

AMENDMENT TO RULES COMM. PRINT 119–33
OFFERED BY MR. BAUMGARTNER OF
WASHINGTON

At the end of subtitle B of title XVII, insert the following:

1 **SEC. 17___ . MULTILATERAL ALIGNMENT OF TECHNOLOGY**
2 **CONTROLS ON HARDWARE.**

3 (a) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) advanced computing applications like artifi-
6 cial intelligence are transforming military affairs and
7 the balance of power;

8 (2) the United States and its allies have an ad-
9 vantage in the foundational technologies that under-
10 pin advanced computing applications, including ad-
11 vanced-node integrated circuits and production, and
12 the equipment and software required to design and
13 produce advanced-node integrated circuits;

14 (3) robust semiconductor technology controls
15 have been a bipartisan priority across multiple ad-
16 ministrations, reflecting a shared recognition that
17 protecting America’s semiconductor advantage is es-
18 sential to national security;

1 (4) the United States should continue to update
2 its export controls so that country of concern entities
3 that are engaged in efforts to produce advanced-
4 node integrated circuits and are especially crucial for
5 the Military-Civil Fusion efforts of countries of con-
6 cern, are not using United States and allied tech-
7 nologies to undermine their national security;

8 (5) companies located in adversary countries
9 that produce semiconductor manufacturing equip-
10 ment are critical to adversaries' efforts to develop
11 advanced-node integrated circuit production capabili-
12 ties and overcome export controls, and should not be
13 permitted to utilize or benefit from United States' or
14 allied technology or components; and

15 (6) the United States Government should work
16 closely with allies and partners of the United States
17 to align export controls on semiconductor manufac-
18 turing equipment and components to ensure effective
19 restrictions, prevent gaps in controls, reduce the risk
20 of circumvention, and ensure a level global playing
21 field.

22 (b) REPORT AND APPLICATION OF CONTROLS.—

23 (1) IDENTIFYING KEY CHOKEPOINT SEMICON-
24 DUCTOR MANUFACTURING EQUIPMENT AND FACILI-
25 TIES.—Not later than 90 days after the date of the

1 enactment of this Act, and annually thereafter for
2 five years, the covered agency heads shall jointly
3 conduct a review to identify, in consultation with
4 United States partners and allies, all key chokepoint
5 semiconductor manufacturing equipment and all key
6 semiconductor manufacturing facilities that warrant
7 export controls to safeguard the national security of
8 the United States and its partners and allies.

9 (2) REVIEW CONTENTS.—The covered agency
10 heads, in carrying out paragraph (1), shall, at min-
11 imum, assess—

12 (A) how covered agency heads shall deter-
13 mine if no country of concern produces semi-
14 conductor manufacturing equipment in high
15 volume and with capabilities comparable to
16 those of the product sold by the United States
17 and allied supplier countries;

18 (B) what, if any, specific semiconductor
19 manufacturing equipment and components
20 therefor meet the criteria outlined in paragraph
21 (1) as key chokepoint semiconductor manufac-
22 turing equipment, such as electrostatic chucks,
23 deep ultraviolet light sources, and certain radio
24 frequency power generators, impedance match-
25 ing networks, optics, and lasers;

1 (C) how covered agency heads shall deter-
2 mine which entities within a country of concern,
3 including whether their subsidiaries and affili-
4 ates, are engaged in the production of ad-
5 vanced-node integrated circuits and qualify as
6 key semiconductor manufacturing facilities;

7 (D) what entities within a country of con-
8 cern, including whether their subsidiaries and
9 affiliates, are key semiconductor manufacturing
10 facilities that are engaged in the production of
11 advanced-node integrated circuits; and

12 (E) United States controls on key semicon-
13 ductor equipment and key semiconductor manu-
14 facturing facilities that allied supplier countries
15 do not similarly control.

16 (3) PUBLIC INPUT.—The covered agency heads
17 shall provide a mechanism for the public and indus-
18 try to confidentially share information in carrying
19 out this section.

20 (4) REPORT.—The covered agency heads shall
21 submit to the appropriate congressional committees
22 a report, that may include a classified annex, on the
23 results of the review required by subsection (b) that
24 includes—

1 (A) the list of key chokepoint semicon-
2 ductor manufacturing equipment and key semi-
3 conductor manufacturing facilities, and the un-
4 derlying analysis supporting each specific find-
5 ing; and

6 (B) if any items listed in paragraph (2)
7 are not determined to be key chokepoint semi-
8 conductor manufacturing equipment and the
9 methodology for that determination and its un-
10 derlying analysis, as well as a certification that
11 the United States Government has no informa-
12 tion indicating that the items listed in para-
13 graph (2) do qualify as key chokepoint semicon-
14 ductor manufacturing equipment or key semi-
15 conductor manufacturing facilities, respectively.

16 (5) DIPLOMATIC ENGAGEMENT.—

17 (A) IN GENERAL.—Upon the date of the
18 enactment of this Act, the covered agency heads
19 shall immediately engage diplomatically to seek
20 for the governments of allied supplier countries
21 to adopt—

22 (i) countrywide controls on key
23 chokepoint semiconductor manufacturing
24 equipment subject to the allied supplier
25 country's jurisdiction, or other controls

1 and licensing policies having the same
2 practical effect; and

3 (ii) export controls for the export, re-
4 export, or in-country transfer of all appli-
5 cable items to any key semiconductor man-
6 ufacturing facility with a licensing policy of
7 presumption of denial, and a licensing re-
8 quirement for the servicing of all applicable
9 items at any key semiconductor manufac-
10 turing facilities.

11 (B) REPORT ON DIPLOMATIC EFFORTS.—

12 Not later than 120 days after the date of the
13 enactment of this Act, the covered agency heads
14 shall submit to the appropriate congressional
15 committees a report that—

16 (i) summarizes the diplomatic efforts
17 to secure the adoption by allied supplier
18 countries of the controls described in sub-
19 paragraph (A);

20 (ii) describes the status of negotia-
21 tions and any agreements reached;

22 (iii) outlines any agreement the
23 United States and allied supplier countries
24 have reached to jointly control the key
25 chokepoint semiconductor manufacturing

1 equipment and key semiconductor manu-
2 facturing facilities described in subpara-
3 graph (A);

4 (iv) outlines and assesses any addi-
5 tional incentives needed to encourage adop-
6 tion of these controls; and

7 (v) identifies—

8 (I) allied supplier countries that
9 have not adopted the controls de-
10 scribed in subparagraph (A)(i);

11 (II) allied supplier countries that
12 have not adopted the controls de-
13 scribed in subparagraph (A)(ii); and

14 (III) measures that the United
15 States could take to implement the
16 controls described in subparagraph
17 (A).

18 (6) EXHAUSTION OF DIPLOMATIC RECOURSE
19 AND APPLICATION OF CONTROLS.—

20 (A) APPLICATION OF CONTROLS.—Not
21 later than 240 days after the date of the enact-
22 ment of this Act, and annually thereafter, the
23 Secretary shall publish regulations that—

24 (i) ensure all United States country-
25 wide controls include all United States-ori-

1 gin key chokepoint semiconductor manu-
2 facturing equipment; and

3 (ii) ensure all key semiconductor man-
4 ufacturing facilities in countries of concern
5 are subject to comprehensive United States
6 restrictions.

7 (B) EXHAUSTION OF DIPLOMATIC RE-
8 COURSE.—By not later than the date that is
9 240 days after the date of the enactment of this
10 Act, the covered agency heads shall jointly ei-
11 ther—

12 (i) certify to the appropriate congres-
13 sional committees that all allied supplier
14 countries have implemented—

15 (I) countrywide controls over all
16 key chokepoint semiconductor manu-
17 facturing equipment subject to the al-
18 lied supplier country’s jurisdiction, or
19 other controls and licensing policies
20 having the same practical effect; and

21 (II) license requirements for the
22 exports, reexports, or transfers for all
23 applicable items to any key semicon-
24 ductor manufacturing facility, with a
25 licensing policy of presumption of de-

1 nial, or other controls and licensing
2 policies having the same practical ef-
3 fect; or

4 (ii) provide a list to the appropriate
5 congressional committees of any allied sup-
6 plier countries that have not implemented
7 all controls described in subclauses (I) and
8 (II) of clause (i).

9 (C) EXTENSION OF CONTROLS.—Unless
10 the covered agency heads provide the certifi-
11 cation in subparagraph (B)(i), the Secretary
12 shall impose United States controls on or estab-
13 lish United States jurisdiction over and issue
14 regulations that, directly or indirectly, such as
15 by restricting the end-uses of essential compo-
16 nents of such equipment that are already sub-
17 ject to United States jurisdiction, clarifying ap-
18 plications of section 764.2 or General Prohibi-
19 tion 10 of section 736.2 of the Export Adminis-
20 tration Regulations, or other methods—

21 (i) apply countrywide controls to all
22 key chokepoint semiconductor manufac-
23 turing equipment exported or re-exported
24 from countries identified by the covered
25 agency heads under subparagraph (B)(ii)

1 and countries of concern, whether by es-
2 tablishing jurisdiction over such items and
3 applying controls directly, or indirectly,
4 such as by restricting the end-uses of es-
5 sential components of such equipment that
6 are already subject to United States juris-
7 diction, removing existing license exemp-
8 tions for key chokepoint semiconductor
9 manufacturing equipment and components
10 for allied supplier countries in the Export
11 Administration Regulations, clarifying the
12 application of section 764.2 or General
13 Prohibition 10 of section 736.2 of the Ex-
14 port Administration Regulations, or other
15 methods;

16 (ii) require a license for all servicing
17 of any applicable item located in any key
18 semiconductor manufacturing facility, in-
19 cluding by clarifying the application of sec-
20 tion 764.2 or General Prohibition 10 of
21 section 736.2 of the Export Administration
22 Regulations; and

23 (iii) establish jurisdiction over, and
24 apply end-user or end-use controls prohib-
25 iting, the export or re-export from coun-

1 tries identified by the covered agency heads
2 under subparagraph (B)(ii) and countries
3 of concern of all applicable items to any
4 key semiconductor manufacturing facility.

5 (7) NATIONAL SECURITY WAIVER.—The Sec-
6 retary may grant a one-time waiver to extend the
7 240-day deadline under paragraph (6)(B) by not
8 more than 60 days, if the Secretary—

9 (A) determines and certifies to the appro-
10 priate congressional committees that—

11 (i) the extension is in the national se-
12 curity interest of the United States, de-
13 spite the risk that countries of concern
14 may take advantage of the delay to further
15 stockpile key chokepoint semiconductor
16 manufacturing equipment; and

17 (ii) the governments of an allied sup-
18 plier country or countries are taking con-
19 crete, verifiable steps, pursuant to their do-
20 mestic laws and regulations and as expedi-
21 tiously as possible, to adopt and implement
22 controls that are fully-aligned with, or
23 more stringent than, the controls that
24 would otherwise be imposed under para-
25 graph (6)(C); and

1 (B) submits to the appropriate congress-
2 sional committees a report describing—

3 (i) the details justifying the national
4 security interest determination and
5 progress that is intended to be achieved by
6 the extension; and

7 (ii) the concrete and verifiable interim
8 steps the covered agency heads have taken
9 to prevent stockpiling of key chokepoint
10 semiconductor manufacturing equipment
11 by countries of concern.

12 (8) WAIVER PROHIBITION.—The Secretary may
13 not exercise the waiver authority under paragraph
14 (7) in a manner that would result in or allow allied
15 supplier countries' controls or licensing policies to
16 not have the same practical effect as United States
17 controls or in a manner that would harm the tech-
18 nology leadership of United States companies in re-
19 lation to companies from allied supplier countries.

20 (9) REPORT.—Not later than 180 days after
21 the date of the enactment of this Act, and annually
22 thereafter for five years, the covered agency heads
23 shall submit to the appropriate congressional com-
24 mittees a report that includes—

1 (A) a list of all key chokepoint semicon-
2 ductor manufacturing equipment;

3 (B) a list of all key semiconductor manu-
4 facturing facilities and all entities that own or
5 operate any key semiconductor manufacturing
6 facility;

7 (C) the scope of the controls described in
8 paragraph (2)(A) imposed by the United States
9 and allied supplier countries for all key
10 chokepoint semiconductor manufacturing equip-
11 ment identified pursuant to subparagraph (A);

12 (D) a summary of diplomatic engagements
13 and export control actions undertaken in the
14 12-months period prior to the submission of the
15 report to close any gap in the controls described
16 in paragraph (2)(A) among allied supplier coun-
17 tries;

18 (E) a certification that the export of all
19 key chokepoint semiconductor manufacturing
20 equipment to a country of concern, and the ex-
21 port, reexport, or in-country transfer of all ap-
22 plicable items to any key semiconductor manu-
23 facturing facility, requires a United States or
24 allied license and applications for such licenses

1 will be reviewed under a licensing policy of a
2 presumption of denial; and

3 (F) a certification that the servicing of all
4 applicable items to any key semiconductor man-
5 ufacturing facility requires a United States or
6 allied license and applications for such licenses
7 are reviewed under the same standard.

8 (10) NONPUBLICATION OF CONFIDENTIAL CER-
9 TIFICATIONS AND REPORTS.—The covered agency
10 heads and the Secretary, as applicable, may elect to
11 submit the certifications described in paragraph
12 (6)(B)(i) and paragraph (7)(A), as well as the re-
13 ports required by paragraph (7)(B) and paragraph
14 (9), in a confidential manner to the appropriate con-
15 gressional committees. Such committees shall take
16 such steps as may be necessary to ensure that a cer-
17 tification or report submitted in such a manner is
18 not made publicly available.

19 (11) COMPLIANCE ASSISTANCE WITH EXTEN-
20 SION OF CONTROLS.—At the time of imposing con-
21 trols pursuant to paragraph (6)(C), the Under Sec-
22 retary for Industry and Security shall also send is-
23 informed letters to the principal executive officers of
24 companies that produce key chokepoint semicon-
25 ductor manufacturing equipment and components in

1 allied supplier countries and in countries of concern
2 describing the controls issued pursuant to paragraph
3 (6)(C), the legal obligations imposed by the controls
4 described, and the penalties described in section
5 1760 of the Export Control Reform Act of 2018 (50
6 U.S.C. 4819) for potential violation of the controls.

7 (12) TERMINATION AND REIMPOSITION OF CON-
8 TROLS UPON ALLIED ACTION.—

9 (A) TERMINATION OR MODIFICATION.—If
10 the covered agency heads determine that an al-
11 lied supplier country has implemented all the
12 controls described in paragraph (6)(B)(i), the
13 covered agency heads may, upon notifying the
14 appropriate congressional committees of such
15 determination, including with such notification
16 the evidence supporting the determination and
17 details on the mechanisms for ensuring ongoing
18 monitoring to ensure sufficient ability to exer-
19 cise the reimposition actions described in sub-
20 paragraph (B), terminate or modify any United
21 States control imposed under paragraph (6)(C)
22 for items exported from that allied supplier
23 country.

24 (B) REIMPOSITION.—If, after terminating
25 or modifying a control under subparagraph (A),

1 the covered agency heads determine that the al-
2 lied supplier country has materially weakened,
3 including through licensing administration poli-
4 cies or practices, suspended, or revoked the con-
5 trol or respective licensing policy of presump-
6 tion of denial that justified the termination or
7 modification under subparagraph (A), the cov-
8 ered agency heads shall, not later than 60 days
9 after making such determination—

10 (i) notify the appropriate congress-
11 sional committees of such determination;
12 and

13 (ii) reimpose the United States con-
14 trol under paragraph (6)(B) that was ter-
15 minated or modified under subparagraph
16 (A).

17 (13) ADMINISTRATIVE PROCEDURE ACT RULE-
18 MAKING AND JUDICIAL REVIEW.—The provisions of
19 section 1762 of the Export Control Reform Act of
20 2018 (50 U.S.C. 4821) shall apply to this section in
21 the same manner and to the same extent as such
22 provisions apply to the Export Control Reform Act
23 of 2018.

1 (c) ASSESSMENT OF PEOPLE'S REPUBLIC OF
2 CHINA'S MILITARY USE OF ARTIFICIAL INTEL-
3 LIGENCE,—

4 (1) IN GENERAL.—No later than 180 days after
5 the enactment of this Act, and annually thereafter,
6 the Secretary of Defense shall submit a report to the
7 Committees on Armed Services and Foreign Affairs
8 of the House of Representatives and the Committees
9 on Armed Services and Foreign Relations of the
10 Senate on the People's Liberation Army Navy's use
11 of artificial intelligence.

12 (2) CONTENTS.—The report shall detail how
13 the People's Liberation Army Navy is using artificial
14 intelligence for its modernization efforts and force
15 posture in the Western Pacific. This shall include
16 how the People's Liberation Army Navy is exploiting
17 access to United States and allied advanced semicon-
18 ductor technologies and artificial intelligence.

19 (3) FORM.—This report shall be unclassified
20 but may include a classified annex.

21 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
22 tion may be construed to direct the covered agency heads
23 to enact unilateral controls or licensing policies in which
24 any allied supplier country's controls or licensing policies

1 do not have the same practical effect as United States con-
2 trols.

3 (e) SUNSET.—

4 (1) EXPIRATION.—This section shall cease to
5 have effect beginning on the date that is five years
6 after the date of the enactment of this Act.

7 (2) CONTINUATION OF PRIOR OBLIGATIONS.—

8 The expiration of this section under paragraph (1)
9 shall not affect any action, proceeding, or obligation
10 that was commenced or incurred prior to such expi-
11 ration.

12 (f) DEFINITIONS.—In this section:

13 (1) ADVANCED-NODE INTEGRATED CIRCUITS.—

14 The term “advanced-node integrated circuits” has
15 the meaning given that term in section 772.1 of the
16 Export Administration Regulations (as in effect on
17 January 1, 2026).

18 (2) ALLIED SUPPLIER COUNTRY.—The term

19 “allied supplier country” means any country that—

20 (A) is not a country of concern; and

21 (B) is engaged in the production of key
22 chokepoint semiconductor manufacturing equip-
23 ment.

24 (3) APPLICABLE ITEM.—The term “applicable

25 item” means any item that is or can be made sub-

1 ject to the Export Administration Regulations, in-
2 cluding—

3 (A) a foreign-produced item that is the di-
4 rect product of, or produced by plants or major
5 components that are themselves the direct prod-
6 uct of software or technology subject to the Ex-
7 port Administration Regulations;

8 (B) a foreign-produced item with more
9 than zero percent de minimis controlled United
10 States-origin content; and

11 (C) a foreign-produced item that contain
12 United States-origin or foreign-produced inte-
13 grated circuits that are presumptively designed
14 or produced, directly or indirectly, with tech-
15 nology, software, or equipment that is subject
16 to the Export Administration Regulations.

17 (4) APPROPRIATE CONGRESSIONAL COMMIT-
18 TEES.—The term “appropriate congressional com-
19 mittees” means—

20 (A) the Committee on Banking, Housing,
21 and Urban Affairs of the Senate; and

22 (B) the Committee on Foreign Affairs of
23 the House of Representatives.

24 (5) COUNTRY OF CONCERN.—The term “coun-
25 try of concern” means—

1 (A) the People’s Republic of China, includ-
2 ing the Hong Kong and Macau Special Admin-
3 istrative Regions;

4 (B) the Islamic Republic of Iran;

5 (C) the Democratic People’s Republic of
6 Korea;

7 (D) the Russian Federation; and

8 (E) any other foreign country listed in the
9 Country Group D:5 under Supplement No. 1 to
10 part 740 of the Export Administration Regula-
11 tions, as published on January 1, 2026, that is
12 designated by the Secretary of State as a coun-
13 try of concern for purposes of this section and
14 for which notice of such designation has been
15 published in the Federal Register.

16 (6) COUNTRYWIDE CONTROLS.—The term
17 “countrywide controls” means licensing require-
18 ments and a policy of presumption of denial for the
19 export, reexport, or in-country transfer, and licens-
20 ing requirements for servicing, of all specified items
21 to any destination within any country of concern, ex-
22 cluding exports where the destination is a manufac-
23 turing facility that existed as of the date of the en-
24 actment of this Act and remains owned and operated
25 by a company headquartered, and having an ulti-

1 mate parent headquartered, outside of any country
2 of concern.

3 (7) COVERED AGENCY HEADS.—The term “cov-
4 ered agency heads” means the Under Secretary of
5 Commerce for Industry and Security and the Sec-
6 retary of State, in coordination with the Secretary of
7 Energy and the Secretary of Defense, or their des-
8 ignees.

9 (8) KEY SEMICONDUCTOR MANUFACTURING FA-
10 CILITY.—The term “key semiconductor manufac-
11 turing facility” means any facility—

12 (A) which is—

13 (i) located in a country of concern;

14 (ii) engaged in the production of ad-
15 vanced-node integrated circuits; and

16 (iii) not a manufacturing facility
17 that—

18 (I) existed as of the date of the
19 enactment of this Act; and

20 (II) remains owned and operated
21 by a company which is headquartered
22 and has an ultimate parent
23 headquartered outside of any country
24 of concern; or

1 (B) of any entity described in section
2 5949(j)(3)(A) or (B) of the James M. Inhofe
3 National Defense Authorization Act for Fiscal
4 Year 2023 that is restricted by end-user or end-
5 use United States controls as of January 1,
6 2026, including end-user or end-use controls de-
7 scribed in the interim final rule, titled “Imple-
8 mentation of Additional Due Diligence Meas-
9 ures for Advanced Computing Integrated Cir-
10 cuits; Amendments and Clarifications; and Ex-
11 tension of Comment Period” (90 Fed. Reg.
12 5298); or

13 (C) of any producer or manufacturer of
14 semiconductor manufacturing equipment that is
15 headquartered in, or has an ultimate parent
16 headquartered in, a country of concern.

17 (9) KEY CHOKEPOINT SEMICONDUCTOR MANU-
18 FACTURING EQUIPMENT.—The term “key
19 chokepoint semiconductor manufacturing equip-
20 ment”—

21 (A) means semiconductor manufacturing
22 equipment or a component therefor that—

23 (i) is an applicable item; and

24 (ii) the covered agency heads deter-
25 mine no country of concern produces in

1 high volume and with capabilities com-
2 parable to those of the product sold by the
3 United States and allied supplier countries;
4 and

5 (B) includes, at a minimum, all semicon-
6 ductor manufacturing equipment or components
7 specified in Export Control Classification Num-
8 ber 3B001, 3B002, or equipment meeting the
9 parameters of Export Control Classification
10 Number 3B993.f.1 (excluding the parameters
11 described in 3B993.f.1.b.2), as in effect on Jan-
12 uary 1, 2026.

13 (10) EXPORT; IN-COUNTRY TRANSFER; REEX-
14 PORT; EXPORT ADMINISTRATION REGULATIONS.—
15 The terms “export”, “in-country transfer”, “reex-
16 port”, and “Export Administration Regulations”
17 have the meanings given such terms in section 1742
18 of the Export Control Reform Act of 2018 (50
19 U.S.C. 4801).

20 (11) SECRETARY.—Except as otherwise pro-
21 vided, the term “Secretary” means the Secretary of
22 Commerce, in coordination with Secretary of State,
23 Secretary of Defense, and Secretary of Energy.

24 (12) SERVICING.—The term “servicing” means
25 any servicing of equipment or components, whether

1 in-person or remote, including installation, calibra-
2 tion, repair, overhauling, refurbishing, testing, diag-
3 nosing, updating software or firmware, training,
4 field services, application support engineering,
5 customization, technical assistance, process adjust-
6 ments, troubleshooting, and transfer of industry best
7 practices for maintenance.

