

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 6058
OFFERED BY MR. HUIZENGA OF MICHIGAN

Strike all after the enacting clause and insert the
following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Semiconductor Tech-
3 nology Resilience, Integrity, and Defense Enhancement
4 Act” or the “STRIDE Act”.

5 SEC. 2. SENSE OF CONGRESS.

6 It is the sense of Congress that—

7 (1) the global semiconductor technology supply
8 chain is critical to United States and allied national
9 security, economic competitiveness, and technological
10 leadership;

11 (2) the People’s Republic of China (PRC) seeks
12 to dominate the semiconductor technology industry,
13 which will assist in its military modernization efforts
14 and human rights abuses through non-market prac-
15 tices, export control violation and avoidance, eco-
16 nomic espionage, military-civil fusion, and predatory
17 investment;

1 (3) export controls to protect critical semicon-
2 ductor technologies can be more effective when done
3 in partnership with key allies and partners; and

4 (4) fully utilizing certain United States export
5 control authorities has proven effective at preventing
6 circumvention or avoidance of United States export
7 controls through third-country production.

8 **SEC. 3. STATEMENT OF POLICY.**

9 It is the policy of the United States to—

10 (1) maintain United States and allied partner
11 technological leadership in semiconductor technology
12 research, design, manufacturing, and advanced ma-
13 terials;

14 (2) prevent the PRC from capturing key
15 chokepoints in the global semiconductor technology
16 supply chain;

17 (3) coordinate with allied and partner nations
18 to expand and enhance semiconductor technology
19 protection;

20 (4) ensure that United States technology and
21 intellectual property do not contribute to the PRC's
22 military modernization, human rights abuses, and
23 pursuit of technological dominance over the United
24 States and its allies and partners; and

1 (5) promote resilient, secure, and trusted semi-
2 conductor supply chains among United States allies
3 and partners.

4 **SEC. 4. MULTILATERAL SEMICONDUCTOR TECHNOLOGY**
5 **SUPPLY CHAIN COORDINATION.**

6 (a) IN GENERAL.—The Secretary of State shall co-
7 ordinate with governments of countries that maintain sig-
8 nificant capabilities in semiconductor technology research,
9 design, manufacturing, materials, equipment, or equip-
10 ment subsystems and components to establish a coordi-
11 nated joint approach for protecting critical semiconductor
12 technologies from acquisition by countries of concern in
13 ways that would harm the national security of the United
14 States and its allies and partners.

15 (b) COORDINATION OBJECTIVES.—In carrying out
16 subsection (a), the Secretary of State shall seek to identify
17 a shared set of objectives with allies and partners regard-
18 ing—

19 (1) alignment of export control policies regard-
20 ing semiconductor technology manufacturing equip-
21 ment, as well as the critical subcomponents needed
22 to produce such equipment;

23 (2) expanded restrictions on semiconductor
24 technology design tools, intellectual property trans-
25 fers, equipment servicing, and technical assistance

1 that could enable indigenous semiconductor tech-
2 nology development capabilities in countries of con-
3 cern;

4 (3) harmonized approaches to controlling dual-
5 use semiconductor technology materials, including
6 photoresists, specialty gases, and advanced sub-
7 strates;

8 (4) joint monitoring, enforcement, and adminis-
9 tration to prevent circumvention of semiconductor
10 technology controls through third-country entities as
11 well as prevent foreign backfilling of restricted
12 items, including by entities owned or controlled by,
13 or headquartered in, countries of concern;

14 (5) information sharing regarding semicon-
15 ductor technology transfer risks, personal vetting
16 and insider threat security, end-user verification,
17 and supply chain security threats;

18 (6) establishment of trusted supplier networks
19 for critical semiconductor technology components
20 and manufacturing services;

21 (7) rigorous reviews of the effectiveness of ex-
22 isting and proposed semiconductor technology export
23 controls in achieving shared national security and
24 foreign policy objectives and their economic and

1 technological impact on the United States and allied
2 semiconductor countries;

3 (8) establishment of other harmonized policy
4 approaches to prevent the outflow of critical semi-
5 conductor technologies, including through foreign di-
6 rect investment, talent outflow of researchers and
7 engineers, and espionage.

8 (c) CONSEQUENCES FOR NON-COOPERATION.—

9 (1) ASSESSMENT OF COOPERATION.—Not later
10 than 180 days after the date of the enactment of
11 this Act, and annually thereafter for two years, the
12 Secretary of State, in consultation with the Sec-
13 retary of Commerce, shall assess the extent to which
14 countries engaged pursuant to subsection (a) are im-
15 plementing measures consistent with the shared ob-
16 jectives established with partners pursuant to sub-
17 section (b).

18 (2) DETERMINATION OF INSUFFICIENT SECU-
19 RITY MEASURES.—If the Secretary of State deter-
20 mines that a country engaged with pursuant to sub-
21 section (a) is failing to implement and adopt critical
22 security measures to advance shared national secu-
23 rity and foreign policy objectives, the Secretary
24 shall—

1 (A) make a detailing the specific defi-
2 ciencies in the country's semiconductor tech-
3 nology protection measures;

4 (B) engage with the country about the de-
5 termination and seek a response;

6 (C) notify the appropriate congressional
7 committees of such determination not later than
8 30 days after making such determination and
9 provide routine updates on the country's re-
10 sponse, as appropriate;

11 (D) coordinate with the Secretary of Com-
12 merce through the Export Advisory Review
13 Board to recommend a set of actions to address
14 the national security impact from the inad-
15 equate cooperation; and

16 (E) if the country remains unwilling to co-
17 operate after 90 days, take steps consistent
18 with the recommendations in subparagraph (D).

19 (3) ALIGNING SEMICONDUCTOR SECURITY
20 MEASURES.—In carrying out the process described
21 in paragraph (2)(B), the Secretary of State shall
22 provide to the Export Advisory Review Board—

23 (A) recommendations for incentive mecha-
24 nisms to spur non-cooperating countries to im-
25 plement security measures sufficient to fully

1 prevent semiconductor technology transfer to
2 countries of concern;

3 (B) recommendations for methods to share
4 information to non-cooperating countries rel-
5 evant to the risks posed by semiconductor tech-
6 nology transfer to countries of concern;

7 (C) recommendations on using all authori-
8 ties pursuant to the Export Control Reform Act
9 of 2018 (50 U.S.C. 4801 et seq.) to address na-
10 tional security harm to the United States;

11 (D) recommendations for coordination with
12 non-cooperating countries in enforcement of ex-
13 port controls and other measures; and

14 (E) guidance on what additional steps may
15 be needed to prevent foreign backfilling of
16 United States technology in restricted sectors
17 or entities in countries of concern, including by
18 entities owned or controlled by, or
19 headquartered in, countries of concern.

20 (d) REPORTS.—

21 (1) IN GENERAL.—Not later than 90 days after
22 the date of enactment of this Act, and annually
23 thereafter for 3 years, the Secretary of State shall
24 submit to the appropriate congressional committees
25 a report on—

1 (A) the status of diplomatic engagement
2 with key semiconductor technology-producing
3 countries;

4 (B) progress toward achieving the shared
5 coordination objectives specified in subsection
6 (b); and

7 (C) the effectiveness of multilateral coordi-
8 nation in preventing semiconductor technology
9 transfer to countries of concern.

10 (2) FORM.—The report required by this sub-
11 section shall be submitted in unclassified form but
12 may include a classified annex.

13 (e) DEFINITIONS.—In this section:

14 (1) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—The term “appropriate congressional com-
16 mittees” means—

17 (A) the Committee on Foreign Affairs of
18 the House of Representatives; and

19 (B) the Committee on Foreign Relations
20 and the Committee on Banking, Housing, and
21 Urban Affairs of the Senate.

22 (2) COUNTRIES OF CONCERN.—The term
23 “countries of concern” has the meaning given the
24 term “covered nation” in section 4872(f) of title 10,
25 United States Code.

1 (3) ENTITY LIST.—The term “Entity List”
2 means the list maintained by the Bureau of Industry
3 and Security of the Department of Commerce and
4 set forth in Supplement No. 4 to part 744 of title
5 15, Code of Federal Regulations, or successor regu-
6 lations.

7 (4) SEMICONDUCTOR TECHNOLOGY.—The term
8 “semiconductor technology” includes—

9 (A) integrated circuits, microprocessors,
10 and memory devices;

11 (B) semiconductor manufacturing equip-
12 ment and tools, including subsystems and com-
13 ponents;

14 (C) semiconductor design software and in-
15 tellectual property;

16 (D) semiconductor materials and specialty
17 chemicals;

18 (E) testing, assembly, and packaging
19 equipment; and

20 (F) any technology, component, or service
21 that is essential to semiconductor design, manu-
22 facturing, or testing processes.

