

AMENDMENT TO RULES COMMITTEE PRINT 119-8
OFFERED BY MR. FRY OF SOUTH CAROLINA

At the end of subtitle D of title VIII, insert the following new section:

1 **SEC. 8___. PERMANENT MAGNET TRACEABILITY PILOT**
2 **PROGRAM.**

3 (a) IN GENERAL.—Not later than September 30,
4 2026, the Secretary of Defense shall establish a pilot pro-
5 gram under which the Department of Defense shall vali-
6 date the sources of rare earth elements and critical mate-
7 rials used in permanent magnets used by the Department,
8 including sources of recycled rare earth elements and crit-
9 ical materials used in such permanent magnets, to ensure
10 the accuracy of the information reported by contractors
11 providing such permanent magnets to the Department and
12 the integrity of the supply chains for such permanent
13 magnets against foreign adversaries.

14 (b) SUNSET.—The pilot program established under
15 subsection (a) shall terminate on September 30, 2029.

16 (c) REPORT.—Not later than 180 days after Sep-
17 tember 30, 2029, the Secretary of Defense shall submit
18 to Congress a report on the results of the pilot program
19 required under subsection (a), including the recommenda-

1 tions of the Secretary whether the pilot program should
2 be continued or expanded.

3 (d) CRITICAL MATERIAL DEFINED.—In this section,
4 the term “critical material” means a material, other than
5 a rare earth element, used in permanent magnets used by
6 the Department of Defense that the Secretary of Defense
7 identifies as necessary to meet the requirements of the De-
8 partment.

