

119TH CONGRESS
1ST SESSION

H. R. 3597

To provide incentives for the domestic production of printed circuit boards,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2025

Mr. MOORE of Utah (for himself and Mr. KRISHNAMOORTHY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide incentives for the domestic production of printed
circuit boards, 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 “Protecting Circuit
5 Boards and Substrates Act”.

1 **SEC. 2. TAX CREDIT FOR THE PURCHASE OR ACQUISITION**
 2 **OF PRINTED CIRCUIT BOARDS & INTE-**
 3 **GRATED CIRCUIT SUBSTRATES MANUFAC-**
 4 **TURED IN THE UNITED STATES.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-
 6 chapter A of chapter 1 of the Internal Revenue Code of
 7 1986 is amended by inserting after section 45Z the fol-
 8 lowing new section:

9 **“SEC. 45AA. CREDIT FOR THE PURCHASE OR ACQUISITION**
 10 **OF PRINTED CIRCUIT BOARDS FABRICATED**
 11 **IN THE UNITED STATES.**

12 “(a) IN GENERAL.—For the purposes of section 38,
 13 the credit determined under this section for the taxable
 14 year is an amount equal to 25 percent of the cost paid
 15 or incurred by the taxpayer for the purchase or acquisition
 16 of printed circuit boards and Integrated Circuit Sub-
 17 strates fabricated in the United States for the taxable
 18 year.

19 “(b) DEFINITIONS.—For the purposes of this sec-
 20 tion—

21 “(1) PRINTED CIRCUIT BOARD.—The term
 22 ‘printed circuit board’ has the meaning given such
 23 term in section 3(a) of the Protecting Circuit Boards
 24 and Substrates Act.

25 “(2) FABRICATED.—The term ‘fabricated’
 26 means the use of raw materials to manufacture a

1 connected composite structure featuring electrically
 2 conductive and non-conductive elements by subtrac-
 3 tive, additive, or other technique.

4 “(3) INTEGRATED CIRCUIT SUBSTRATE.—The
 5 term ‘integrated circuit substrate’ means a thin com-
 6 posite structure of layered electrically conductive
 7 materials and organic electrically non-conductive ma-
 8 terials that electrically connects integrated circuits
 9 to an underlying structure, including a printed cir-
 10 cuit board.

11 “(c) REGULATIONS AND GUIDANCE.—The Secretary
 12 shall, in consultation with the Secretary of Commerce,
 13 promulgate such regulations and guidance as may be nec-
 14 essary or appropriate to carry out this section.”.

15 (b) CLERICAL AMENDMENT.—The table of sections
 16 for subpart D of part IV of subchapter A of chapter 1
 17 of such Code is amended by inserting after the item relat-
 18 ing to section 45Z the following new item:

“Sec. 45AA. Credit for the purchase or acquisition of printed circuit boards
 fabricated in the United States.”.

19 (c) CREDIT MADE PART OF GENERAL BUSINESS
 20 CREDIT.—Section 38(b) of the Internal Revenue Code of
 21 1986 is amended—

22 (1) in paragraph (37), by striking “plus”,
 23 (2) in paragraph (38), by striking the period at
 24 the end and inserting “, plus”, and

1 (3) by adding at the end the following new
2 paragraph:

3 “(39) the credit for the purchase or acquisition
4 of printed circuit boards fabricated in the United
5 States determined under section 45AA.”.

6 (d) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to amounts paid or incurred after
8 December 31, 2025.

9 **SEC. 3. INCENTIVES FOR PRINTED CIRCUIT BOARD MANU-**
10 **FACTURING AND RESEARCH AND DEVELOP-**
11 **MENT.**

12 (a) DEFINITIONS.—In this section:

13 (1) ACTIVE COMPONENT.—The term “active
14 component” means, with respect to a printed circuit
15 board, an electronic component within an electronic
16 circuit that relies on an external power source to
17 control or modify electrical signals.

18 (2) COVERED ENTITY.—The term “covered en-
19 tity” means a private entity, a consortium of private
20 entities, or a consortium of public and private enti-
21 ties with the ability to substantially finance, con-
22 struct, expand, or modernize a facility relating to
23 manufacturing or research and development of print-
24 ed circuit boards and integrated circuit substrates.

1 (3) COVERED INCENTIVE.—The term “covered
2 incentive” means—

3 (A) an incentive used for the purposes of
4 constructing, expanding, or modernizing a facil-
5 ity described in paragraph (2) that will be lo-
6 cated in the United States; and

7 (B) a workforce-related incentive (includ-
8 ing an agreement to provide grants for work-
9 force training or vocational education), any con-
10 cession with respect to real property, funding
11 for research and development with respect to
12 printed circuit boards, and any other incentive
13 determined by the Secretary, in consultation
14 with the Secretary of State, to be appropriate
15 and related to encouraging investment in facili-
16 ties and equipment in the United States for
17 manufacturing or research and development of
18 printed circuit boards for public or private com-
19 panies.

20 (4) FOREIGN ENTITY; FOREIGN ENTITY OF
21 CONCERN.—The terms “foreign entity” and “foreign
22 entity of concern” have the meanings given such
23 terms in section 9901 of the William M. (Mac)
24 Thornberry National Defense Authorization Act for

1 Fiscal Year 2021 (Public Law 116–283; 15 U.S.C.
2 4651).

3 (5) HISTORICALLY BLACK COLLEGE OR UNI-
4 VERSITY.—The term “historically Black college or
5 university” has the meaning given the term “part B
6 institution” in section 322 of the Higher Education
7 Act of 1965 (20 U.S.C. 1061).

8 (6) INSTITUTION OF HIGHER EDUCATION.—The
9 term “institution of higher education” has the
10 meaning given such term in section 101 of the High-
11 er Education Act of 1965 (20 U.S.C. 1001).

12 (7) INTEGRATED CIRCUIT SUBSTRATE.—The
13 term “integrated circuit substrate” means a thin
14 composite structure of layered electrically conductive
15 materials and organic electrically non-conductive ma-
16 terials that electrically connects integrated circuits
17 to an underlying structure, including a printed cir-
18 cuit board.

19 (8) INTELLIGENCE COMMUNITY.—The term
20 “intelligence community” has the meaning given
21 that term in section 3 of the National Security Act
22 of 1947 (50 U.S.C. 3003).

23 (9) MINORITY-OWNED BUSINESS AND WOMEN-
24 OWNED BUSINESS.—The terms “minority-owned
25 business” and “women-owned business” have the

1 meanings given such terms in section 704B(h) of the
2 Equal Credit Opportunity Act (15 U.S.C. 1691c–
3 2(h)).

4 (10) MINORITY-SERVING INSTITUTION.—The
5 term “minority-serving institution” means any of
6 the following:

7 (A) An Alaska Native-serving institution
8 (as that term is defined in section 317(b) of the
9 Higher Education Act of 1965 (20 U.S.C.
10 1059d(b))).

11 (B) A Native Hawaiian-serving institution
12 (as that term is defined in section 317(b) of
13 such Act (20 U.S.C. 1059d(b))).

14 (C) A Predominantly Black institution (as
15 that term is defined in section 371(c) of such
16 Act (20 U.S.C. 1067q(c))).

17 (D) An Asian American and Native Amer-
18 ican Pacific Islander-serving institution (as that
19 term is defined in section 320(b) of such Act
20 (20 U.S.C. 1059g(b))).

21 (E) A Native American-serving, nontribal
22 institution (as that term is defined in section
23 319(b) of such Act (20 U.S.C. 1059f(b))).

24 (11) PASSIVE COMPONENT.—The term “passive
25 component” means, with respect to a printed circuit

1 board, an electronic component within an electronic
2 circuit that functions using the existing electronic
3 current within the electronic circuit to control or
4 modify electrical signals.

5 (12) PERSON.—The term “person” means an
6 individual or entity.

7 (13) PRINTED CIRCUIT BOARD.—The term
8 “printed circuit board” means a composite structure
9 of layered electrically conductive and non-conductive
10 materials that provides interconnections with other
11 micro-electronics or electronics systems or sub-
12 systems and electrical connections between active
13 and passive components, and may include compo-
14 nents embedded in the composite structure.

15 (14) PROGRAM.—The term “Program” means
16 the program established under subsection (b)(1).

17 (15) SECRETARY.—The term “Secretary”
18 means the Secretary of Commerce.

19 (16) SMALL BUSINESS.—The term “small busi-
20 ness” has the meaning given the term “small busi-
21 ness concern” under section 3(a) of the Small Busi-
22 ness Act (15 U.S.C. 632(a)), except that section
23 121.103 of title 13, Code of Federal Regulations (or
24 any successor regulation) shall not apply.

1 (17) STATE.—The term “State” means each
2 State of the United States, the District of Columbia,
3 each commonwealth, territory, or possession of the
4 United States, and each federally recognized Indian
5 Tribe.

6 (18) VETERAN-OWNED BUSINESS.—The term
7 “veteran-owned business” has the meaning given the
8 term “small business concern owned and controlled
9 by veterans” in section 3(q) of the Small Business
10 Act (15 U.S.C. 632(q)).

11 (b) FINANCIAL ASSISTANCE PROGRAM.—

12 (1) IN GENERAL.—The Secretary shall establish
13 a program that, in accordance with the requirements
14 of this section and subject to the availability of ap-
15 propriations for such purposes, provides Federal fi-
16 nancial assistance to covered entities to incentivize
17 investment in facilities and equipment in the United
18 States for manufacturing or research and develop-
19 ment of printed circuit boards and integrated circuit
20 substrates.

21 (2) PROCEDURE.—

22 (A) IN GENERAL.—A covered entity shall
23 submit to the Secretary an application that de-
24 scribes the project for which the covered entity

1 is seeking financial assistance under the Pro-
2 gram.

3 (B) ELIGIBILITY.—Except as provided in
4 subparagraph (C), in order for a covered entity
5 to qualify for financial assistance under the
6 Program, the covered entity shall demonstrate
7 to the Secretary, in the application submitted
8 by the covered entity under subparagraph (A),
9 that—

10 (i) the covered entity has a docu-
11 mented interest in carrying out a project
12 that is a covered incentive; and

13 (ii) with respect to the project de-
14 scribed in clause (i), the covered entity
15 has—

16 (I) a plan the Secretary deter-
17 mines to be executable to sustain the
18 covered incentive described in clause
19 (i) without additional Federal finan-
20 cial assistance under the Program for
21 facility support;

22 (II) made commitments to work-
23 er and community investment, includ-
24 ing through—

1 (aa) training and education
2 benefits provided by or paid for
3 by the covered entity; and

4 (bb) programs to expand
5 employment opportunity for eco-
6 nomically disadvantaged individ-
7 uals; and

8 (III) secured commitments from
9 regional educational and training enti-
10 ties, postsecondary vocational institu-
11 tions (defined in section 102(c) of the
12 Higher Education Act of 1965 (20
13 U.S.C. 1002(c))), or institutions of
14 higher education to provide workforce
15 training, including programming for
16 training and job placement of eco-
17 nomically disadvantaged individuals.

18 (C) SMALL BUSINESS EXCEPTION.—The
19 requirements in subclauses (II) and (III) of
20 subparagraph (B)(ii) do not apply to small
21 businesses.

22 (D) DUE DILIGENCE.—With respect to the
23 review by the Secretary of an application sub-
24 mitted by a covered entity under subparagraph

1 (A), the Secretary may not approve the applica-
2 tion unless the Secretary—

3 (i) confirms that the covered entity
4 has satisfied the applicable eligibility cri-
5 teria under subparagraph (B); and

6 (ii) determines that the project to
7 which the application relates is in the in-
8 terest of the United States.

9 (E) CONSIDERATIONS FOR REVIEW.—

10 (i) IN GENERAL.—Except as provided
11 in clause (ii), with respect to the review by
12 the Secretary of an application submitted
13 by a covered entity under subparagraph
14 (A), the Secretary shall consider whether
15 the covered entity has—

16 (I) previously received financial
17 assistance under the Program; and

18 (II) demonstrated that it is re-
19 sponsive to the national security needs
20 or requirements established by the in-
21 telligence community (or an agency
22 thereof), the National Nuclear Secu-
23 rity Administration, or the Depart-
24 ment of Defense.

1 (ii) SMALL BUSINESSES EXCLUDED.—

2 Clause (i)(I) does not apply with respect to
3 an application submitted by a small busi-
4 ness under subparagraph (A).

5 (F) PREFERENCES.—

6 (i) IN GENERAL.—The Secretary
7 shall, when practicable, give preference
8 with respect to the approval of an applica-
9 tion submitted under subparagraph (A) by
10 a covered entity that—

11 (I) is a small business, minority-
12 owned business, women-owned busi-
13 ness, or veteran-owned business;

14 (II) expands the United States
15 production capacity of Printed Circuit
16 Boards and integrated circuit sub-
17 strates;

18 (III) is relocating a manufac-
19 turing facility of printed circuit
20 boards currently located in an area
21 owned by, controlled by, or subject to
22 the jurisdiction or direction of a for-
23 eign entity of concern; or

24 (IV) includes a workforce train-
25 ing program that is—

1 (aa) a historically Black col-
2 lege or university;

3 (bb) a Hispanic-serving in-
4 stitution (as such term is defined
5 in section 502(a) of the Higher
6 Education Act of 1965 (20
7 U.S.C. 1101a(a)));

8 (cc) a Tribal College or Uni-
9 versity (as such term is defined
10 in section 316(b) of the Higher
11 Education Act of 1965 (20
12 U.S.C. 1059c(b)));

13 (dd) a minority-serving in-
14 stitution;

15 (ee) a rural-serving institu-
16 tion of higher education (as such
17 term is defined in section 861(b)
18 of the Higher Education Act of
19 1965 (20 U.S.C. 1161q(b))); or

20 (ff) a workforce training or-
21 ganization that offers industry-
22 recognized, stackable, and port-
23 able credentialing programs.

24 (ii) DEFINITIONS.—In this subpara-
25 graph:

1 (I) STACKABLE.—The term
2 “stackable” means a credential that is
3 part of a set of sequenced, related cre-
4 dentials that demonstrating the in-
5 creasing qualifications of the indi-
6 vidual acquiring the credentials for
7 advancement along a specific career
8 path or to a more senior position in
9 the same or related career path.

10 (II) PORTABLE.—The term
11 “portable” means a credential that is
12 generally recognized and accepted by
13 a wide variety of entities and in mul-
14 tiple geographic locations as verifying
15 the qualifications of an individual.

16 (G) FOREIGN ENTITIES OF CONCERN EX-
17 CLUSION.—

18 (i) The Secretary may not approve an
19 application of a covered entity if the Sec-
20 retary determines that the covered entity is
21 a foreign entity of concern.

22 (ii) None of the funds authorized to
23 be appropriated to carry out this sub-
24 section may be provided to a foreign entity
25 of concern.

1 (H) RECORDS PRODUCTION.—

2 (i) IN GENERAL.—The Secretary may
3 request from a covered entity that submits
4 an application under subparagraph (A) any
5 records and other information that the
6 Secretary determines necessary for the
7 purposes of ascertaining whether an award
8 under the Program will be used for the
9 covered incentive for which such award is
10 sought, including records or other informa-
11 tion regarding the status of such project.

12 (ii) FUNDING RESTRICTION.—No cov-
13 ered entity that fails to provide records or
14 information requested by the Secretary
15 under this subparagraph shall be eligible
16 for Federal financial assistance under the
17 Program if such records or information are
18 reasonably available to such covered entity.

19 (3) AMOUNT.—

20 (A) IN GENERAL.—The Secretary shall de-
21 termine the appropriate amount and funding
22 type for each financial assistance award made
23 to a covered entity under the Program.

24 (B) LARGER INVESTMENT.—The amount
25 awarded under the Program with respect to any

1 individual project may not exceed \$300,000,000
2 unless the Secretary, in consultation with the
3 Secretary of Defense and the Director of Na-
4 tional Intelligence, recommends to the Presi-
5 dent, and the President notifies Congress, that
6 a larger award is necessary to—

7 (i) significantly increase the supply of
8 reliable, domestically produced printed cir-
9 cuit boards and integrated circuit sub-
10 strates that are relevant for the national
11 security and economic competitiveness of
12 the United States; and

13 (ii) meet the needs of national secu-
14 rity.

15 (4) USE OF FUNDS.—

16 (A) IN GENERAL.—Except as provided by
17 subparagraph (B), a covered entity that re-
18 ceives a financial assistance award under the
19 Program may only use the financial assistance
20 award amounts—

21 (i) for a covered incentive; and

22 (ii) to pay reasonable costs related to
23 the operating expenses for such covered in-
24 centive, including costs relating to the spe-
25 cialized workforce, essential materials, and

1 complex equipment maintenance, as deter-
2 mined by the Secretary.

3 (B) LARGER INVESTMENTS.—If the
4 amount awarded under the Program with re-
5 spect to the project is more than \$300,000,000,
6 the covered entity that received such award may
7 use such amounts only for the purposes de-
8 scribed in subparagraph (A) to the extent that
9 such use meets the national security needs or
10 enhances the economic competitiveness of the
11 United States.

12 (5) CLAWBACK.—

13 (A) DELAY CLAWBACK.—

14 (i) TARGET DATES.—With respect to
15 any award made under the Program, the
16 Secretary shall—

17 (I) determine target dates by
18 which the project with respect to
19 which such award was made shall
20 commence and complete; and

21 (II) set such dates by the time of
22 the award.

23 (ii) PROGRESSIVE RECOVERY FOR
24 DELAYS.—If a project is not commenced
25 and completed by the dates determined

1 under clause (i) for such project, the Sec-
2 retary shall progressively recover from the
3 recipient of the award for such project up
4 to the full amount of such award.

5 (iii) WAIVER.—In the case of a
6 project that is not commenced or com-
7 pleted by the dates determined under
8 clause (i) for such project, the Secretary
9 may waive elements of the clawback provi-
10 sions incorporated in the award made
11 under the Program for such project only if,
12 prior to granting such waiver, the Sec-
13 retary—

14 (I) makes a formal determination
15 that circumstances beyond the ability
16 of the covered entity to foresee or con-
17 trol are responsible for delays; and

18 (II) submits a notice to Congress.

19 (B) TECHNOLOGY CLAWBACK.—The Sec-
20 retary may recover the full amount of any
21 award made under the Program from the re-
22 cipient of the award if, during the period deter-
23 mined under subparagraph (A)(i) for the
24 project with respect to which such award was
25 made, the recipient knowingly engages in any

1 joint research or technology licensing effort
2 with a foreign entity of concern that relates to
3 a technology or product that raises national se-
4 curity concerns, as determined by the Secretary.

5 (C) NOTIFICATION TO CONGRESS.—

6 (i) IN GENERAL.—The Secretary shall
7 notify Congress of—

8 (I) the clawback provisions at-
9 tending each award described in sub-
10 paragraph (A)(i); and

11 (II) each waiver provided under
12 subparagraph (A)(iii) not later than
13 15 days after the date on which the
14 Secretary provides such waiver.

15 (ii) WAIVER NOTICE CONTENTS.—The
16 notice required under clause (i)(II) shall
17 include—

18 (I) the elements of the clawback
19 provisions that were waived under
20 subparagraph (A)(iii);

21 (II) an explanation of why such
22 waiver was provided;

23 (III) the duration of the delay
24 with respect to which such waiver was
25 granted; and

1 (IV) the name of the covered en-
2 tity that was granted such waiver.

3 (c) COORDINATION REQUIRED.—In carrying out the
4 Program, the Secretary shall coordinate with—

5 (1) the Secretary of State;

6 (2) the Secretary of Defense;

7 (3) the Secretary of Energy;

8 (4) the Director of National Intelligence;

9 (5) the Director of the Minority Business De-
10 velopment Agency of the Department of Commerce;

11 (6) the Administrator of the Small Business
12 Administration;

13 (7) the Director of the National Institute of
14 Standards and Technology;

15 (8) the Director of the Cybersecurity and Infra-
16 structure Agency; and

17 (9) the Director of the Office of Foreign Assets
18 Control of the Department of the Treasury.

19 (d) GAO REVIEWS.—The Comptroller General of the
20 United States shall—

21 (1) not later than 2 years after the date of dis-
22 bursement of the first award under the Program,
23 and biennially thereafter for 10 years, conduct a re-
24 view of the Program, which shall include—

1 (A) a determination of the number of
2 awards provided under the Program during the
3 two-year period immediately preceding the re-
4 view;

5 (B) an evaluation of how—

6 (i) such program is being carried out,
7 including how recipients of awards under
8 the Program are being selected; and

9 (ii) other Federal programs are lever-
10 aged for manufacturing, research, and
11 training to complement the awards made
12 under the Program; and

13 (C) a description of the outcomes of
14 projects supported by awards made under the
15 Program, including a description of—

16 (i) facilities described in subsection
17 (b)(1) that were constructed, expanded, or
18 modernized as a result of such awards;

19 (ii) research and development carried
20 out with such awards;

21 (iii) workforce training programs car-
22 ried out with such awards, including ef-
23 forts to hire economically disadvantaged
24 individuals; and

1 (iv) the effects of such projects on the
2 United States share of global printed cir-
3 cuit board production; and

4 (2) notify Congress of the results of each review
5 conducted under paragraph (1).

6 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
7 authorized to be appropriated \$3,000,000,000 for fiscal
8 year 2026, to remain available through fiscal year 2065,
9 to carry out this section.

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