Page 163, after line 8, insert the following new subsections:

(d) ADVANCED MANUFACTURING INCENTIVES.—

(1) IN GENERAL.—The Secretary of Defense shall, in consultation with the Secretary of Commerce, the Secretary of Homeland Security, and the Director of National Intelligence, work with the private sector through a public-private partnership, including by incentivizing the formation of a consortium of United States companies, to ensure the development and production of advanced, measurably secure microelectronics. Such work may include providing incentives for the creation, expansion, or modernization of one or more commercially competitive and sustainable semiconductors manufacturing or advanced research and development facilities.

(2) RISK MITIGATION REQUIREMENTS.—A participant in a consortium formed with incentives under paragraph (1) shall—
(A) have the potential to perform fabrication, assembly, package, or test functions for semiconductors deemed critical to national security as defined by export control regulatory agencies in consultation with the National Security Adviser and the Secretary of Defense;

(B) demonstrate management processes to identify and mitigate supply chain security risks; and

(C) be able to produce semiconductors consistent with applicable measurably secure supply chain and operational security standards established under section 224(b) of the National Defense Authorization Act for Fiscal Year 2020 (Public Law 116–92).

(3) NATIONAL SECURITY CONSIDERATIONS.—The Secretary of Defense and the Director of National Intelligence shall select participants for the consortium formed with incentives under paragraph (1). In selecting such participants, the Secretary and the Director may jointly consider whether the United States companies—

(A) have participated in previous programs and projects of the Department of Defense, De-
partment of Energy, or the intelligence community, including—

(i) the Trusted Integrated Circuit program of the Intelligence Advanced Research Projects Activity;

(ii) trusted and assured semiconductors projects, as administered by the Department of Defense;

(iii) the Electronics Resurgence Initiative (ERI) program of the Defense Advanced Research Projects Agency; or

(iv) relevant semiconductor research programs of Advanced Research Projects Agency–Energy;

(B) have demonstrated an ongoing commitment to performing contracts for the Department of Defense and the intelligence community;

(C) are approved by the Defense Counterintelligence and Security Agency or the Office of the Director of National Intelligence as presenting an acceptable security risk, taking into account supply chain assurance vulnerabilities, counterintelligence risks, and any risks pre-
presented by companies whose owners are located outside the United States; and

(D) are evaluated periodically for foreign ownership, control, or influence by foreign entities of concern.

(4) NONTRADITIONAL DEFENSE CONTRACTORS AND COMMERCIAL ENTITIES.—Arrangements entered into to carry out paragraph (1) shall be in such form as the Secretary of Defense determines appropriate to encourage industry participation of nontraditional defense contractors or commercial entities and may include a contract, a grant, a cooperative agreement, a commercial agreement, the use of other transaction authority under section 2371 of title 10, United States Code, or another such arrangement.

(5) DISCHARGE.—The Secretary of Defense shall carry out paragraph (1) jointly through the Office of the Under Secretary of Defense for Research and Engineering and the Office of the Under Secretary of Defense for Acquisition and Sustainment, or such other component of the Department of Defense as the Secretary considers appropriate.

(6) OTHER INITIATIVES.—The Secretary of Defense shall dedicate initiatives within the Depart-
ment of Defense to advance radio frequency, mixed
signal, radiation tolerant, and radiation hardened
semiconductors that support national security and
dual-use applications.

(7) REPORTS.—

(A) REPORT BY SECRETARY OF DE-
FENSE.—Not later than 90 days after the date
of the enactment of this Act, the Secretary of
Defense shall submit to Congress a report on
the plans of the Secretary to carry out para-
graph (1).

(B) BIENNIAL REPORTS BY COMPTROLLER
GENERAL OF THE UNITED STATES.—Not later
than 1 year after the date on which the Sec-
retary submits the report required by subpara-
graph (A) and not less frequently than once
every 2 years thereafter for a period of 10
years, the Comptroller General of the United
States shall submit to Congress a report on the
activities carried out under this subsection.

(e) REPORT UNDER THE DEFENSE PRODUCTION
ACT OF 1950.—

(1) IN GENERAL.—Not later than 120 days
after the date of the enactment of this Act, the
President shall submit to Congress a report on a
plan for any use of authorities available in title III of the Defense Production Act of 1950 (50 U.S.C. 4531 et seq.) to establish or enhance a domestic production capability for microelectronic technologies and related technologies, subject to—

(A) the availability of appropriations for that purpose; and

(B) a determination made under the plan pursuant to such title III that such technologies are essential to the national defense.

(2) CONSULTATION.—The President shall develop the plan required by paragraph (1) in consultation with any relevant head of a Federal agency, any advisory committee established under section 708(a) of the Defense Production Act of 1950 (50 U.S.C. 4558), and appropriate stakeholders in the private sector.

Add at the end of title XVII the following new subtitle:

Subtitle F—Semiconductor Manufacturing Incentives

SEC. 17. SEMICONDUCTOR INCENTIVE GRANTS.

(a) DEFINITIONS.—In this section—

(1) the term “appropriate committees of Congress” means—
(A) the Select Committee on Intelligence, the Committee on Commerce, Science, and Transportation, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Permanent Select Committee on Intelligence, the Committee on Energy and Commerce, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Science, Space, and Technology, the Committee on Appropriations, the Committee on Financial Services, and the Committee on Homeland Security of the House of Representatives;

(2) the term “covered entity” means a private entity, a consortium of private entities, or a consortium of public and private entities with a demonstrated ability to construct, expand, or modernize a facility relating to the fabrication, assembly, testing, advanced packaging, or advanced research and development of semiconductors;
(3) the term “covered incentive” means an incentive offered by a governmental entity to a covered entity for the purposes of constructing within the jurisdiction of the governmental entity, or expanding or modernizing an existing facility within that jurisdiction, a facility described in paragraph (2).

(4) the term “governmental entity” means a State or local government;

(5) the term “Secretary” means the Secretary of Commerce; and

(6) the term “semiconductor” has the meaning given the term by the Secretary.

(b) Grant Program.—

(1) IN GENERAL.—The Secretary shall establish in the Department of Commerce a program that, in accordance with the requirements of this section, provides grants to covered entities to incentivize investment of semiconductor fabrication facilities, or assembly, testing, advanced packaging, or advanced research and development of semiconductors in the United States.

(2) PROCEDURE.—

(A) IN GENERAL.—A covered entity shall submit to the Secretary an application that de-
scribes the project for which the covered entity is seeking a grant under this section.

(B) ELIGIBILITY.—In order for a covered entity to qualify for a grant under this section, the covered entity shall demonstrate to the Secretary, in the application submitted by the covered entity under subparagraph (A), that—

(i) the covered entity has a documented interest in constructing, expanding, or modernizing a facility described in subsection (a)(2); and

(ii) with respect to the project described in clause (i), the covered entity has—

(I) been offered a covered incentive;

(II) made commitments to worker and community investment, including through—

(aa) training and education benefits paid by the covered entity; and

(bb) programs to expand employment opportunity for eco-
nomically disadvantaged individuals; and

(III) secured commitments from regional educational and training entities and institutions of higher education to provide workforce training, including programming for training and job placement of economically disadvantaged individuals.

(C) CONSIDERATIONS FOR REVIEW.—With respect to the review by the Secretary of an application submitted by a covered entity under subparagraph (A)—

(i) the Secretary may not approve the application unless the Secretary—

(I) confirms that the covered entity has satisfied the eligibility criteria under subparagraph (B);

(II) determines that the project to which the application relates is in the interest of the United States; and

(III) has notified the appropriate committees of congress 15 days before making any commitment to provide a
grant to any covered entity that exceeds $10,000,000; and

(ii) the Secretary may consider whether—

(I) the covered entity has previously received a grant made under this subsection; and

(II) the governmental entity offering the applicable covered incentive has benefitted from a grant previously made under this subsection.

(III) to the extent practicable, the covered entity is considered a small business concern, as defined under section 3 of the Small Business Act (15 U.S.C. 632), notwithstanding section 121.103 of title 13, Code of Federal Regulations.

(3) AMOUNT.—The Secretary shall not award more than $3,000,000,000 to a covered entity under this subsection.

(4) USE OF FUNDS.—A covered entity that receives a grant under this subsection may only use the grant amounts to—
(A) finance the construction, expansion, or modernization of a facility described in subsection (a)(2), as documented in the application submitted by the covered entity under paragraph (2)(A), or for similar uses in state of practice and legacy facilities, as determined necessary by the Secretary for purposes relating to the national security and economic competitiveness of the United States;

(B) support workforce development for the facility described in subparagraph (A); or

(C) support site development for the facility described in subparagraph (A).

(5) CLAWBACK.—

(A) The Secretary shall recover the full amount with interest of a grant provided to a covered entity under this subsection if—

(i) as of the date that is 5 years after the date on which the Secretary makes the grant, the project to which the grant relates has not been completed, except that the Secretary may issue a waiver with respect to the requirement under this subparagraph if the Secretary determines that
issuing such a waiver is appropriate and in
the interests of the United States; or

(ii) during the applicable term with
respect to the grant, the covered entity en-
gages in any joint research or technology
licensing effort—

(I) with the Government of the
People’s Republic of China, the Gov-
ernment of the Russian Federation,
the Government of Iran, the Govern-
ment of North Korea, or other foreign
entity of concern; and

(II) that relates to a sensitive
technology or product, as determined
by the Secretary; and

(B) the Secretary shall recover up to the
full amount with interest of a grant provided to
a covered entity if the Secretary determines
that commitments required under paragraph
(2) have not been fully implemented, except
that the Secretary may issue a waiver with re-
spect to the requirement under this subpara-
graph if the Secretary determines that issuing
such a waiver is appropriate and in the inter-
ests of the United States.
(c) **Consultation and Coordination Required.**—In carrying out the program established under subsection (b), the Secretary shall consult and coordinate with the Secretary of State and the Secretary of Defense.

(d) **Inspector General Reviews.**—The Inspector General of the Department of Commerce shall—

(1) not later than 2 years after the date of enactment of this Act, and biennially thereafter until the date that is 10 years after that date of enactment, conduct a review of the program established under subsection (b), which shall include, at a minimum—

(A) a determination of the number of instances in which grants were provided under that subsection during the period covered by the review in violation of a requirement of this section;

(B) an evaluation of how—

(i) the program is being carried out, including how recipients of grants are being selected under the program; and

(ii) other Federal programs are leveraged for manufacturing, research, and training to complement the grants awarded under the program; and
(C) a description of the outcomes of projects supported by grants made under the program, including a description of—

(i) facilities described in subsection (a)(2) that were constructed, expanded, or modernized as a result of grants made under the program;

(ii) research and development carried out with grants made under the program; and

(iii) workforce training programs carried out with grants made under the program, including efforts to hire individuals from disadvantaged populations; and

(2) submit to the appropriate committees of Congress the results of each review conducted under paragraph (1).

SEC. 17. DEPARTMENT OF COMMERCE STUDY ON STATUS OF SEMICONDUCTORS TECHNOLOGIES IN THE UNITED STATES INDUSTRIAL BASE.

(a) In General.—Commencing not later than 120 days after the date of the enactment of this Act, the Secretary of Commerce and the Secretary of Homeland Security, in consultation with the Secretary of Defense and the heads of other appropriate Federal departments and agen-
cies, shall undertake a review, which shall include a survey, using authorities in section 705 of the Defense Production Act (50 U.S.C. 4555), to assess the capabilities of the United States industrial base to support the national defense in light of the global nature of the supply chain and significant interdependencies between the United States industrial base and the industrial base of foreign countries with respect to the manufacture, design, and end use of semiconductors.

(b) RESPONSE TO SURVEY.—The Secretary shall ensure compliance with the survey from among all relevant potential respondents, including the following:

(1) Corporations, partnerships, associations, or any other organized groups domiciled and with substantial operations in the United States.

(2) Corporations, partnerships, associations, or any other organized groups domiciled in the United States with operations outside the United States.

(3) Foreign domiciled corporations, partnerships, associations, or any other organized groups with substantial operations or business presence in, or substantial revenues derived from, the United States.

(c) INFORMATION REQUESTED.—The information sought from a responding entity pursuant to the survey
required by subsection (a) shall include, at minimum, information on the following with respect to the manufacture, design, or end use of semiconductors by such entity:

(1) An identification of the geographic scope of operations.

(2) Information on relevant cost structures.

(3) An identification of types of semiconductors development, manufacture, assembly, test, and packaging equipment in operation at such entity.

(4) An identification of all relevant intellectual property, raw materials, and semi-finished goods and components sourced domestically and abroad by such entity.

(5) Specifications of the semiconductors manufactured or designed by such entity, descriptions of the end-uses of such semiconductors, and a description of any technical support provided to end-users of such semiconductors by such entity.

(6) Information on domestic and export market sales by such entity.

(7) Information on the financial performance, including income and expenditures, of such entity.

(8) A list of all foreign and domestic subsidies, and any other financial incentives, received by such entity in each market in which such entity operates.
(9) A list of regulatory or other informational requests about the entities’ operations, sales, or other proprietary information by the Government of the People’s Republic of China, entities under its direction or officials of the CCP, a description of the nature of the request, and the type of information provided.

(10) Information on any joint ventures, technology licensing agreements, and cooperative research or production arrangements of such entity.

(11) A description of efforts by such entity to evaluate and control supply chain risks it faces.

(12) A list and description of any sales, licensing agreements, or partnerships between such entity and the People’s Liberation Army or People’s Armed Police, including any business relationships with entities through which such sales, licensing agreements, or partnerships may occur.

(d) REPORT.—

(1) IN GENERAL.—The Secretary of Commerce shall, in consultation with the Secretary of Defense, the Secretary of Homeland Security, and the heads of other appropriate Federal departments and agencies, submit to Congress a report on the results of
the review required by subsection (a). The report shall include the following:

(A) An assessment of the results of the survey.

(B) A list of critical technology areas impacted by potential disruptions in production of semiconductors, and a detailed description and assessment of the impact of such potential disruptions on such areas.

(C) A description and assessment of gaps and vulnerabilities in the semiconductors supply chain and the national industrial supply base.

(2) FORM.—The report required by paragraph (1) may be submitted appropriate committees of Congress in classified form.

SEC. 17. FUNDING FOR DEVELOPMENT AND ADOPTION OF SECURE SEMICONDUCTOR AND SECURE SEMICONDUCTOR SUPPLY CHAINS.

(a) MULTILATERAL SEMICONDUCTOR SECURITY FUND.—

(1) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a trust fund, to be known as the “Multilateral Semiconductor Security Fund” (in this section referred
to as the “Fund”), consisting of any appropriated funds credited to the Fund.

(2) PURPOSE.—The purpose of the Fund shall be to work with and support a variety of stakeholders, including governments, businesses, academia, and civil society, and allies or partner nations who are members of the Fund and are critical to the global semiconductor supply chain in order to build safe and secure semiconductor supply chains outside of and devoid of entities from countries subject to a United States embargo. Considerations for building safe and secure semiconductor supply chains include, but are not limited to—

(A) relevant semiconductor designs;

(B) chemicals and materials relevant to the semiconductor industry;

(C) semiconductor design tools;

(D) semiconductor manufacturing equipment; and

(E) basic and applied semiconductor research capability.

(3) RESTRICTION OF USE OF FUNDS.—

(A) AVAILABILITY CONTINGENT ON INTERNATIONAL AGREEMENT.—Amounts in the Fund shall be available to the Secretary of State, sub-
ject to appropriation, on and after the date on which the Secretary enters into an agreement with at least 5 other governments of countries that are allies or partners of the United States that are critical to the global semiconductor supply chain to participate in the common funding mechanism under subsection (b)(1) and the commitments described in paragraph (2) of that subsection.

(B) LIMITATION.—At no point during fiscal years 2021 through 2030 shall a United States contribution cause the cumulative total of United States contributions to exceed 33 percent of the total contributions to the Fund from all sources.

(C) NOTIFICATION.—The Secretary of State shall notify the appropriate congressional committees not later than 15 days in advance of making a contribution to the Fund, including—

(i) the amount of the proposed contribution;

(ii) the total of funds contributed by other donors; and
(iii) the national interests served by
United States participation in the Fund.

(D) WITHHOLDINGS.—

(i) SUPPORT FOR ACTS OF INTERNATIONAL TERRORISM.—If at any time the Secretary of State determines that the Fund has provided assistance to a country, the government of which the Secretary of State has determined, for purposes of section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) has repeatedly provided support for acts of international terrorism, the United States shall immediately withhold contributions to the Fund and cease participating in Fund activities.

(ii) SUPPORT FOR EMBARGOED COUNTRIES.—If at any time the Secretary of State determines that the Fund, or any investments made by the fund, has supported the semiconductor supply chain of or an entity with a substantial nexus to the semiconductor supply chain of a country under a United State embargo, the United States shall immediately withhold contributions and no longer make any contribu-
tions until it certifies that non-market economies do not stand to benefit from investments made from the Fund.

(iii) Excessive Salaries.—If at any time during any of the fiscal years 2021 through 2025, the Secretary of State determines that the salary of any individual employed by the Fund exceeds the salary of the Vice President of the United States for that fiscal year, then the United States should withhold from its contribution for the next fiscal year an amount equal to the aggregate amount by which the salary of each such individual exceeds the salary of the Vice President of the United States.

(4) Ensuring Permanent Member Status.—If at any time the Secretary of State certifies that the United States does not have a permanent representative to the Board of Trustees as established in paragraph (6), the Secretary shall withhold contributions to the Fund until the Secretary certifies that the United States is given a permanent seat.

(5) Composition.—

(A) In General.—The Fund should be governed by a Board of Trustees, to be com-
posed of representatives of participating allies
and partners that are donors or participants in
the Fund. The Board of Trustees should in-
clude—

(i) 5 permanent member countries,
who qualify based upon meeting an estab-
lished initial contribution threshold, whose
contributions should cumulatively be not
less than 50 percent of total contributions,
and who should hold veto power over pro-
grams and projects; and

(ii) 5 term members, as appropriate,
who are selected by the permanent mem-
bers on the basis of their commitment to
building a free secure semiconductor sup-
ply chain.

(B) Qualifications.—Individuals ap-
pointed to the Board shall have demonstrated
knowledge and experience in the fields of semi-
conductors, semiconductor manufacturing, and
supply chain management.

(C) United States representation.—

(i) In general.—

(I) Founding permanent mem-
ber.—The Secretary of State shall
seek to establish the United States as a founding permanent member of the Fund.

(II) COORDINATOR OF UNITED STATES GOVERNMENT ACTIVITIES TO ADVANCE SEMICONDUCTOR SUPPLY CHAIN SECURITY.—The Secretary of State shall appoint an individual qualified as according to subparagraph (B) of this subsection to represent the United States on the Board of Trustees.

(ii) EFFECTIVE AND TERMINATION DATES.—

(I) EFFECTIVE DATE.—This paragraph shall take effect upon the date the Secretary of State, in coordination with the Secretary of the Treasury, certifies and transmits to Congress an agreement establishing the Fund.

(II) TERMINATION DATE.—The membership established pursuant to clause (i) shall terminate upon the date of termination of the Fund.
(D) REMOVAL PROCEDURES.—The Fund shall establish procedures for the removal of member donors of the Board who do not abide by the Fund’s core objectives as defined in paragraph (4) of this section.

(6) AVAILABILITY OF AMOUNTS.—

(A) IN GENERAL.—Amounts in the Fund shall remain available through the end of the 10th fiscal year beginning after the date of the enactment of this Act.

(B) REMAINDER TO TREASURY.—Any amounts remaining in the Fund after the end of the fiscal year described in subparagraph (A) shall be deposited in the general fund of the Treasury.

(b) COMMON FUNDING MECHANISM FOR DEVELOPMENT AND ADOPTION OF SECURE SEMICONDUCTOR AND SECURE SEMICONDUCTOR SUPPLY CHAINS.—

(1) IN GENERAL.—The Secretary of State, in consultation with the Secretary of Commerce, Secretary of Energy, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of the Treasury, and the Director of National Intelligence, shall seek to establish a common funding mechanism, in coordination with the governments of coun-
tries that are Members of the Fund, that uses
amounts from the Fund, and amounts committed by
such governments, to support those efforts described
in subsection (a).

(2) MUTUAL COMMITMENTS.—The Secretary of
State, in consultation with the United States Trade
Representative, the Secretary of Treasury, and the
Secretary of Commerce, shall seek to negotiate a set
of mutual commitments with the governments of
countries that are Members of the Fund upon which
to condition any expenditure of funds pursuant to
the common funding mechanism described in para-
graph (1). Such commitments shall, at a min-
imum—

(A) develop common policies for the protec-
tion of basic and applied research in both aca-
demic and commercial settings;

(B) develop common reporting require-
ments for researchers participating in talents
programs of countries subject to a United
States arms embargo;

(C) establish substantially similar if not
identical export controls licensing requirements
for all segments of the semiconductor supply
chain;
(D) establish substantially similar if not identical policies for inbound investment from entities with a substantial nexus to countries subject to an embargo in all segments of the semiconductor supply chain;

(E) establish harmonized treatment of semiconductors and verification processes for the importation of semiconductors or items incorporating semiconductors from embargoed countries;

(F) establish common policies on protecting knowledge, know-how, and personnel from migrating to embargoed countries or taking employment with entities with a substantial nexus to these countries;

(G) develop common policies, including disclosure requirements and restrictions, on outbound investments, including index funds, into entities that support or contribute to the development of the semiconductor industry in countries subject to an embargo;

(H) establish transparency requirements for any subsidies or other financial benefits (including revenue foregone) provided to semicon-
ductor firms located in or outside such countries;

(I) establish consistent policies with respect to countries that—

(i) are not participating in the common funding mechanism; and

(ii) do not meet transparency requirements established under subparagraph (H);

(J) promote harmonized treatment of semiconductor and verification processes for items being exported to a country considered a national security risk by a country participating in the common funding mechanism;

(K) establish a consistent policies and common external policies to address nonmarket economies as the behavior of such countries pertains to semiconductor; and

(L) align policies on supply chain integrity and semiconductor security.

(3) ANNUAL REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, and annually thereafter for each fiscal year during which amounts in the Fund are available under subsection (a), the Secretary of State shall submit to
Congress a report on the status of the implementation of this section that includes a description of—

(A) any commitments made by the governments of countries that are partners of the United States to providing funding for the common funding mechanism described in subsection (b)(1) and the specific amount so committed;

(B) the criteria established for expenditure of funds through the common funding mechanism;

(C) how, and to whom, amounts have been expended from the Fund;

(D) amounts remaining in the Fund;

(E) the progress of the Secretary of State toward entering into an agreement with the governments of countries that are partners of the United States to participate in the common funding mechanism and the commitments described in subsection (b)(2); and

(F) any additional authorities needed to enhance the effectiveness of the Fund in achieving the security goals of the United States.

(4) GAO REPORT ON TRUST FUND EFFECTIVENESS.—Not later than 2 years after the date that the Fund is formally established, the Comptroller
General of the United States shall submit to the appropriate congressional committees a report evaluating the effectiveness of the Fund, including—

(A) the effectiveness of the programs, projects, and activities supported by the Fund; and

(B) an assessment of the merits of continued United States participation in the Fund.

SEC. 17. ADVANCED SEMICONDUCTOR RESEARCH AND DESIGN.

(a) APPROPRIATE COMMITTEES OF CONGRESS.—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Intelligence, the Committee on Commerce, Science, and Transportation, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on Energy and Natural Resources, the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Health, Education, Labor, and Pensions and the Committee on Homeland Security and Governmental Affairs of the Senate; and

(2) the Permanent Select Committee on Intelligence, the Committee on Energy and Commerce,
the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on Science, Space, and Technology, the Committee on Financial Services, the Committee on Education and Labor and the Committee on Homeland Security of the House of Representatives.

(b) Sense of Congress.—It is the sense of Congress that the leadership of the United States in semiconductor technology and innovation is critical to the economic growth and national security of the United States.

(c) Subcommittee on Semiconductor Leadership.—

(1) Establishment Required.—The President shall establish in the National Science and Technology Council a subcommittee on matters relating to leadership of the United States in semiconductor technology and innovation.

(2) Duties.—The duties of the subcommittee established under paragraph (1) are as follows:

(A) National Strategy on Semiconductor Research.—

(i) Development.—In coordination with the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Secretary of Commerce, the Secretary
of Homeland Security, the Secretary of Labor, the Director of the National Science Foundation, and the Director of the National Institute of Standards and Technology and in consultation with the semiconductor industry and academia, develop a national strategy on semiconductor research, development, manufacturing, and supply chain security, including guidance for the funding of research, and strengthening of the domestic semiconductors workforce.

(ii) REPORTING AND UPDATES.—Not less frequently than once every 5 years, to update the strategy developed under clause (i) and to submit the revised strategy to the appropriate committees of Congress.

(iii) IMPLEMENTATION.—In coordination with the Secretary of Defense, the Secretary of Energy, the Secretary of State, the Secretary of Commerce, the Secretary of Homeland Security, the Director of the National Science Foundation, and the Director of the National Institute of Standards and Technology, on an annual
basis coordinate and recommend each
agency’s semiconductor related research
and development programs and budgets to
ensure consistency with the National Semi-
conductor Strategy.

(B) FOSTERING COORDINATION OF RE-
SEARCH AND DEVELOPMENT.—To foster the co-
ordination of semiconductor research and devel-
opment.

(3) SUNSET.—The subcommittee established
under paragraph (1) shall terminate on the date
that is 10 years after the date of enactment of this
Act.

(d) INDUSTRIAL ADVISORY COMMITTEE.—The Presi-
dent shall establish a standing subcommittee of the Presi-
dent’s Council of Advisors on Science and Technology to
advise the United States Government on matters relating
to semiconductors policy.

(e) NATIONAL SEMICONDUCTOR TECHNOLOGY CEN-
TER.—

(1) ESTABLISHMENT.—The Secretary of Com-
merce shall establish a national semiconductor tech-
nology center to conduct research and prototyping of
advanced semiconductor technology to strengthen
the economic competitiveness and security of the do-
mestic supply chain, which will be operated as a public private-sector consortium with participation from the private sector, the Department of Defense, the Department of Energy, the Department of Homeland Security, the National Science Foundation, and the National Institute of Standards and Technology.

(2) FUNCTIONS.—The functions of the center established under paragraph (1) shall be as follows:

(A) To conduct advanced semiconductor manufacturing, design research, and prototyping that strengthens the entire domestic ecosystem and is aligned with the National Strategy on Semiconductor Research.

(B) To establish a National Advanced Packaging Manufacturing Program led by the National Institute of Standards and Technology, in coordination with the Center, to strengthen semiconductor advanced test, assembly, and packaging capability in the domestic ecosystem, and which shall coordinate with the Manufacturing USA institute established under paragraph (4).

(C) To establish an investment fund, in partnership with the private sector, to support
startups in the domestic semiconductor ecosystem.

(D) To establish a Semiconductor Manufacturing Program through the Director of the National Institute of Standards and Technology to enable advances and breakthroughs in measurement science, standards, material characterization, instrumentation, testing, and manufacturing capabilities that will accelerate the underlying research and development for metrology of next generation semiconductors and ensure the competitiveness and leadership of the United States within this sector.

(E) To work with the Secretary of Labor, the private sector, educational institutions, and workforce training entities to develop workforce training programs and apprenticeships in advanced semiconductor packaging capabilities.

(3) COMPONENTS.—The fund established under paragraph (2)(C) shall cover the following:

(A) Advanced metrology and characterization for manufacturing of microchips using 3 nanometer transistor processes or more advanced processes.
(B) Metrology for security and supply chain verification.

(4) Creation of a Manufacturing USA Institute.—The fund established under paragraph (2)(C) may also cover the creation of a Manufacturing USA institute described in section 34(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278s(d)) that is focused on semiconductor manufacturing. Such institute may emphasize the following:

(A) Research to support the virtualization and automation of maintenance of semiconductor machinery.

(B) Development of new advanced test, assembly and packaging capabilities.

(C) Developing and deploying educational and skills training curricula needed to support the industry sector and ensure the United States can build and maintain a trusted and predictable talent pipeline.

(f) Authorizations of Appropriations.—

(1) National Semiconductor Technology Center.—
(A) In General.—There is authorized to be appropriated to carry out subsection (e), $914,000,000 for fiscal year 2021—

(i) of which, $300,000,000 shall be available to carry out subsection (e)(2)(A);

(ii) of which, $500,000,000 shall be available to carry out subsection (e)(2)(B);

(iii) of which, $50,000,000 shall be available to carry out subsection (e)(2)(C);

(iv) of which, $50,000,000 shall be available to carry out subsection (e)(2)(D)—

(I) of which, $2,000,000 shall be available for each of fiscal year 2021 to carry out subsection (e)(3)(A);

(II) of which, $2,000,000 shall be available for fiscal years 2021 to carry out subsection (e)(3)(B); and

(III) of which, $5,000,000 shall be available for fiscal year 2021 to carry out subsection (e)(4); and

(v) of which, $14,000,000 shall be available to carry out subsection (e)(2)(E).

(3) Semiconductor Research at National Science Foundation.—There is authorized to be
appropriated to carry out programs at the National Science Foundation on semiconductor research in alignment with the National Strategy on Semiconductor Research, $300,000,000 for fiscal year 2021.

(5) SEMICONDUCTORS RESEARCH AT THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—There is authorized to be appropriated to carry out semiconductors research at the National Institute of Standards and Technology $50,000,000 for fiscal year 2021.

(g) SUPPLEMENT, NOT SUPPLANT.—The amounts authorized to be appropriated under paragraphs (1) through (4) of subsection (f) shall supplement and not supplant amounts already appropriated to carry out the purposes described in such paragraphs.

(h) DOMESTIC PRODUCTION REQUIREMENTS.—The head of any executive agency receiving funding under this section shall develop policies to require domestic production, to the extent possible, for any intellectual property resulting from semiconductors research and development conducted as a result of these funds and domestic control requirements to protect any such intellectual property from foreign adversaries.
SEC. 17_. PROHIBITION RELATING TO FOREIGN ENTITIES OF CONCERN.

(a) **Definition.**—

(1) In this subtitle, the term “foreign entity” means—

(A) any person—

(i) controlled by, or is subject to the jurisdiction or direction of a foreign government;

(ii) who acts as an agent, representative, is an employee of, or acts in any other capacity at the order, request, or under the direction or control, of a foreign government;

(iii) whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in majority part by an interest as described in subparagraph (B) of this subsection;

(iv) who directly or indirectly through any contract, arrangement, understanding, relationship, or otherwise, owns 25 percent or more of the equity interests of an interest as described in subparagraph (B) of this subsection, or has significant responsi-
bility to control, manage, or such an interest;

(v) who is a citizen or resident, wherever located, of a nation-state controlled by a foreign government; or

(B) Any organization, corporation, partnership or association—

(i) organized under the laws of a nation-state controlled by a foreign government; or

(ii) wherever organized or doing business, that is owned or controlled by a foreign government.

(2) In this subtitle, the term “foreign entity of concern” means any foreign entity (as defined by paragraph (1) of this section)—

(A) designated as a foreign terrorist organization by the Secretary of State under section 1189 of title 8;

(B) included on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury; or

(C) alleged by the Attorney General to have been involved in activities for which a con-
viction was obtained under any of the following statutes:

(i) Espionage Act (18 U.S.C. 792 et seq.).

(ii) Section 951 or 1030 of title 18.

(iii) Economic Espionage Act (18 U.S.C. 1831 et seq.).


(v) Section 2274, 2275, 2276, 2277, 2278, or 2284 of title 42.

(vi) Export Control Reform Act (50 U.S.C. 4801 et seq.); or


(b) LIMITATION.—None of the funds appropriated pursuant to an authorization in this subtitle may be provided to a grantee that is determined to be a foreign entity of concern (as defined by this subtitle).