

Union Calendar No. 529

119TH CONGRESS
2^D SESSION

H. R. 7688

[Report No. 119-611]

To modernize and reauthorize the Defense Production Act of 1950, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2026

Mr. DAVIDSON (for himself, Mrs. BEATTY, Mr. HUIZENGA, Mr. VARGAS, and
Mr. NUNN of Iowa) introduced the following bill; which was referred to
the Committee on Financial Services

APRIL 15, 2026

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on February 25, 2026]

A BILL

To modernize and reauthorize the Defense Production Act
of 1950, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “DPA Modernization Act*
 5 *of 2026”.*

6 **SEC. 2. FRONT MATTER.**

7 *(a) SHORT TITLE CORRECTION.—The first undesig-*
 8 *nated section of the the Defense Production Act of 1950 is*
 9 *amended, effective on the date of enactment of such Act, by*
 10 *striking “cited as ‘the Defense’” and inserting “cited as the*
 11 *‘Defense’”.*

12 *(b) TABLE OF CONTENTS.—The table of contents for*
 13 *the Defense Production Act of 1950 is amended to read as*
 14 *follows:*

“TABLE OF CONTENTS

“TITLE I. PRIORITIES AND ALLOCATIONS.

“TITLE II. EXPANSION OF PRODUCTIVE CAPACITY AND SUPPLY.

“TITLE III. GENERAL PROVISIONS.

“TITLE IV. PROHIBITION AND NOTIFICATION ON INVESTMENTS
 RELATING TO COVERED NATIONAL SECURITY TRANSACTIONS.”.

15 **SEC. 3. PRIORITIES AND ALLOCATIONS.**

16 *Title I of the Defense Production Act of 1950 (50*
 17 *U.S.C. 4511 et seq.) is amended—*

18 *(1) in section 101—*

19 *(A) by striking “he” each place such term*
 20 *appears and inserting “the President”;*

1 (B) in subsection (a), by striking “or ap-
 2 propriate” each place such term appears;

3 (C) in subsection (b)—

4 (i) by striking “The powers” and in-
 5 serting “(1) The powers”

6 (ii) by striking “unless the President
 7 finds (1) that such” and inserting the fol-
 8 lowing: “unless—

9 “(A) the President finds that—

10 “(i) such”;

11 (iii) by striking “defense, and (2) that”
 12 and inserting the following: “defense; and
 13 “(ii) that”;

14 (iv) by striking the period at the end
 15 and inserting “; and”; and

16 (v) by adding at the end the following:

17 “(B) the powers are used to address—

18 “(i) a national emergency declared by the
 19 President;

20 “(ii) a natural disaster declared by the
 21 President pursuant to the Robert T. Stafford
 22 Disaster Relief and Emergency Assistance Act;
 23 or

24 “(iii) a public health emergency, as deter-
 25 mined by the Secretary of Health and Human

1 *Services pursuant to section 319 of the Public*
2 *Health Service Act.*

3 “(2) *The powers described in this section may not be*
4 *used to control the general distribution of any material in*
5 *the civilian market for a period exceeding 1 year, except*
6 *that the President may extend such 1-year period for up*
7 *to 180 days upon reporting to Congress, on a non-delegable*
8 *basis, that the extension is essential to meet national defense*
9 *requirements.”;*

10 *(D) in subsection (c)—*

11 *(i) in paragraph (1), by striking “Not-*
12 *withstanding any other provision of this*
13 *Act, the” and inserting “The”; and*

14 *(ii) in paragraph (3), by striking*
15 *“President” and inserting “Executive Di-*
16 *rector of the Defense Production Act Com-*
17 *mittee”; and*

18 *(E) in subsection (d)—*

19 *(i) strike “section shall” and all that*
20 *follows through “issue, and annually review*
21 *and update whenever appropriate,” and in-*
22 *sert the following: “section, in consultation*
23 *with the Defense Production Act Com-*
24 *mittee—*

25 *“(1) shall—*

1 “(A) issue and, whenever appropriate, re-
2 vise”;

3 (ii) by redesignating paragraph (2) as
4 subparagraph (B), and adjusting the mar-
5 gin of such subparagraph accordingly;

6 (iii) in subparagraph (B), as so redes-
7 ignated, by striking the period at the end
8 and inserting “; and”; and

9 (iv) by adding at the end the following:

10 “(2) may waive or revise relevant regulations for
11 the purpose of expediting the procurement of critical
12 technologies (as defined under section 316(a)) or crit-
13 ical minerals subject to the priorities and alloca-
14 tions.”;

15 (2) in section 102—

16 (A) by striking “he” each place such term
17 appears and inserting “the President”; and

18 (B) by striking “sections 101 and 704 of
19 this Act” and inserting “sections 101 and 304”;

20 (3) in section 103, by striking “\$10,000” and in-
21 serting “\$100,000”;

22 (4) by redesignating section 107 as section 204
23 and transferring such section so as to appear after
24 section 303; and

1 (5) by redesignating section 108 as section 207
 2 and transferring such section so as to appear after
 3 section 305.

4 **SEC. 4. EXPANSION OF PRODUCTIVE CAPACITY AND SUP-**
 5 **PLY.**

6 *The Defense Production Act of 1950 (50 U.S.C. 4501*
 7 *et seq.) is amended—*

8 (1) by redesignating title III as title II;

9 (2) by redesignating sections 301, 302, 303, 304,
 10 and 305 as sections 201, 202, 203, 205, and 206, re-
 11 spectively;

12 (3) in section 201, as so redesignated—

13 (A) in the heading, by striking “**PRESI-**
 14 **DENTIAL AUTHORIZATION FOR THE NA-**
 15 **TIONAL DEFENSE**” and inserting “**LOAN**
 16 **GUARANTEES**”;

17 (B) in subsection (a)—

18 (i) in paragraph (1), by inserting “,
 19 with the concurrence of the Fund manager
 20 of the Defense Production Act Fund,” before
 21 “to provide”; and

22 (ii) in paragraph (2)—

23 (I) in the heading, by striking
 24 “**PRESIDENTIAL DETERMINATIONS**”
 25 and inserting “**DETERMINATIONS**”;

1 (II) by striking “during a period
2 of” and inserting “with respect to a”;

3 (III) by striking “if the Presi-
4 dent” and inserting “if the guaran-
5 teeing agency, in coordination with the
6 Fund manager of the Defense Produc-
7 tion Act Fund and relevant members of
8 the Defense Production Act Com-
9 mittee,”; and

10 (IV) in subparagraph (G)(i), by
11 striking “President” and inserting
12 “Fund manager of the Defense Produc-
13 tion Act Fund”;

14 (C) in subsection (b)(1), by striking “Presi-
15 dent” and inserting “Fund manager of the De-
16 fense Production Act Fund”;

17 (D) in subsection (c), by striking “Presi-
18 dent” each place such term appears and insert-
19 ing “Fund manager of the Defense Production
20 Act Fund”; and

21 (E) in subsection (d)—

22 (i) in paragraph (1)—

23 (I) by striking “SHORTFALLS.—”
24 and all that follows through “If the

1 *making” and inserting “SHORT-*
 2 *FALLS.—If the making”;*

3 (II) *by striking “\$50,000,000”*
 4 *and inserting “\$100,000,000”;*

5 (III) *by striking “only—” and all*
 6 *that follows through “if the President”*
 7 *and inserting “only if the Fund man-*
 8 *ager of the Defense Production Act*
 9 *Fund”;*

10 (IV) *by striking “guarantee; and”*
 11 *and inserting “guarantee.”;*

12 (V) *in subparagraph (A), by strik-*
 13 *ing clause (ii); and*

14 (VI) *by striking subparagraph*
 15 *(B); and*

16 (ii) *in paragraph (2)(B), by striking*
 17 *“not later than 10 days”;*

18 (4) *in section 202, as so redesignated—*

19 (A) *in subsection (a), by inserting “author-*
 20 *ize a lending agency, with the concurrence of the*
 21 *Fund manager of the Defense Production Act*
 22 *Fund and relevant members of the Defense Pro-*
 23 *duction Act Committee, to” after “President*
 24 *may”;*

25 (B) *in subsection (b)—*

1 (i) in paragraph (1), by striking
2 “and” at the end;

3 (ii) in paragraph (2)—

4 (I) by striking “no such loan may
5 be made unless the President” and in-
6 serting “no such loan may be made
7 with respect to the national emergency
8 unless the lending agency, in consulta-
9 tion with the Fund manager of the De-
10 fense Production Act Fund and rel-
11 evant members of the Defense Produc-
12 tion Act Committee,”; and

13 (II) by striking the period at the
14 end and inserting a semicolon; and

15 (iii) by adding at the end the fol-
16 lowing:

17 “(3) any such loan shall be secured by a first-
18 priority lien on such collateral as the Fund manager
19 of the Defense Production Act Fund may require, and
20 such lien shall—

21 “(A) attach upon disbursement of funds;

22 “(B) be senior to all other liens and claims;

23 and

24 “(C) be deemed perfected upon attachment;

25 and

1 “(4) in the event that the loan recipient defaults
 2 on the repayment of the loan, any portion of such re-
 3 payment that is not satisfied from the collateral de-
 4 scribed in paragraph (3) shall have priority in pay-
 5 ment over all other unsecured claims.”; and

6 (C) in subsection (d)—

7 (i) by striking “(1) IN GENERAL.—”;

8 (ii) by striking “\$50,000,000” and in-
 9 serting “\$100,000,000”;

10 (iii) by striking “only—” and all that
 11 follows through “if the President” and in-
 12 serting “only if the Fund manager of the
 13 Defense Production Act Fund”;

14 (iv) in subparagraph (A), by striking
 15 “; and” at the end and inserting a period;

16 (v) by striking subparagraph (B); and

17 (vi) by striking paragraph (2);

18 (5) in section 203, as so redesignated—

19 (A) in the heading, by striking “**OTHER**
 20 **PRESIDENTIAL ACTION AUTHORIZED**” and
 21 inserting “**PURCHASES, COMMITMENTS TO**
 22 **PURCHASE, AND SUBSIDY PAYMENTS**”;

23 (B) in subsection (a)—

24 (i) in paragraph (1), by striking “the
 25 President” and inserting “a member of the

1 *Defense Production Act Committee described*
 2 *under section 317(b)(1)(A), in consultation*
 3 *with the Executive Director of the Defense*
 4 *Production Act Committee,”;*

5 *(ii) in paragraph (5)—*

6 *(I) in the heading, by striking*
 7 *“PRESIDENTIAL” and inserting “FED-*
 8 *ERAL AGENCY”;*

9 *(II) by striking “Except as pro-*
 10 *vided in paragraph (7), the President”*
 11 *and inserting “The member described*
 12 *under paragraph (1)”;*

13 *(III) by striking “the President,*
 14 *on a non-delegable basis,” and insert-*
 15 *ing “the member, on a non-delegable*
 16 *basis, and in consultation with the Ex-*
 17 *ecutive Director of the Defense Produc-*
 18 *tion Act Committee,”; and*

19 *(IV) in subparagraph (B), by*
 20 *striking “Presidential”;*

21 *(iii) in paragraph (6)—*

22 *(I) in subparagraph (A)—*

23 *(aa) by striking “Except as*
 24 *provided in paragraph (7), the*
 25 *President” and inserting “The*

1 member described under para-
2 graph (1)”; and

3 (bb) by striking “by the
4 President” and inserting “by the
5 member”;

6 (II) in subparagraph (B)—

7 (aa) by striking
8 “\$50,000,000” and inserting
9 “\$100,000,000”;

10 (bb) by striking “the 30-day
11 period following”; and

12 (cc) by inserting “by the
13 Fund manager of the Defense Pro-
14 duction Act Fund” after “in writ-
15 ing”; and

16 (III) by striking subparagraph
17 (C); and

18 (iv) by striking paragraph (7) and in-
19 serting the following:

20 “(7) *LIMITATIONS ON EQUITY INVESTMENTS.—*

21 *The equity shares of an entity may not be acquired*
22 *under this section if such acquisition would result in*
23 *the Government holding, in the aggregate, 15 percent*
24 *or more of the equity shares of the entity.*

1 “(8) *REPORT ON EQUITY INVESTMENTS.*—*The*
2 *Defense Production Act Committee shall include, in*
3 *each annual report of the Committee required under*
4 *section 317(d)—*

5 “(A) *a description of any equity held by the*
6 *Government pursuant to the authorities of this*
7 *Act;*

8 “(B) *the rationale for, and valuation of,*
9 *any such holding, including—*

10 “(i) *the expected contribution of the*
11 *holding to the objectives of this Act; and*

12 “(ii) *the estimated gain or loss in*
13 *value of the holding since the preceding re-*
14 *port.*

15 “(9) *ACQUISITION AND LIQUIDATION.*—*A member*
16 *of the Defense Production Act Committee described*
17 *under section 317(b)(1)(A)—*

18 “(A) *may make an equity investment in an*
19 *entity under this section only after the Fund*
20 *manager of the Defense Production Act Fund re-*
21 *ports to the Committee on Banking, Housing,*
22 *and Urban Affairs of the Senate and the Com-*
23 *mittee on Financial Services of the House of*
24 *Representatives that the entity is unable to ob-*

1 *tain additional equity investment from private*
2 *sources on commercially reasonable terms;*

3 *“(B) shall, with respect to each equity in-*
4 *vestment made in an entity by the member*
5 *under this section, transmit to the Committee on*
6 *Banking, Housing, and Urban Affairs of the*
7 *Senate and the Committee on Financial Services*
8 *of the House of Representatives—*

9 *“(i) not later than 10 days after mak-*
10 *ing the equity investment, copies of all rel-*
11 *evant documents concerning the terms of the*
12 *investment, including any governance rights*
13 *or contractual obligations; and*

14 *“(ii) a certification that the equity in-*
15 *vestment advances the objectives of this Act,*
16 *with a detailed explanation of the reasons*
17 *therefor; and*

18 *“(C) shall seek to sell and liquidate any eq-*
19 *uity support for an entity provided under this*
20 *section as soon as commercially feasible, com-*
21 *mensurate with other similar investors in the en-*
22 *tity, taking into consideration the national secu-*
23 *rity interests of the United States.”;*

24 *(C) by redesignating subsections (b) through*
25 *(g) as subsections (c) through (h), respectively;*

1 (D) by inserting after subsection (a) the fol-
2 lowing:

3 “(b) *CRITICAL MINERALS RESILIENCE*.—

4 “(1) *CRITICAL MINERALS RESILIENCE INITIA-*
5 *TIVE*.—There is established the Critical Minerals Re-
6 silience Initiative, under which a member of the De-
7 fense Production Act Committee described under sec-
8 tion 317(b)(1)(A), in consultation with the Executive
9 Director of the Defense Production Act Committee
10 and the Fund manager of the Defense Production Act
11 Fund, may make grants, purchases, and commitments
12 to purchase involving an entity in the United States,
13 a member country of the North Atlantic Treaty Orga-
14 nization, or a major non-NATO ally, to—

15 “(A) ensure that the mining or processing of
16 critical and strategic materials is not dominated
17 by a foreign adversary; and

18 “(B) provide for offtake agreements, price
19 floors, or incentives in order to ensure the viabil-
20 ity of mines or processing facilities for critical
21 and strategic materials outside the control of a
22 foreign adversary.

23 “(2) *COOPERATION AMONG ENTITIES*.—To the
24 extent practicable, the Defense Production Act Com-
25 mittee shall develop a process to encourage coopera-

1 *tion among, and manage potential conflicts be-*
2 *tween—*

3 *“(A) entities that are domestic sources, and*
4 *the countries where they are located; and*

5 *“(B) for the purpose of carrying out the*
6 *Critical Minerals Resilience Initiative, countries*
7 *involved in the Initiative.”;*

8 *(E) in subsection (c), as so redesignated, by*
9 *striking “not more than 10 years” and inserting*
10 *“more than 10 years”*

11 *(F) in subsection (d), as so redesignated—*

12 *(i) in paragraph (1)(A), by striking*
13 *“necessary to carry out the objectives of this*
14 *title” and inserting “essential for national*
15 *defense requirements”;*

16 *(ii) in paragraph (2)—*

17 *(I) by striking “President may*
18 *make provision for subsidy payments”*
19 *and inserting “President, in consulta-*
20 *tion with the Executive Director of the*
21 *Defense Production Act Committee and*
22 *the Fund manager of the Defense Pro-*
23 *duction Act Fund, may make provision*
24 *for subsidy payments, for a period not*
25 *to exceed 1 year,”; and*

1 (II) by striking “President deter-
 2 mines” and inserting “Fund manager
 3 determines”; and

4 (iii) by adding at the end the fol-
 5 lowing:

6 “(3) *RENEWAL OF SUBSIDY.*—The President may
 7 renew subsidy payments authorized under paragraph
 8 (2) for up to 180 days after submitting a report to
 9 the Committee on Financial Services of the House of
 10 Representatives and the Committee on Banking,
 11 Housing, and Urban Affairs of the Senate that—

12 “(A) certifies that the subsidy payment is
 13 the most efficient means to ensure objectives de-
 14 scribed under paragraph (2); and

15 “(B) explains why market conditions do not
 16 allow for the achievement of the objectives.”;

17 (G) in paragraph (1)(C) of subsection (f),
 18 as so redesignated, by striking “section 301, 302”
 19 and inserting “section 201, 202”;

20 (H) in subsection (h), as so redesignated, by
 21 striking “make provision” and inserting “exer-
 22 cise the authorities under title I and this title”;
 23 and

24 (I) by adding at the end the following:

1 “(i) *WAIVER TO EXPEDITE PROCUREMENT.*—*In exer-*
 2 *cising the authorities under section 201, section 202, or this*
 3 *section, the President may waive or revise relevant regula-*
 4 *tions for the purpose of expediting—*

5 “(1) *the procurement of critical technologies (as*
 6 *defined under section 316(a)) or critical minerals; or*

7 “(2) *the permitting of critical infrastructure re-*
 8 *quired to produce or refine the critical technologies or*
 9 *critical minerals described in paragraph (1).*

10 “(j) *ADDITIONAL REQUIREMENTS.*—

11 “(1) *USE OF COMMERCIALY AVAILABLE SOFT-*
 12 *WARE.*—*Software procured using funds appropriated*
 13 *pursuant to this Act shall be commercially available*
 14 *off-the-shelf software, unless no commercially avail-*
 15 *able off-the-shelf software that meets the applicable re-*
 16 *quirements is available, more cost-effective, or is prac-*
 17 *ticable to procure.*

18 “(2) *USE OF FUNDS FOR SKILLED LABOR.*—

19 “(A) *IDENTIFICATION OF WORKFORCE AND*
 20 *SKILLS GAPS.*—*Each Federal agency to which*
 21 *the President has delegated authority under this*
 22 *Act shall identify any workforce gaps or skills*
 23 *gaps that affect the ability of the domestic indus-*
 24 *trial base to supply the materials and services*

1 *necessary to satisfy the objectives set forth in sec-*
2 *tion 2(b).*

3 “(B) *USE OF FUNDS.*—*With respect to an*
4 *entity receiving financial assistance under title I*
5 *or this title, the agency making such financial*
6 *assistance may direct that a portion of the fi-*
7 *nancial assistance be used to recruit, train,*
8 *place, or retain workers in defense-critical occu-*
9 *pations directly related to the activities funded*
10 *by the assistance, if such entity keeps records of*
11 *performance standards for workers recruited,*
12 *trained, placed, or retained using such assist-*
13 *ance.*

14 “(C) *INFORMATION INCLUDED IN ANNUAL*
15 *REPORT.*—*Each Federal agency to which the*
16 *President has delegated authority under this Act*
17 *shall include in the annual report of the Defense*
18 *Production Act Committee—*

19 “(i) *a discussion of the identification*
20 *required under subparagraph (A) and the*
21 *authority provided under subparagraph*
22 *(B); and*

23 “(ii) *short-term and long-term rec-*
24 *ommendations for administrative or legisla-*
25 *tive action to reduce any workforce gaps or*

1 *skills gaps identified by the agency, espe-*
2 *cially through the simulation required*
3 *under section 206(c), including rec-*
4 *ommendations on workforce training pro-*
5 *grams to recruit, train, place, and retain*
6 *workers in occupations critical to the na-*
7 *tional defense, including any apprentice-*
8 *ships.”;*

9 (6) *in section 204, as redesignated and moved by*
10 *section 3(4)—*

11 (A) *in subsection (a)—*

12 (i) *by striking “title III of this Act or*
13 *any other provision of law, the President*
14 *may” and inserting “this title, a member of*
15 *the Defense Production Act Committee may,*
16 *in consultation with the Executive Director*
17 *of the Defense Production Act Committee,”;*
18 *and*

19 (ii) *by inserting “essential” before*
20 *“materials”;*

21 (B) *in subsection (b)(1), by striking “as-*
22 *sure” and inserting “ensure”; and*

23 (C) *by adding at the end the following:*

1 “(c) *WAIVER TO EXPEDITE PROCUREMENT.—The*
 2 *President may waive or revise relevant regulations for the*
 3 *purpose of expediting—*

4 “(1) *the procurement of critical technologies (as*
 5 *defined under section 316(a)) or critical minerals*
 6 *subject to the incentives described in subsection (a); or*

7 “(2) *the permitting of critical infrastructure re-*
 8 *quired to produce or refine the critical technologies or*
 9 *critical minerals described in paragraph (1).”.*

10 (7) *in section 205, as so redesignated—*

11 (A) *in subsection (a), by inserting before the*
 12 *period at the end the following: “, to be adminis-*
 13 *tered by the Secretary of the Treasury”;*

14 (B) *in subsection (b)—*

15 (i) *in paragraph (1)—*

16 (I) *by striking “section 711” and*
 17 *inserting “section 311”; and*

18 (II) *by striking “and” at the end;*

19 (ii) *by redesignating paragraph (2) as*
 20 *paragraph (3);*

21 (iii) *by inserting after paragraph (1)*
 22 *the following:*

23 “(2) *all moneys appropriated for activities pur-*
 24 *suant to this title; and”;* and

1 (iv) in paragraph (3), as so redesign-
 2 nated, by striking “section 303” and insert-
 3 ing “this title”;

4 (C) in subsection (c), by inserting “and sec-
 5 tion 318” after “this title”;

6 (D) in subsection (e), by striking
 7 “\$750,000,000” each place such term appears
 8 and inserting “\$2,000,000,000”;

9 (E) by redesignating subsections (f) and (g)
 10 as subsections (g) and (h), respectively;

11 (F) by inserting after subsection (e) the fol-
 12 lowing:

13 “(f) *WAIVER.—The Executive Director of the Defense*
 14 *Production Act Committee may waive the requirement de-*
 15 *scribed under subsection (e) for up to 1 year at a time upon*
 16 *notifying the Committee on Financial Services of the House*
 17 *of Representatives and the Committee on Banking, Hous-*
 18 *ing, and Urban Affairs of the Senate in writing that the*
 19 *waiver is in the national security interests of the United*
 20 *States.”;*

21 (G) in subsection (g), as so redesignated—

22 (i) by striking “President shall des-
 23 ignate a” and inserting “Secretary of the
 24 Treasury shall serve as”;

1 (ii) in paragraph (1), by striking
2 “subsection (g)” and inserting “subsection
3 (h)”;

4 (iii) in paragraph (2), by striking
5 “and” at the end;

6 (iv) in paragraph (3)—

7 (I) by inserting “and the Defense
8 Production Act Committee” after
9 “Congress”; and

10 (II) by striking the period at the
11 end and inserting “, including an
12 analysis of the effectiveness of invest-
13 ments made during the previous fiscal
14 year;”; and

15 (v) by adding at the end the following:

16 “(4) designating financial institutions as finan-
17 cial agents of the Federal Government, as appro-
18 priate, for the purposes of this title;

19 “(5) delegating authorities, as the Fund manager
20 finds appropriate, to members of the Defense Produc-
21 tion Act Committee; and

22 “(6) issuing rules and guidance regarding fi-
23 nancing activities authorized by this title.”; and

24 (H) by adding at the end the following:

1 “(i) *DEFERRAL.*—*The Executive Director of the De-*
 2 *fense Production Act Committee shall defer budget author-*
 3 *ity involving the Fund for an agency that has repeatedly*
 4 *failed to submit complete reports described under section*
 5 *206(a).’*”;

6 (8) *section 206, as so redesignated—*

7 (A) *in the heading, by striking “**REPORTS***
 8 ***ON EXERCISE OF AUTHORITIES**” and insert-*
 9 *ing “**DPA STRATEGY**”;*

10 (B) *by redesignating subsection (c) as sub-*
 11 *section (e);*

12 (C) *by striking subsections (a) and (b) and*
 13 *inserting the following:*

14 “(a) *IN GENERAL.*—*Not later than 180 days after the*
 15 *effective date of this subsection, and annually thereafter, the*
 16 *head of each agency to which the President has delegated*
 17 *authorities under title I or this title shall submit the report*
 18 *described under subsection (b) to the Executive Director of*
 19 *the Defense Production Act Committee and the Fund man-*
 20 *ager of the Defense Production Act Fund.*

21 “(b) *DPA STRATEGY.*—*A report described under this*
 22 *subsection is a report that includes—*

23 “(1) *an assessment, in consultation with the De-*
 24 *fense Production Act Committee and the private sec-*
 25 *tor, of industrial base needs required by the head of*

1 *the agency to meet the highest priorities arising from*
2 *national defense requirements, as determined by the*
3 *President;*

4 *“(2) a detailed strategy, timeline, and spending*
5 *plan, in consultation with the Defense Production Act*
6 *Committee, to deploy the authorities under title I and*
7 *this title to address the needs identified under para-*
8 *graph (1);*

9 *“(3) the results of the most recent simulation de-*
10 *scribed in subsection (c);*

11 *“(4) a comprehensive list of actions (including*
12 *all priority ratings, the exercise or non-exercise of*
13 *such ratings and any allocations or financing) taken*
14 *by the agency pursuant to the authorities since the*
15 *previous report, and an explanation of how the ac-*
16 *tions support the strategy described under paragraph*
17 *(2);*

18 *“(5) any use of authorities under section 308 or*
19 *section 310 in support of the strategy described under*
20 *paragraph (2);*

21 *“(6) a description of any waivers exercised pur-*
22 *suant to section 101(d)(2), section 107(c), or section*
23 *203(h); and*

24 *“(7) in the case of an action taken pursuant to*
25 *title I or this title involving a business concern in*

1 *Canada, the United Kingdom, or Australia, a justification of the necessity of the use of authorities*
2 *under the applicable title.*

4 “(c) *STRATEGY SIMULATION.*—At least once every 5
5 *years, the Defense Production Act Committee shall conduct*
6 *a discussion-based simulation (commonly known as a*
7 *‘table-top exercise’) to determine the resources needed and*
8 *the best use of the authorities under title I and this title*
9 *to implement the strategy described in subsection (b)(2) con-*
10 *tained in the most recent report required under subsection*
11 *(a).*

12 “(d) *STRATEGY ON SECURING SUPPLY CHAINS ESSEN-*
13 *TIAL TO NATIONAL DEFENSE.*—The head of any relevant
14 *agency, as determined by the President, shall, in the first*
15 *report submitted under subsection (a) after the date of en-*
16 *actment of this subsection, include in such report the fol-*
17 *lowing:*

18 “(1) *A detailed plan to ensure the supply of the*
19 *following, to the extent necessary for national defense:*

20 “(A) *Medical materials (including drugs,*
21 *devices, and biological products (as that term is*
22 *defined in section 351 of the Public Health Serv-*
23 *ice Act (42 U.S.C. 262)) to diagnose, cure, miti-*
24 *gate, treat, or prevent disease).*

25 “(B) *Critical minerals.*

1 “(C) Naval shipbuilding capacity, mate-
2 rials, and components.

3 “(2) An analysis of vulnerabilities to existing
4 supply chains for the materials, minerals, and capac-
5 ity described in paragraph (1).

6 “(3) Any authorities provided by this Act to be
7 used by the agency to ensure that essential compo-
8 nents of such supply chains are not under the control
9 of a foreign adversary.”; and

10 (D) in paragraph (2) of subsection (e), as
11 so redesignated, by striking “section
12 702(7)(B)(ii)(II)(bb)” and inserting “section
13 302(7)(B)(ii)(II)(bb)”;

14 (9) in section 207, as redesignated and moved by
15 section 3(5)—

16 (A) in subsection (a), by inserting “, to the
17 extent required for national defense purposes,”
18 after “President shall”; and

19 (B) in subsection (b)—

20 (i) in paragraph (1)—

21 (I) by striking “title III” and in-
22 serting “this title”; and

23 (II) by striking “advance” and
24 inserting “advanced”; and

25 (ii) in paragraph (2)—

1 (I) by striking “title III” and in-
 2 serting “this title”; and

3 (II) in subparagraph (C), by
 4 striking “section 301, 302, or 303” and
 5 inserting “section 201, 202, or 203”;
 6 and

7 (10) by adding at the end the following:

8 **“SEC. 208. PROHIBITION ON DISCRIMINATION BASED ON**
 9 **ENERGY SOURCE.**

10 “In using the authorities under this title, the President
 11 may not deny financial support pursuant to sections 201,
 12 202, 203, or 204, other than for the production of energy,
 13 based on the energy source involved in the exploration, de-
 14 velopment, production, utilization, transportation, or sale
 15 of energy.

16 **“SEC. 209. LIMITATION ON ELIGIBILITY FOR ASSISTANCE.**

17 “(a) *IN GENERAL.*—Notwithstanding any other provi-
 18 sion of this Act or any other Act, a covered entity is not
 19 eligible for assistance authorized under this title.

20 “(b) *DEFINITIONS.*—In this section:

21 “(1) *COVERED ENTITY.*—The term ‘covered enti-
 22 ty’ means an entity in which a covered individual di-
 23 rectly or indirectly holds a significant interest. For
 24 the purpose of determining whether an entity is a
 25 covered entity, if securities of the entity are owned,

1 *controlled, or held by 2 or more individuals who are*
2 *related as described in paragraph (2), such securities*
3 *shall be aggregated.*

4 “(2) *COVERED INDIVIDUAL.*—*The term ‘covered*
5 *individual’ means—*

6 “(A) *the President, the Vice President, or a*
7 *member of the Defense Production Act Com-*
8 *mittee; and*

9 “(B) *the spouse, child, son-in-law, or*
10 *daughter-in-law of an individual described in*
11 *subparagraph (A).*

12 “(3) *EQUITY INTEREST.*—*The term ‘equity inter-*
13 *est’ means—*

14 “(A) *a share in an entity, without regard to*
15 *whether the share is—*

16 “(i) *transferable; or*

17 “(ii) *classified as stock or anything*
18 *similar;*

19 “(B) *a capital or profit interest in a lim-*
20 *ited liability company or partnership; and*

21 “(C) *a warrant or right (other than a right*
22 *to convert) to purchase, sell, or subscribe to a*
23 *share or interest described in subparagraph (A)*
24 *or (B), respectively.*

1 “(4) *SIGNIFICANT INTEREST.*—*The term ‘signifi-*
 2 *cant interest’ means owning, controlling, or holding*
 3 *not less than 20 percent, by vote or value, of the out-*
 4 *standing amount of any class of equity interest in an*
 5 *entity.’”.*

6 **SEC. 5. GENERAL PROVISIONS.**

7 *The Defense Production Act of 1950 (50 U.S.C. 4501*
 8 *et seq.) is amended—*

9 (1) *by redesignating title VII as title III;*

10 (2) *by striking section 714 and 723;*

11 (3) *by redesignating sections 701 through 711 as*
 12 *sections 301 through 311, respectively;*

13 (4) *by redesignating section 713 as section 312;*

14 (5) *by redesignating section 715 as section 313;*

15 (6) *by redesignating section 717 as section 315;*

16 (7) *by redesignating sections 721 and 722 as sec-*
 17 *tions 316 and 317, respectively;*

18 (8) *in section 301, as so redesignated, in sub-*
 19 *section (e), by inserting “and consistent with national*
 20 *defense requirements” after “practicable”;*

21 (9) *in section 302, as so redesignated—*

22 (A) *in paragraph (7)(B), by striking “title*
 23 *III” each place such term appears in a heading*
 24 *or text, and inserting “title II”; and*

25 (B) *in paragraph (14)—*

1 (i) by inserting “or section 319 of the
2 *Public Health Service Act*,” after “*Assist-*
3 *ance Act*”; and

4 (ii) by striking “and critical infra-
5 structure protection and restoration” and
6 inserting “, critical infrastructure protec-
7 tion and restoration, and public health
8 emergency preparedness and response ac-
9 tivities”;

10 (10) in section 303, as so redesignated—

11 (A) by striking “Any officer” and inserting
12 the following:

13 “(a) *IN GENERAL.—Any officer*”;

14 (B) by striking “GS–18 of the General
15 Schedule, as the President deems appropriate to
16 carry out this Act” and inserting “senior-level
17 positions described under section 5376 of title 5,
18 United States Code, as the President deems ap-
19 propriate to carry out title I or title II”; and

20 (C) by adding at the end the following:

21 “(b) *OUTREACH REPRESENTATIVE DURING A PUBLIC*
22 *HEALTH EMERGENCY.—*

23 “(1) *IN GENERAL.—Consistent with the authori-*
24 *ties in this title, the Administrator of the Federal*
25 *Emergency Management Agency, in consultation with*

1 *the Secretary of Health and Human Services, may*
 2 *designate or appoint, pursuant to subsection (a), an*
 3 *individual to be known as the ‘Outreach Representa-*
 4 *tive’ for the period of a public health emergency. Such*
 5 *individual shall—*

6 *“(A) be appointed from among individuals*
 7 *with substantial experience in the production or*
 8 *distribution of medical supplies or equipment;*
 9 *and*

10 *“(B) act as the Government-wide single*
 11 *point of contact during the public health emer-*
 12 *gency for outreach to manufacturing companies*
 13 *and their suppliers who may be interested in*
 14 *producing medical supplies or equipment.*

15 *“(2) ENCOURAGING PARTNERSHIPS.—During the*
 16 *period of a public health emergency, the Outreach*
 17 *Representative shall seek to develop partnerships be-*
 18 *tween companies, in coordination with any overall*
 19 *coordinator appointed by the President to oversee the*
 20 *response to the public health emergency, including*
 21 *through the exercise of the authorities delegated by the*
 22 *President under section 308.”;*

23 *(11) in section 304, as so redesignated—*

24 *(A) by striking “(a) **IN GENERAL.**—”;*

1 (B) by striking “section 709 and subsection
 2 (b), the President may prescribe” and inserting
 3 “section 309 and subsection (b), the President,
 4 not later than 360 days after the date of enact-
 5 ment of the DPA Modernization Act of 2026,
 6 shall issue”; and

7 (C) by striking subsection (b);
 8 (12) in section 305, as so redesignated—

9 (A) in subsection (a)—

10 (i) by striking “or appropriate, in his
 11 discretion,”; and

12 (ii) by striking “in order” and insert-
 13 ing “essential”;

14 (B) in subsection (c), by striking “\$10,000”
 15 and inserting “\$100,000”;

16 (C) in subsection (d), by striking “\$10,000”
 17 and inserting “\$100,000”; and

18 (D) by adding at the end the following:

19 “(f) The authority of the President under this section
 20 may not be used to obtain sensitive personally identifiable
 21 information. In this subsection, the term ‘sensitive person-
 22 ally identifiable information’ means personally identifiable
 23 information which, if lost, compromised, or disclosed with-
 24 out authorization, could result in substantial harm, embar-
 25 rassment, inconvenience, or unfairness to an individual.”.

1 (13) in section 306, as so redesignated—

2 (A) in subsection (a), by striking “he” and
3 inserting “the President”;

4 (B) in subsection (b), by striking “subpena”
5 each place such term appears and inserting
6 “subpoena”; and

7 (C) by adding at the end the following:

8 “(c) *CIVIL ACTIONS*.—A civil action challenging an
9 action taken under this Act may be brought only in the
10 United States Court of Appeals for the District of Columbia
11 Circuit.”;

12 (14) in section 308, as so redesignated—

13 (A) by striking “he” each place such term
14 appears and inserting “the President”;

15 (B) in subsection (c)(2), by striking “not
16 less than ten days”; and

17 (C) in subsection (e)—

18 (i) by striking “(1) The individual”
19 and inserting “The individual”;

20 (ii) by striking “section 553 of title 5,
21 United States Code” and inserting “section
22 309”; and

23 (iii) by striking paragraphs (2) and
24 (3);

25 (15) in section 309, as so redesignated—

1 (A) in subsection (a), by striking “sections
2 551 through 559” and inserting “sections 552
3 through 552b and sections 554 through 559”;
4 and

5 (B) by striking subsection (c);

6 (16) in section 310, as so redesignated—

7 (A) by striking subsection (e);

8 (B) by redesignating subsections (b), (c),
9 (d), (f), and (g) as subsections (a) through (e),
10 respectively;

11 (C) in subsection (a), as so redesignated—

12 (i) in paragraph (1), by striking “he”
13 each place such term appears and inserting
14 “the President”; and

15 (ii) in paragraph (6)—

16 (I) by striking “his or her” and
17 inserting “the Director’s”; and

18 (II) by striking “he or she” and
19 inserting “the Director”;

20 (D) in subsection (b), as so redesignated—

21 (i) by striking “he” and inserting “the
22 President”; and

23 (ii) by striking “section 55a of title 5
24 of the United States Code. Individuals so
25 employed may be compensated at rates not

1 *in excess of \$50 per diem and while away*
2 *from their homes or regular places of busi-*
3 *ness they may be allowed transportation*
4 *and not to exceed \$15 per diem in lieu of*
5 *subsistence and other expenses while so em-*
6 *ployed” and inserting “section 3109 of title*
7 *5, United States Code”;*

8 *(E) in subsection (d), as so redesignated, by*
9 *striking “\$10,000” and inserting “\$100,000”;*
10 *and*

11 *(F) in subsection (e), as so redesignated, by*
12 *striking “he” each place such term appears and*
13 *inserting “the President”;*

14 *(17) in section 311, as so redesignated—*

15 *(A) by striking “he” and inserting “the*
16 *President”;*

17 *(B) by striking “\$133,000,000 for fiscal*
18 *year 2015” and inserting “\$250,000,000 for fis-*
19 *cal year 2026”; and*

20 *(C) by striking “\$117,000,000 for each of*
21 *fiscal years 2020 through 2024 to carry out title*
22 *III” and inserting “\$5,000,000 for each of fiscal*
23 *years 2026 through 2031 to the Executive Direc-*
24 *tor of the Defense Production Act Committee and*

1 *the Fund manager of the Defense Production Act*
 2 *Fund to carry out this Act”;*

3 *(18) by inserting after section 313, as so redesign-*
 4 *ated, the following:*

5 **“SEC. 314. NATIONAL DEFENSE EXECUTIVE RESERVE.**

6 “(a) *ESTABLISHMENT.*—*The President shall establish*
 7 *a National Defense Executive Reserve (in this section re-*
 8 *ferred to as the ‘Reserve’).*

9 “(b) *PURPOSE.*—*The purpose of the Reserve shall be*
 10 *to improve the preparedness of the Federal Government for*
 11 *national defense emergencies by allowing private persons*
 12 *with unique expertise to volunteer, be trained for, and be*
 13 *temporarily employed in Federal positions within any of*
 14 *the Federal agencies that has established a Reserve unit*
 15 *under subsection (c) that may be necessary during periods*
 16 *of national defense emergency, as determined by the Presi-*
 17 *dent.*

18 “(c) *RESERVE UNITS.*—

19 “(1) *IN GENERAL.*—*The President shall require*
 20 *the heads of each of the following agencies to establish*
 21 *a unit of the Reserve within the applicable agency:*

22 “(A) *The Department of Commerce.*

23 “(B) *The Department of Defense.*

24 “(C) *The Department of Homeland Secu-*
 25 *rity.*

1 “(D) *Such other agencies as the President*
 2 *determines appropriate.*

3 “(2) *ACTIVITIES OF RESERVE UNITS.—Activities*
 4 *of such Reserve units within each agency shall be*
 5 *aligned with the contents of the reports required*
 6 *under—*

7 “(A) *section 203(j)(2)(C), related to work-*
 8 *force and skills gaps;*

9 “(B) *section 206(b), related to overall strat-*
 10 *egy;*

11 “(C) *section 206(d), related to the strategy*
 12 *on securing supply chains essential to national*
 13 *defense; and*

14 “(D) *section 317(h)(1), the report from the*
 15 *Subcommittee on Emerging Technology.*

16 “(3) *DEADLINE.—The units of the Reserve with-*
 17 *in the agencies described under subparagraphs (A),*
 18 *(B), and (C) shall be established not later than 180*
 19 *days after the issuance of the final rules required*
 20 *under subsection (f).*

21 “(d) *TRAINING.—The President may, without acti-*
 22 *vating the Reserve, allow for periodic training and exercises*
 23 *to prepare the Reserve for duty during an activation.*

24 “(e) *RULEMAKING.—Not later than 360 days after the*
 25 *date of enactment of this section, the Director of the Office*

1 *of Personnel Management, in consultation with the Sec-*
2 *retary of Commerce, the Secretary of Defense, and the Sec-*
3 *retary of Homeland Security, shall issue rules, in accord-*
4 *ance with section 553 of title 5, United States Code, to pro-*
5 *vide—*

6 “(1) *criteria for determining the number of posi-*
7 *tions in and organization of Reserve units;*

8 “(2) *criteria for determining the appropriate*
9 *level of seniority and job classifications of Reserve po-*
10 *sitions;*

11 “(3) *the advertisement of the Reserve to the pub-*
12 *lic to generate interest in volunteers;*

13 “(4) *the selection of individuals for the Reserve*
14 *and the job assignment process;*

15 “(5) *the appointment authorities to be used by*
16 *the head of an agency during an activation of the ap-*
17 *plicable Reserve unit;*

18 “(6) *the appropriate levels of compensation for*
19 *private individuals for service in the Reserve, depend-*
20 *ent on the qualifications and expected roles of the in-*
21 *dividuals;*

22 “(7) *the appropriate levels of compensation for*
23 *private individuals for service in the Reserve for ad-*
24 *ditional expenses, such as travel and accommodation,*

1 to fulfill the responsibilities in the Reserve, including
2 during training and exercise;

3 “(8) additional incentives to be provided to pri-
4 vate individuals to encourage participation in the Re-
5 serve;

6 “(9) whether and how to issue security clear-
7 ances to individuals selected to serve in the Reserve,
8 both prior to and during activation;

9 “(10) the frequency and content of training and
10 exercises for the Reserve;

11 “(11) the appropriate interaction between per-
12 manent Government employees and individuals in the
13 Reserve during training, exercises, and activations of
14 the Reserve;

15 “(12) the appointment of permanent Government
16 employees to manage the Reserve for each agency with
17 a Reserve unit, both prior to and during activation;

18 “(13) practices to ensure that ethics and conflict-
19 of-interest standards are implemented and main-
20 tained throughout the activities of the Reserve; and

21 “(14) all other matters necessary to effectively
22 manage the Reserve, as determined by the Director of
23 the Office of Personnel Management.

24 “(f) *ADDITIONAL GUIDANCE.*—The Director of the Of-
25 fice of Personnel Management may issue any additional in-

1 ternal guidance as the Director of the Office of Personnel
 2 determines is necessary to supplement the rules issued
 3 under subsection (e).

4 “(g) *EMPLOYMENT PROTECTION*.—For purposes of
 5 chapter 43 of title 38, United States Code, an individual
 6 absent from a position of employment due to an appoint-
 7 ment into service in the Reserve shall be subject to the same
 8 employment and reemployment protections as are provided
 9 under such chapter for an individual absent from a position
 10 of employment due to an appointment into service in the
 11 Federal Emergency Management Agency as intermittent
 12 personnel under section 306(b)(1) of the Robert T. Stafford
 13 Disaster Relief and Emergency Assistance Act.”;

14 (19) in section 315, as so redesignated—

15 (A) in subsection (a)—

16 (i) by striking “title III, and title VII
 17 (except sections 707, 708, and 721)” and in-
 18 serting “title II, and title III (except sec-
 19 tions 307, 308, and 316)”;

20 (ii) by striking “2026” and inserting
 21 “2031”; and

22 (iii) by striking “under title III” and
 23 inserting “under title II”;

1 (B) in subsection (c), by striking “section
2 301 of this Act” and inserting “section 201”;
3 and

4 (C) by striking subsection (d);
5 (20) in section 316, as so redesignated—

6 (A) in subsection (a)(4)(C)(i)(II), by strik-
7 ing “in ‘urbanized areas’, as” and inserting “in
8 an ‘urbanized area’, or equivalent term, as”;

9 (B) in subsection (b)—

10 (i) in paragraph (1), by adding at the
11 end the following:

12 “(I) CONSIDERATION OF CERTAIN AGRICUL-
13 TURAL LAND TRANSACTIONS.—

14 “(i) IN GENERAL.—After receiving no-
15 tification from the Secretary of Agriculture
16 of a reportable agricultural land trans-
17 action, the Committee shall determine—

18 “(I) whether the transaction is a
19 covered transaction; and

20 “(II) if the Committee determines
21 that the transaction is a covered trans-
22 action, whether the Committee should
23 initiate a review pursuant to subpara-
24 graph (D), or take another action au-
25 thorized under this section, with re-

1 *spect to the reportable agricultural*
 2 *land transaction.*

3 “(ii) *REPORTABLE AGRICULTURAL*
 4 *LAND TRANSACTION.*—*In this subpara-*
 5 *graph, the term ‘reportable agricultural*
 6 *land transaction’ means a transaction—*

7 *“(I) that the Secretary of Agri-*
 8 *culture has reason to believe is a cov-*
 9 *ered transaction, based on information*
 10 *from or in cooperation with the intel-*
 11 *ligence community;*

12 *“(II) that involves the acquisition*
 13 *of an interest in agricultural land by*
 14 *a foreign person of the People’s Repub-*
 15 *lic of China, the Democratic People’s*
 16 *Republic of Korea, the Russian Federa-*
 17 *tion, or the Islamic Republic of Iran;*
 18 *and*

19 *“(III) with respect to which a*
 20 *person is required to submit a report*
 21 *to the Secretary of Agriculture under*
 22 *section 2(a) of the Agricultural Foreign*
 23 *Investment Disclosure Act of 1978.*

24 *“(iii) SUNSET.—The requirements*
 25 *under this subparagraph shall terminate,*

1 *with respect to a foreign person of the re-*
2 *spective foreign country, on the date that*
3 *the People’s Republic of China, the Demo-*
4 *cratic People’s Republic of Korea, the Rus-*
5 *sian Federation, or the Islamic Republic of*
6 *Iran, as the case may be, is removed from*
7 *the list of foreign adversaries in section*
8 *791.4 of title 15, Code of Federal Regula-*
9 *tions.”;*

10 *(ii) in paragraph (3)—*

11 *(I) in subparagraph (A), by strik-*
12 *ing “Upon completion of” and insert-*
13 *ing “Not later than the seventh day of*
14 *the month following the month in*
15 *which the Committee completed”;* and

16 *(II) in subparagraph (C)(i)—*

17 *(aa) by striking “shall be*
18 *submitted to the members” and*
19 *inserting “shall be submitted in a*
20 *searchable, machine-readable for-*
21 *mat to the members”;*

22 *(bb) in subclause (II), by*
23 *striking “and” at the end;*

24 *(cc) by redesignating sub-*
25 *clause (III) as subclause (IV); and*

1 *(dd) by inserting after sub-*
 2 *clause (II) the following:*

3 *“(III) the date on which the*
 4 *transaction was accepted by the Com-*
 5 *mittee and the date on which trans-*
 6 *action parties were notified of the com-*
 7 *pletion by the Committee of the Com-*
 8 *mittee’s review of the transaction pur-*
 9 *suant to subsection (b)(6); and”;*

10 *(C) in subsection (d)(4)(A), by striking “as-*
 11 *sets as a result” and inserting “assets or in real*
 12 *estate in the United States as a result”;*

13 *(D) in subsection (k), by adding at the end*
 14 *the following:*

15 *“(8) INCLUSION OF THE SECRETARY OF AGRI-*
 16 *CULTURE.—The Secretary of Agriculture shall be a*
 17 *member of the Committee with respect to a covered*
 18 *transaction that involves—*

19 *“(A) agricultural land;*

20 *“(B) agriculture biotechnology; or*

21 *“(C) the agriculture industry, including ag-*
 22 *ricultural transportation, storage, and proc-*
 23 *essing.”;*

24 *(E) in subsection (l)(3)(D), by striking “sec-*
 25 *tion 706(b)” and inserting “section 306(b)”;*

1 (F) in subsection (o)—

2 (i) in paragraph (1), by striking
3 “March 31” and inserting “September 30”;
4 and

5 (ii) in paragraph (2), by striking “the
6 date that is 7 years after the date of the en-
7 actment of the Foreign Investment Risk Re-
8 view Modernization Act of 2018” and in-
9 serting “November 30, 2030”; and

10 (G) in subsection (p)(2), by striking
11 “through 2023 \$20,000,000” and inserting
12 “through 2030 \$21,000,000”; and

13 (21) in section 317, as so redesignated—

14 (A) in subsection (a), by striking “plan for
15 on” and inserting “plan for”;

16 (B) in subsection (b)—

17 (i) in paragraph (1)—

18 (I) in subparagraph (A), by strik-
19 ing “and” at the end;

20 (II) in subparagraph (B), by
21 striking the period at the end and in-
22 serting a semicolon; and

23 (III) by adding at the end the fol-
24 lowing:

1 “(C) *the Fund manager of the Defense Pro-*
2 *duction Act Fund; and*

3 “(D) *the Director of the Office of Manage-*
4 *ment and Budget.*”; and

5 (ii) *by striking paragraph (2) and in-*
6 *serting the following:*

7 “(2) *CHAIRPERSON.—The Assistant to the Presi-*
8 *dent for National Security Affairs shall serve as the*
9 *non-voting Chairperson of the Committee.*

10 “(3) *EXECUTIVE DIRECTOR.—The Director of the*
11 *Office of Management and Budget shall serve as the*
12 *Executive Director of the Committee, who shall over-*
13 *see interagency planning, coordination, and imple-*
14 *mentation of this Act.*”;

15 (C) *in subsection (c)—*

16 (i) *by striking “one person” and in-*
17 *serting “one or more persons”; and*

18 (ii) *by striking “such person” and in-*
19 *serting “each such person”;*

20 (D) *in subsection (d)—*

21 (i) *by inserting “Chairperson of the”*
22 *before “Committee shall”;*

23 (ii) *by striking “signed by the Chair-*
24 *person”;*

1 (iii) by striking paragraphs (1) and
2 (2) and inserting the following:

3 “(1) the most recent reports submitted pursuant
4 to section 206;”;

5 (iv) by striking paragraph (5);

6 (v) by redesignating paragraphs (3),
7 (4), and (6) as paragraphs (2), (3), and (7),
8 respectively;

9 (vi) in paragraph (2), as so redesign-
10 ated, by striking “legislation” and insert-
11 ing “legislative”;

12 (vii) in paragraph (3), as so redesign-
13 ated, by striking “recommendations for
14 improving” and inserting “actions taken to
15 improve”;

16 (viii) by inserting after paragraph (3),
17 as so redesignated, the following:

18 “(4) an evaluation of the effectiveness of each rel-
19 evant Federal agency in deploying the authorities
20 under title I and title II to address the needs de-
21 scribed under section 206(b)(2);

22 “(5) a summary of any steps taken to reduce
23 fraud in transactions under this Act and a fraud risk
24 assessment for all activities undertaken under this
25 Act;

1 “(6) a summary of activities by the National De-
 2 *fense Executive Reserve, along with any recommenda-*
 3 *tions for regulatory and legislative improvements to*
 4 *support the National Defense Executive Reserve;*
 5 *and”;* and

6 *(ix) in paragraph (7), as so redesign-*
 7 *ated, by striking “each” and inserting*
 8 *“any”;*

9 *(E) by redesignating subsection (e) as sub-*
 10 *section (k); and*

11 *(F) by inserting after subsection (d) the fol-*
 12 *lowing:*

13 “(e) *DEFENSE PRODUCTION ACT DASHBOARD.—The*
 14 *Executive Director of the Committee shall maintain a data-*
 15 *base that—*

16 “(1) *compiles and categorizes the actions re-*
 17 *ported under section 206(b)(4);*

18 “(2) *is available to all members of the Com-*
 19 *mittee, for the purpose of more effective coordination*
 20 *of actions authorized by this Act;*

21 “(3) *allows for real-time updates by the members*
 22 *of the Committee; and*

23 “(4) *is subject to appropriate information secu-*
 24 *rity, confidentiality, and classification requirements.*

25 “(f) *TOOLKIT AND ONLINE RESOURCES SITE.—*

1 “(1) *IN GENERAL.*—Not later than 365 days
2 *after the date of the enactment of this subsection, the*
3 *Committee shall develop a toolkit and an online ‘one-*
4 *stop shop’ that allows Federal agencies to share infor-*
5 *mation and resources with interested persons regard-*
6 *ing the use of authorities under this Act (other than*
7 *authorities under section 316 or title IV), including*
8 *the following:*

9 “(A) *The process for solicitations under*
10 *such authorities, including information on sub-*
11 *mitting offers and receiving assistance.*

12 “(B) *Opportunities under such authorities*
13 *for business concerns, including small business*
14 *concerns (as defined under section 3 of the Small*
15 *Business Act (15 U.S.C. 632)), to participate in*
16 *contracts and other funding mechanisms allowed*
17 *such authorities.*

18 “(C) *A searchable description of awards, in-*
19 *cluding an identification of the awardee and any*
20 *priority rating for such award, made using such*
21 *authorities.*

22 “(D) *A description of any voluntary agree-*
23 *ments and executive reserves established, con-*
24 *sistent with such authorities, including an iden-*
25 *tification of the parties engaged in each activity*

1 *and the goals and terms of such activity, as the*
 2 *Committee determines appropriate.*

3 “(E) *The contact information for an indi-*
 4 *vidual at each Federal agency to which the*
 5 *President may delegate such authorities.*

6 “(2) *OUTREACH.—Not later than 365 days after*
 7 *the development of the toolkit required in paragraph*
 8 *(1), and every 6 months thereafter, the Committee*
 9 *shall develop a plan for each Federal agency to which*
 10 *the President has delegated authorities under this Act*
 11 *(other than authorities under section 316 or title IV)*
 12 *to conduct outreach activities to educate the private*
 13 *sector about the commercial opportunities available*
 14 *under such authorities.*

15 “(g) *MEETINGS.—The Committee shall meet at least*
 16 *twice per year. The Chairperson of the Committee may con-*
 17 *vene such other meetings as the Chairperson determines nec-*
 18 *essary.*

19 “(h) *SUBCOMMITTEES.—*

20 “(1) *EMERGING TECHNOLOGY SUBCOMMITTEE.—*

21 “(A) *ESTABLISHMENT.—There is estab-*
 22 *lished within the Committee a Subcommittee on*
 23 *Emerging Technology.*

24 “(B) *ACTIVITIES.—The Subcommittee on*
 25 *Emerging Technology shall analyze—*

1 “(i) the effects or potential benefits of
2 covered technology on activities determined
3 essential to the national defense; and

4 “(ii) how covered technology can be
5 used within a single industry or Federal
6 agency, or across industries and Federal
7 agencies, to improve efficiencies, encourage
8 innovation, and address supply chain gaps

9 “(C) *REPORT ELEMENTS.*—The Sub-
10 committee on Emerging Technology shall in-
11 clude, in the annual report of the Defense Pro-
12 duction Act Committee, the analysis required
13 under subparagraph (B)(ii), including a descrip-
14 tion of how covered technology can be used with-
15 in a single industry or Federal agency, or across
16 industries and Federal agencies, to improve effi-
17 ciencies, conserve resources, and address supply
18 chain gaps, in support of national defense prior-
19 ities.

20 “(D) *COVERED TECHNOLOGY.*—For pur-
21 poses of this paragraph, the Subcommittee shall
22 establish a definition for the term ‘covered tech-
23 nology’ and, in establishing such definition, shall
24 consider including technologies in the fields of—

25 “(i) artificial intelligence and robotics;

- 1 “(ii) biotechnology;
- 2 “(iii) cryptography and quantum com-
- 3 puting;
- 4 “(iv) materials science;
- 5 “(v) semiconductors; and
- 6 “(vi) space.

7 “(2) *GENERAL SUBCOMMITTEE AUTHORITY.*—
 8 *The Executive Director may establish and convene*
 9 *such additional subcommittees of the Committee as*
 10 *the Executive Director determines appropriate to im-*
 11 *prove coordination among member agencies of the*
 12 *Committee regarding particular activities authorized*
 13 *under this Act.*

14 “(i) *FRAUD RISK MANAGEMENT IN TRANSACTIONS*
 15 *UNDER THIS ACT.*—*Not later than 1 year after the date*
 16 *of the enactment of this subsection, the Defense Production*
 17 *Act Committee shall—*

18 “(1) *establish and implement processes and pro-*
 19 *cedures consistent with leading practices in the Fraud*
 20 *Risk Framework established by the Government Ac-*
 21 *countability Office to combat fraud in transactions*
 22 *undertaken under this Act;*

23 “(2) *train personnel about the standards and*
 24 *practices established and implemented under para-*
 25 *graph (1); and*

1 “(3) designate a point of contact within the De-
 2 fense Production Act Committee to be responsible for
 3 managing issues relating to fraud, including coordi-
 4 nating with agencies to review fraud-related issues.

5 “(j) *TESTIMONY.*—The following persons, or their des-
 6 ignees, shall provide testimony to the Committee on Finan-
 7 cial Services of the House of Representatives and the Com-
 8 mittee on Banking, Housing, and Urban Affairs of the Sen-
 9 ate not later than 90 days following submission of the re-
 10 port described under subsection (d):

11 “(1) *The Executive Director.*

12 “(2) *Upon request of either such committee, the*
 13 *head of any Federal agency to which the President*
 14 *has delegated authority under this Act.”.*

15 **SEC. 6. PROHIBITION AND NOTIFICATION ON INVEST-**
 16 **MENTS RELATING TO COVERED NATIONAL**
 17 **SECURITY TRANSACTION.**

18 *The Defense Production Act of 1950 (50 U.S.C. 4501*
 19 *et seq.) is amended—*

20 (1) *by redesignating title VIII as title IV;*

21 (2) *by redesignating sections 801 through 809 as*
 22 *sections 401 through 409, respectively;*

23 (3) *in subsection (e)(1) of section 401, as so re-*
 24 *designated, by striking “section 709” and inserting*
 25 *“section 309”;*

1 (4) in section 402, as so redesignated—

2 (A) in subsection (a), by striking “section
3 801(a)” and inserting “section 401(a)”;

4 (B) in subsection (b)(1), by striking “sec-
5 tion 709” and inserting “section 309”; and

6 (C) in subsection (c), by striking “section
7 801” and inserting “section 401”;

8 (5) in subsection (a) of section 403, as so redesign-
9 nated—

10 (A) in paragraph (1), by striking “section
11 801(e) and 802(b)” and inserting “section 401(e)
12 or 402(b)”;

13 (B) in paragraph (2)—

14 (i) by striking “section 801(e) or
15 802(b)” and inserting “section 401(e) or
16 402(b)”;

17 (ii) by striking “section 801(e)” each
18 place such term appears and inserting “sec-
19 tion 401(e)”;

20 (C) in paragraph (3), by striking “section
21 802” and inserting “section 402”;

22 (6) in section 407, as so redesignated—

23 (A) in subsection (a), by striking “section
24 801 or 802” and inserting “section 401 or 402”;
25 and

1 *(B) in subsection (b)—*

2 *(i) in paragraph (3), by striking “sec-*
 3 *tion 801(a)” and inserting “section*
 4 *401(a)”;* *and*

5 *(ii) in paragraph (4), by striking*
 6 *“subsection 801(a)” and inserting “section*
 7 *401(a)”;*

8 *(7) in subsection (b)(4) of section 408, as so re-*
 9 *designated, by striking “section 805” and inserting*
 10 *“section 405”;* *and*

11 *(8) in section 409, as so redesignated—*

12 *(A) in paragraph (1), by striking “section*
 13 *804(d)” and inserting “section 404(d)”;*

14 *(B) in paragraph (4)(A)(viii), by striking*
 15 *“section 709” and inserting “section 309”;*

16 *(C) in paragraph (7)—*

17 *(i) in subparagraph (A), by striking*
 18 *“section 801” and inserting “section 401”;*
 19 *and*

20 *(ii) in subparagraph (B), by striking*
 21 *“section 709” and inserting “section 309”;*
 22 *and*

23 *(D) in paragraph (10)(B), by striking “sec-*
 24 *tion 709” and inserting “section 309”.*

1 **SEC. 7. STUDIES AND REPORTS.**

2 (a) *GAO STUDY ON STOCKPILING AND LONG-LEAD*
3 *ITEMS.*—

4 (1) *IN GENERAL.*—*The Comptroller General of*
5 *the United States shall, not later than 1 year after the*
6 *date of the enactment of this Act, begin a study on*
7 *the efficacy of the current methods used by DPA agen-*
8 *cies to address DPA-related long-lead items and re-*
9 *lated stockpiling challenges.*

10 (2) *REQUIREMENTS.*—*When conducting the*
11 *study required under paragraph (1), the Comptroller*
12 *General shall—*

13 (A) *examine how DPA-related long-lead*
14 *items are currently procured and stockpiled by*
15 *DPA agencies;*

16 (B) *identify ways in which Federal agencies*
17 *can work together to better address procurement*
18 *and stockpiling of DPA-related long-lead items;*
19 *and*

20 (C) *provide legislative recommendations, in-*
21 *cluding amendments to the DPA, to address pro-*
22 *curement of DPA-related long-lead items and the*
23 *stockpiling of such items.*

24 (3) *DEFINITIONS.*—*In this subsection:*

25 (A) *DPA.*—*The term “DPA” means the De-*
26 *fense Production Act of 1950.*

1 (B) *DPA AGENCY.*—*The term “DPA agen-*
 2 *cy” means a Federal agency to which the Presi-*
 3 *dent has delegated authority under the DPA.*

4 (C) *LONG-LEAD ITEM.*—*The term “long-lead*
 5 *item” means components of a system or piece of*
 6 *equipment for which the times to design and fab-*
 7 *ricate are the longest, and therefore, to which an*
 8 *early commitment of funds may be desirable to*
 9 *complete the system by the earliest possible.*

10 (b) *GAO REPORT ON THE DEFENSE PRODUCTION ACT*
 11 *COMMITTEE.*—*Not later than 2 years after the date of the*
 12 *enactment of this Act, the Comptroller General of the United*
 13 *States shall issue a report to the Committee on Financial*
 14 *Services of the House of Representatives and the Committee*
 15 *on Banking, Housing and Urban Affairs of the Senate that*
 16 *includes—*

17 (1) *an assessment of the quality of coordination*
 18 *and planning for the effective use of the authorities*
 19 *provided under section 317 of the Defense Production*
 20 *Act of 1950;*

21 (2) *an identification of authorities and require-*
 22 *ments provided for under Section 317 the Defense*
 23 *Production Act of 1950 that may call for greater use*
 24 *or compliance by the Defense Production Act Com-*
 25 *mittee; and*

1 (3) *any other recommendations relating to how*
 2 *the Defense Production Act Committee could improve*
 3 *the Committee’s coordination and planning.*

4 (c) *SUBCOMMITTEE ON EMERGING TECHNOLOGY RE-*
 5 *PORT ON POTENTIAL STRATEGIC RESERVE OF BIOLOGICAL*
 6 *INPUTS.—The Subcommittee on Emerging Technology of*
 7 *the Defense Production Act Committee shall, not later than*
 8 *18 months after the date of the enactment of this Act, submit*
 9 *to Congress an evaluation of the potential benefits and*
 10 *drawbacks, and any resources required, in establishing a*
 11 *strategic reserve of critical biomanufacturing essential to*
 12 *national defense activities under the Defense Production Act*
 13 *of 1950.*

14 **SEC. 8. CONFORMING AMENDMENTS.**

15 (a) *ADVANCE ACT OF 2024.—Section 301(d) of divi-*
 16 *sion B of the ADVANCE Act of 2024 (42 U.S.C. 2133 note)*
 17 *is amended by striking “section 712” and inserting “section*
 18 *316”.*

19 (b) *AMERICAN HOMEOWNERSHIP AND ECONOMIC OP-*
 20 *PORTUNITY ACT OF 2000.—Section 1102 of the American*
 21 *Homeownership and Economic Opportunity Act of 2000*
 22 *(Public Law 106-569) is amended by striking paragraph*
 23 *(2).*

24 (c) *ENERGY POLICY AND CONSERVATION ACT.—Sec-*
 25 *tion 252(h) of the Energy Policy and Conservation Act (42*

1 *U.S.C. 6272(h)) is amended by striking “Section 708” and*
 2 *inserting “Section 308”.*

3 *(d) FURTHER CONSOLIDATED APPROPRIATIONS ACT,*
 4 *2020.—Section 402(c) of the Further Consolidated Appro-*
 5 *priations Act, 2020 (12 U.S.C. 635 note) is amended by*
 6 *striking “section 721(a)(6)(A)” and inserting “section*
 7 *316(a)(6)(A)”.*

8 *(e) NATIONAL DEFENSE AUTHORIZATION ACT FOR*
 9 *FISCAL YEARS 1988 AND 1989 .—Section 272 of the Na-*
 10 *tional Defense Authorization Act for Fiscal Years 1988 and*
 11 *1989 (15 U.S.C. 4602(c)) is amended by striking “section*
 12 *719 of the Defense Production Act of 1950 (50 U.S.C. App.*
 13 *2168),”.*

14 *(f) NATIONAL DEFENSE AUTHORIZATION ACT FOR*
 15 *FISCAL YEAR 2020.—Section 847(e) of the National Defense*
 16 *Authorization Act for Fiscal Year 2020 is amended by strik-*
 17 *ing “section 721” and inserting “section 316”.*

18 *(g) NATIONAL DEFENSE AUTHORIZATION ACT FOR*
 19 *FISCAL YEAR 2022.—Effective on the date of enactment of*
 20 *the National Defense Authorization Act for Fiscal Year*
 21 *2022, section 1702(k)(4) of such Act is amended by striking*
 22 *“Defense Production Act” and inserting “Defense Produc-*
 23 *tion Act of 1950”.*

24 *(h) TITLE 10, UNITED STATES CODE.—Section*
 25 *4891(b)(1) of title 10, United States Code, is amended by*

1 striking “If the Secretary of Defense is acting as a designee
2 of the President under section 721(a) of the Defense Produc-
3 tion Act of 1950 (50 U.S.C. 4565(a)) and if the Secretary
4 determines” and inserting “If the Committee on Foreign
5 Investment in the United States determines, under section
6 316 of the Defense Production Act of 1950 (50 U.S.C.
7 4565),”.

8 (i) WILLIAM M. (MAC) THORNBERRY NATIONAL DE-
9 FENSE AUTHORIZATION ACT FOR FISCAL YEAR 2021.—Sec-
10 tion 848(b)(2)(C) of the William M. (Mac) Thornberry Na-
11 tional Defense Authorization Act for Fiscal Year 2021 (10
12 U.S.C. 4811 note) is amended by striking “title III” and
13 inserting “title II”.

Union Calendar No. 529

119TH CONGRESS
2D Session

H. R. 7688

[Report No. 119-611]

A BILL

To modernize and reauthorize the Defense
Production Act of 1950, and for other purposes.

APRIL 15, 2026

Reported with an amendment, committed to the Com-
mittee of the Whole House on the State of the Union,
and ordered to be printed