.

(iii) Virtualization and automation of maintenance of semiconductor machinery.

(iv) Metrology for security and supply chain verification.

(B) To establish an investment fund, in partnership with the private sector, to support startups and collaborations between startups, academia, established companies, and new ventures, with the goal of commercializing innovations that contribute to the domestic semiconductor ecosystem, including—

(i) advanced metrology and characterization for manufacturing of microchips using 3 nanometer transistor processes or more advanced processes; and

(ii) metrology for security and supply chain verification.

(C) To work with the Secretary of Labor, the Director of the National Science Foundation, the Secretary of Energy, the private sector, institutions of higher education, and workforce training entities to incentivize and expand participation in graduate and undergraduate programs, and develop workforce training programs and apprenticeships, in advanced microelectronic design, research, fabrication, and packaging capabilities.

(d) NATIONAL ADVANCED PACKAGING MANUFACTURING PROGRAM.—Subject to the availability of appropriations for such purpose, the Secretary of Commerce shall establish a National Advanced Packaging Manufacturing Program led by the Director of the National Institute of Standards and Technology, in coordination with the national semiconductor technology center established under subsection (c), to strengthen semiconductor advanced test, assembly, and packaging capability in the domestic ecosystem, and which shall coordinate with the Manufacturing USA institute established under subsection (f), if applicable.

(e) MICROELECTRONICS RESEARCH AT THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—Subject to the availability of appropriations for such purpose, the Director of the National Institute of Standards and Technology shall carry out a microelectronics research program to enable advances and breakthroughs in measurement science, standards, material characterization, instrumentation, testing, and manufacturing capabilities that will accelerate the underlying research and development for metrology of next generation microelectronics and ensure the competitiveness and leadership of the United States within this sector.

(f) CREATION OF A MANUFACTURING USA INSTITUTE.—Subject to the availability of appropriations for such purpose, the Director of the National Institute of Standards and Technology may establish a Manufacturing USA institute described in section 34(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278s(d)) that is focused on semiconductor manufacturing. Such institute may emphasize the following:

(1) Research to support the virtualization and automation of maintenance of semiconductor machinery.

(2) Development of new advanced test, assembly and packaging capabilities.

(3) Developing and deploying educational and skills training curricula needed to support the industry sector and ensure the United States can build and maintain a trusted and predictable talent pipeline.

(g) DOMESTIC PRODUCTION REQUIREMENTS.—The head of any executive agency receiving funding under this section shall develop policies to require domestic production, to the extent possible, for any intellectual property resulting from microelectronics research and development conducted as a result of such funding and domestic control requirements to protect any such intellectual property from foreign adversaries.

SEC. 9907. PROHIBITION RELATING TO FOREIGN ENTITIES OF CONCERN.

None of the funds authorized to be appropriated to carry out this subtitle may be provided to a foreign entity of concern.

SEC. 9908. DEFENSE PRODUCTION ACT OF 1950 EFFORTS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on a plan of action for any use of authorities available in title III of the Defense Production Act of 1950 (50 U.S.C. 4531 et seq.) to establish or enhance a domestic production capability for microelectronics technologies and related technologies, subject to—

(1) the availability of appropriations for that purpose; and

(2) a determination made under the plan pursuant to such title III that such technologies are essential to the national defense and that domestic industrial capabilities are insufficient to meet these needs.

(b) COORDINATION.—The President shall develop the plan of action required by subsection (a) in consultation with any relevant head of a Federal agency, an advisory committee established under section 708(d) of the Defense Production Act of 1950 (50 U.S.C. 4558(d)), and appropriate stakeholders in the private sector.

TITLE C—OTHER MATTERS

Sec. 10001. AMBER Alert nationwide.

Sec. 10002. Improving authority for operation of unmanned aircraft for educational purposes.

Sec. 10003. Prohibition on provision of airport improvement grant funds to certain entities that have violated intellectual property rights of United States entities.

Sec. 10004. Study and report on the affordability of insulin.

Sec. 10005. Waiver authority with respect to institutions located in an area affected by Hurricane Maria.

Sec. 10006. Farm and ranch mental health.

SEC. 10001. AMBER ALERT NATIONWIDE.

(a) COOPERATION WITH DEPARTMENT OF HOMELAND SECURITY.—Subtitle A of title III of the PROTECT Act (34 U.S.C. 20501 et seq.) is amended—

(1) in section 301—

(A) in subsection (b)—