

**AMENDMENT TO RULES COMMITTEE PRINT 119-**

**33**

**OFFERED BY MR. BEGICH OF ALASKA**

At the end of subtitle A of title XVII, insert the following new section:

1 **SEC. 17\_\_\_ . STUDY, STRATEGY, AND REPORT ON DEPART-**  
2 **MENT OF DEFENSE RELIANCE ON TRANSPOR-**  
3 **TATION SYSTEMS INCORPORATING CHINESE-**  
4 **ORIGIN COMPONENTS.**

5 (a) DEFINITIONS.—In this section:

6 (1) The term “appropriate congressional com-  
7 mittees” means—

8 (A) the Committee on Armed Service of  
9 the Senate;

10 (B) the Committee on Commerce, Science,  
11 and Transportation of the Senate;

12 (C) the Committee on Armed Services of  
13 the House of Representatives; and

14 (D) the Committee on Transportation and  
15 Infrastructure of the House of Representatives.

16 (2) The term “covered Chinese entity” means  
17 an entity that—

1 (A) is organized under the laws of, or has  
2 its principal place of business in, the People's  
3 Republic of China;

4 (B) is owned, is controlled by, or operates  
5 under the direction of the Government of the  
6 People's Republic of China, the Chinese Com-  
7 munist Party, or the People's Liberation Army;

8 (C) appears on the list maintained under  
9 section 1260H of the National Defense Author-  
10 ization Act for Fiscal Year 2021 (Public Law  
11 116–283; 10 U.S.C. 113 note), or on a similar  
12 list maintained by the Secretary of Defense, the  
13 Secretary of Commerce, the Secretary of the  
14 Treasury, or the Federal Communications Com-  
15 mission; or

16 (D) is otherwise determined by the Sec-  
17 retary of Defense, in consultation with the Di-  
18 rector of National Intelligence, to be subject to  
19 influence of, or direction by, the Government of  
20 the People's Republic of China such that the in-  
21 clusion of such entity in a transportation sys-  
22 tem would present a national security risk.

23 (3) The term “covered component” means—

24 (A) any covered telecommunications equip-  
25 ment or services, as defined in section 889(f)(3)

1 of the National Defense Authorization Act for  
2 Fiscal Year 2019 (Public Law 115–232);

3 (B) any covered communications equip-  
4 ment or service on the list maintained by the  
5 Federal Communications Commission pursuant  
6 to section 2(a) of the Secure and Trusted Com-  
7 munications Networks Act of 2019 (47 U.S.C.  
8 1601(a));

9 (C) any equipment, hardware, firmware,  
10 software, sensor, communications module, or  
11 technology component produced, developed,  
12 manufactured, supplied, maintained, or re-  
13 motely updated by a covered Chinese entity;  
14 and

15 (D) any goods, services, or technology that  
16 the Department of Defense is prohibited from  
17 procuring under section 805 of the National  
18 Defense Authorization Act for Fiscal Year 2024  
19 (Public Law 118–31).

20 (4) The term “covered transportation system”  
21 means—

22 (A) any transportation, as defined in sec-  
23 tion 13102(23) of title 49, United States Code;

1 (B) any aircraft or air navigation facility,  
2 as those terms are defined in section 40102(a)  
3 of title 49, United States Code;

4 (C) any rolling stock, as that term is used  
5 in section 5302 of title 49, United States Code,  
6 and any rail fixed guideway public transpor-  
7 tation system;

8 (D) any port facility, terminal operating  
9 system, or cargo handling equipment used at a  
10 strategic seaport, as defined in section  
11 54301(a)(12)(E) of title 46, United States  
12 Code;

13 (E) any unmanned aircraft system, as that  
14 term is defined in section 44801(12) of title 49,  
15 United States Code; and

16 (F) any control system, telematics, or  
17 other connected-vehicle technology used in con-  
18 nection with a transportation system described  
19 in subparagraphs (A) through (E).

20 (b) FEASIBILITY STUDY.—Not later than 180 days  
21 after the date of the enactment of this section, the Sec-  
22 retary of Defense, in coordination with the Secretary of  
23 Transportation, the Secretary of Homeland Security, and  
24 the Director of National Intelligence, shall submit to the  
25 appropriate congressional committees a study on the feasi-

1 bility and advisability of restricting Department of De-  
2 fense procurement, use, and financial support of covered  
3 transportation systems and companies that incorporate  
4 covered components in a good or service offered to the De-  
5 partment of Defense. The study shall include—

6           (1) an inventory of the covered transportation  
7 systems on which the Department of Defense relies,  
8 organized by modality (rail, port, intermodal, tran-  
9 sit, drayage, aviation, and unmanned aerial) and by  
10 combatant command;

11           (2) an assessment of the extent to which such  
12 systems incorporate covered components, including,  
13 where practicable, identification at the level of sup-  
14 plier, subcomponent, and software supply chain;

15           (3) an assessment of the national security risks  
16 presented by such reliance, including risks to oper-  
17 ational security, supply chain integrity, command  
18 and control systems, and the protection of sensitive  
19 defense-related information;

20           (4) an analysis of the availability of non-covered  
21 alternative components, suppliers, and systems, in-  
22 cluding domestic and allied-nation sources;

23           (5) an assessment of the cost, schedule, and  
24 operational impacts of replacing or mitigating cov-

1       ered components in existing Department of Defense  
2       transportation reliance;

3               (6) an evaluation of existing authorities, includ-  
4       ing section 889 of the National Defense Authoriza-  
5       tion Act for Fiscal Year 2019 (Public Law 115–232)  
6       and section 805 of the National Defense Authoriza-  
7       tion Act for Fiscal Year 2024 (Public Law 118–31),  
8       and any gaps in those authorities with respect to  
9       covered transportation systems; and

10              (7) any other matters the Secretary of Defense  
11       determines appropriate.

12       (c) STRATEGY.—Not later than 60 days after the  
13       date on which the feasibility study under subsection (b)  
14       is completed, the Secretary of Defense, in coordination  
15       with the officials described in subsection (b), shall submit  
16       to the appropriate congressional committees a strategy to  
17       mitigate the risks identified in the feasibility study. The  
18       strategy shall include—

19              (1) a phased approach to identifying,  
20       prioritizing, and mitigating reliance on covered com-  
21       ponents in Department of Defense transportation  
22       systems, with defined milestones and timelines;

23              (2) recommendations on the desirability and  
24       feasibility of a prohibition on Department of Defense  
25       procurement, use, or financial support of covered

1 transportation systems and companies that incor-  
2 porate covered components in a good or service of-  
3 fered to the Department of Defense, including any  
4 recommended scope, exceptions, and waiver criteria  
5 for such a prohibition;

6 (3) recommendations on the use of existing au-  
7 thorities, including those identified under subsection  
8 (b)(6), and any additional legislative or administra-  
9 tive authorities required to implement the strategy;

10 (4) an assessment of the resources, personnel,  
11 and inter-agency coordination required to implement  
12 the strategy;

13 (5) an assessment of the implications of the  
14 strategy for cooperation with allies and partners, in-  
15 cluding allies and partners that may face comparable  
16 reliance; and

17 (6) metrics and milestones for measuring the  
18 implementation of the strategy.

19 (d) COMPTROLLER GENERAL REPORT.—Not later  
20 than 120 days after the date on which the strategy under  
21 subsection (c) is submitted, the Comptroller General of the  
22 United States shall submit to the appropriate congres-  
23 sional committees a report that—

1           (1) evaluates the methodology, completeness,  
2           and conclusions of the feasibility study under sub-  
3           section (b);

4           (2) evaluates the strategy under subsection (c),  
5           including the extent to which it addresses the risks  
6           identified in the feasibility study;

7           (3) assesses the adequacy of existing authorities  
8           to implement the strategy, in consultation with the  
9           Secretary of Defense, the Secretary of Transpor-  
10          tation, the Secretary of Homeland Security, and the  
11          Director of National Intelligence; and

12          (4) makes recommendations for any legislative  
13          or administrative action.

14          (e) FORM.—The feasibility study, strategy, and re-  
15          port required under this section shall be submitted in un-  
16          classified form, but each may include a classified annex.

