AMENDMENT TO RULES COMMITTEE PRINT 119–33

OFFERED BY MR. LAHOOD OF ILLINOIS

Add at the end of subtitle B of title XVIII, the following new section:

SEC. 18___. PROHIBITION ON ACQUISITION OF CERTAIN SILICON CARBIDE-BASED SEMICONDUCTORS MANUFACTURED IN CHINA.

(a) RESTRICTIONS ON SILICON CARBIDE WAFER SOURCING.—The Secretary of Defense shall revise section 252.225 of the Department of Defense Supplement to the Federal Acquisition Regulation to prohibit the procurement of semiconductors, other than commercially available off-the-shelf items (as defined in section 104 of title 41, United States Code), that are manufactured on silicon carbide wafers that are manufactured in the Peoples Republic of China. Such revision may provide the authority for the Secretary to issue a waiver on a case-by-case basis.

(b) BRIEFING ON FINANCIAL INSTRUMENTS.—Not later than 180 days after the date of the enactment of this section, the Secretary of Defense and the Deputy Secretary of Defense shall conduct a review, and provide to the congressional defense committees a briefing on the results of such a review, of domestic manufacturers of silicon carbide wafers that are critical to the Department of Defense and that are facing challenges due to Chinese exports of such wafers.

(c) BRIEFING ON ESTABLISHMENT OF COMMON FOUNDRIES.—Not later than 180 days after the date of the enactment of this section, the Secretary of Defense provide to the congressional defense committees a briefing that evaluates the merits of encouraging major prime contractors in the defense industrial base to consolidate silicon carbide semiconductor design and fabrication operations in common commercial foundries to encourage economies of scale and quality improvements.

(d) CONSULTATION WITH THE CHIPS PROGRAM OFFICE.—The Secretary shall provide information to the Secretary of Commerce and other appropriate Federal agency heads on the use of Research and Development amounts to develop silicon carbide-related manufacturing technology for manufacturing high-purity single crystal silicon carbide boules, ingots, and wafers at 300mm scale for purposes of—

(1) developing next-generation high-voltage technology; and

(2) advancing state-of-the-art packaging power modules.

(e) POLICY ON INTERAGENCY DELIBERATIONS.—Not later than 90 days after the date of the enactment of this section, the Secretary of Defense shall issue a policy for recommendations for interagency consideration in deliberations on—

(1) encouraging allied and partner countries to ensure the silicon carbide substrate supply chains of such countries for national security systems and critical infrastructure do not include Chinese-manufactured silicon carbide wafers; and

(2) developing an integrated strategic plan to apply trade enforcement actions to prevent China from dominating the silicon carbide semiconductor manufacturing industry, resulting in the dependency of the United States on Chinese sources for silicon carbide substrates, chips, and power modules.

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