#### 117TH CONGRESS 2D SESSION

# H. R. 8104

To assess the semiconductor requirements of the Department of Defense in a conflict scenario, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

June 16, 2022

Mr. Gallagher (for himself, Ms. Houlahan, Ms. Stefanik, and Ms. Slotkin) introduced the following bill; which was referred to the Committee on Armed Services

## A BILL

To assess the semiconductor requirements of the Department of Defense in a conflict scenario, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Defense Semiconductor
- 5 Stockpile Act".
- 6 SEC. 2. STUDY AND PILOT PROGRAM ON SEMICONDUCTORS
- 7 AND THE NATIONAL DEFENSE STOCKPILE.
- 8 (a) Study Required.—
- 9 (1) In General.—The Secretary of Defense
- shall—

- 1 (A) conduct a study on the strategic mate2 rials required by the Department of Defense to
  3 execute the operational plans of the Depart4 ment in a conflict with a strategic competitor
  5 lasting not less than six months; and
  - (B) submit to the congressional defense committees a report on such study.
  - (2) Elements.—The report required under paragraph (1) shall include the following:
    - (A) A description of the specific number and type of semiconductors for key systems and munitions, delineated by technical specifications, performance requirements, and end-use applications, that the Department of Defense requires to execute and sustain the operational plans of the Department during a conflict with a strategic competitor in the Indo-Pacific for not less than six months.
    - (B) A description of any supply chain vulnerabilities or choke points, including from sole sources of supply or geographic proximity to strategic competitors, involving the critical minerals and strategic raw materials (including chemicals) required to produce the semiconductors described in subparagraph (A).

- (C) A description of any supply chain vulnerabilities or choke points, including from sole sources, geographic proximity to strategic competitors, or legacy technology, involving the manufacturing equipment required for each step in the manufacturing process from the raw materials described in subparagraph (B) to the finished and operational semiconductor chip described in subparagraph (A), and an identification of potential secure sources of supply or manufacturing involving the United States, allied, or partner nations.
  - (D) An analysis of the ability of the Department of Defense and private industry, as appropriate, to procure the semiconductors described in subparagraph (A) and mitigate the vulnerabilities identified in subparagraphs (B) and (C), during a conflict with a strategic competitor in the Indo-Pacific lasting not less than six months, along with associated recommendations, any additional necessary authorities to carry out such recommendations, and the cost of each recommendation.
  - (E) A feasibility assessment and recommendations for acquiring for the National

1	Defense Stockpile the semiconductors described
2	in subparagraph (A), including the expected
3	cost.
4	(F) A description of options to finance the
5	cost of the recommendations described in sub-
6	paragraph (D).
7	(3) Definitions.—In this subsection:
8	(A) STRATEGIC COMPETITOR.—The term
9	"strategic competitor" means a country labeled
10	as a strategic competitor in the document enti-
11	tled "Summary of the 2018 National Defense
12	Strategy of the United States of America:
13	Sharpening the American Military's Competi-
14	tive Edge", issued by the Department of De-
15	fense pursuant to section 113 of title 10,
16	United States Code.
17	(B) STRATEGIC MATERIALS.—The term
18	"strategic materials" means—
19	(i) semiconductors described in para-
20	graph (2)(A);
21	(ii) critical minerals and strategic raw
22	materials described in paragraph (2)(B);
23	and
24	(iii) manufacturing equipment de-
25	scribed in paragraph (2)(C).

### (b) Pilot Program.—

- (1) ESTABLISHMENT.—Upon the submission of the report under subsection (a), the Secretary of Defense shall carry out a pilot program under which the Secretary shall acquire for the National Defense Stockpile the highest priority minerals, materials, or equipment identified in such report.
- (2) Report.—Not later than 1 year after the establishment of the pilot program described in this subsection, and annually thereafter until the date described in paragraph (3), the Secretary of Defense shall submit to the congressional defense committees a report on the status and effects of the pilot program.
- (3) TERMINATION.—The pilot program established under this subsection shall terminate on September 30, 2028.

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