

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.

(3) Selection of entities

(A) In general

In carrying out paragraph (1), the Secretary shall, through a competitive process, select two or more entities to carry out the activities described in paragraph (2) as part of the network established under paragraph (1).

(B) Geographic diversity

The Secretary shall, to the extent practicable, ensure that the entities selected under subparagraph (A) collectively represent the geographic diversity of the United States.

(Pub. L. 116-283, div. H, title XCIX, §9903, Jan. 1, 2021, 134 Stat. 4849; Pub. L. 117-81, div. A, title II, §217, Dec. 27, 2021, 135 Stat. 1596.)

Editorial Notes

REFERENCES IN TEXT

Section 224 of the National Defense Authorization Act for Fiscal Year 2020, referred to in subsec. (a)(2)(E), is section 224 of Pub. L. 116-92, which is set out as a note preceding section 4501 of Title 10, Armed Forces.

Section 2371 of title 10, referred to in subsec. (a)(4), was renumbered section 4021 of Title 10, Armed Forces, by Pub. L. 116-283, §1841(b)(1), as amended by Pub. L. 117-81, §1701(u)(2)(B), Dec. 27, 2021, 135 Stat. 2151.

AMENDMENTS

2021—Subsec. (b)(1). Pub. L. 117-81, §217(1), substituted “shall” for “may” in introductory provisions.

Subsec. (b)(3). Pub. L. 117-81, §217(2), added par. (3).

Statutory Notes and Related Subsidiaries

“CONGRESSIONAL DEFENSE COMMITTEES” DEFINED

For definition of “congressional defense committees” as the Committees on Armed Services and Appropriations of the Senate and the House of Representatives, see section 101 of Title 10, Armed Forces, as made applicable by section 3 of Pub. L. 116-283, which is listed in a table under section 101 of Title 10.

§ 4654. 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 January 1, 2021, 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 4555 of title 50, 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 4555 of title 50 and section¹ 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 4555 of title 50 and section¹ 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.

¹ So in original. Probably should be “part”.

(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.

(Pub. L. 116-283, div. H, title XCIX, §9904, Jan. 1, 2021, 134 Stat. 4852.)

§ 4655. 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 January 1, 2021, 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 microelectronic supply chains.