#### 117TH CONGRESS 1ST SESSION

# H. R. 3848

To establish the National Commission on Critical Supply Chains, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

June 11, 2021

Mr. Ryan (for himself and Mr. Posey) introduced the following bill; which was referred to the Committee on Energy and Commerce

# A BILL

To establish the National Commission on Critical Supply Chains, 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 "Critical Supply Chains
- 5 Commission Act".
- 6 SEC. 2. FINDINGS; SENSE OF CONGRESS.
- 7 (a) FINDINGS.—Congress finds the following:
- 8 (1) Many Americans were shocked to find that
- 9 the United States was unable to find or produce
- 10 enough face masks, ventilators, hand sanitizer, test-

1	ing kits, hospital beds, sedatives, and other medical
2	necessities in response to the COVID-19 crisis due
3	to limitations in the manufacturing supply chain and
4	our dependence on foreign suppliers.
5	(2) Shortages of medical supplies and equip-
6	ment are just one example of the risks we face due
7	to the United States' reliance on other countries for
8	making many of our critical products. The United
9	States also relies on other countries for—
10	(A) technologies involved with renewable
11	energies and car battery manufacturing;
12	(B) rare earth materials that are essential
13	to many high-technology products, including cell
14	phones, satellites, and computers;
15	(C) fabricating the most precise integrated
16	circuits and microchips that are needed for
17	complex electronics used in weapon systems,
18	space systems, automobiles, and a variety of
19	consumer products;
20	(D) production of advanced machine tools
21	and production equipment that U.S. factories
22	need to manufacture their products;
23	(E) delivery of precision scientific equip-

ment needed to produce breakthroughs in nano-

1	technology, medicine, and future batteries for
2	electric vehicles;
3	(F) manufacturing of clothing and other
4	textiles;
5	(G) production and distribution of food
6	and agricultural goods; and
7	(H) other critical products where substan-
8	tial harm would come to U.S. economic secu-
9	rity, national defense, or way of life if the sup-
10	ply chains were compromised or no longer avail-
11	able.
12	(3) The American supply chain is the founda-
13	tion of our Nation's economic competitiveness and is
14	the delivery system that moves products to con-
15	sumers in every State across the Nation.
16	(4) While U.S. manufacturers and domestic
17	suppliers have substantial resources, some domestic
18	capabilities and expertise have eroded due to reliance
19	on the global supply chain.
20	(5) Dependable and high-quality suppliers are
21	crucial assets to any manufacturing company since
22	manufacturers must get the right products to the
23	right place at the right time to be most successful.
24	(6) A secure and stable American supply chain
25	is a necessary component of a prosperous manufac-

- turing sector that contributes two trillion dollars annually to the U.S. economy.
  - (7) United States manufacturers are a major source of high quality employment in the U.S. at roughly 9 percent of the workforce.
  - (8) United States manufacturers are a major driver of innovation, responsible for more than two-thirds of private sector research and development, receiving more than 90 percent of new patents.
  - (9) United States manufacturers are essential to ensuring our national defense and homeland security, as they provide the tools, equipment, systems, and protective gear for our military and first responders.
  - (10) Manufacturers must consider supply chain risks and potential disruptions in their business decisions, though many times supplier selection is driven by fixed production costs and other primary factors.
  - (11) A more robust and resilient American supply chain is integral to the health and well-being of our economy and of businesses across every State, and improvements in the supply chain will drive affordability, sustainability, and availability of products for our Nation.

- 1 (b) Sense of Congress.—It is the sense of Con-2 gress that—
- (1) a national commission on critical supply
   chains will benefit the United States in several important ways;
  - (2) such a commission will provide expert knowledge, guidance, and recommendations to Congress on the complex and strategically important issues related to bolstering American supply chains, which will help Congress find common ground to advance supply chain policies and approaches that benefit our Nation both today and far into the future;
  - (3) such a commission will provide recommendations to fix the shortcomings exposed in our existing national manufacturing strategy, so that we are prepared for the next crisis—whether it is due to a pandemic, a war, natural disaster, or something else—and that these strategic directions will catalyze a much-needed update to our national manufacturing strategy for revitalizing the U.S. manufacturing sector and increasing our economic growth;
  - (4) such a commission will establish the basis for strengthening the security of, and adding resiliency to, an eroded American supply chain system,

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- so that U.S. economic security, national defense, and way of life are not harmed when natural disasters or other events disrupt the supply of critical ingredients, components, or products from a specific source or region;
- 6 (5) such a commission will trigger new domestic 7 manufacturing jobs as a result of the growth and in-8 creased robustness in the domestic supply chain and 9 manufacturing sector, and such domestic 10 sourcing will also improve the security of intellectual 11 property, reduce environmental impact and transpor-12 tation costs due to fewer parts traveling overseas, 13 and encourage economic clusters for supporting op-14 erations to be located near manufacturing facilities; 15 and
  - (6) such a commission will improve the Nation's national defense and homeland security by reducing vulnerabilities and risks due to excessive reliance on foreign sources of critical materials or components.
- 20 SEC. 3. NATIONAL COMMISSION ON CRITICAL SUPPLY 21 CHAINS.
- 22 (a) ESTABLISHMENT.—Congress shall establish a
  23 National Commission on Critical Supply Chains (referred
  24 to in this section as the "Commission").

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- 1 (b) Purposes.—The purposes of the Commission 2 shall be to—
- (1) convene an independent entity that brings together national experts in a highly visible forum to conduct a systematic study and give guidance to Congress on the complex and strategically important issues related to rebuilding critical American supply chains;
  - (2) identify the critical supply chains in which the United States is dependent on materials, products, equipment, or services from foreign countries and in which substantial harm would come to U.S. economic security, national defense, or way of life if those supply chains were compromised or no longer available;
  - (3) investigate in depth and report on existing dependencies, limitations, and risks to the United States for each of these critical supply chains, including considerations for medical supplies, equipment, and medications; rare earth materials; precision-integrated circuits and microchips; machine tools and production equipment; defense components and homeland security capabilities; scientific equipment needed for advanced technology research and

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1	development; clothing and textiles; and food and ag-
2	ricultural products;
3	(4) assess and provide guidance on key ques-
4	tions, including—
5	(A) which driving forces are pushing U.S.
6	companies to offshore their procurement or
7	their manufacturing operations;
8	(B) how the United States can predict and
9	prevent future supply chain disruptions;
10	(C) what the United States can do to re-
11	duce future vulnerabilities and risks;
12	(D) whether the United States can make
13	the American supply chain resilient enough to
14	protect necessary capabilities and resources;
15	(E) which manufacturing activities should
16	be performed strictly within the United States
17	to ensure economic and national security;
18	(F) what actions should be taken by the
19	United States to increase domestic manufac-
20	turing to meet critical supply chain needs and
21	improve its terms of trade; and
22	(G) what would be the effects of a new na-
23	tional manufacturing strategy on employment
24	growth, innovation, and national security; and

1 (5) develop and propose specific recommenda-2 tions, submit a biannual comprehensive report (and 3 intermediate updates as necessary to maintain time-4 ly and relevant information), and provide Congres-5 sional oversight to Congress to be used as a resource 6 for legislative actions to mitigate the risks of future 7 American supply chain disruptions.

# (c) Membership.—

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- (1) Members.—The Commission shall be composed of 12 members, of whom—
  - (A) three members shall be appointed by the Speaker of the House of Representatives, in consultation with the chairpersons of relevant committees, including the Committee on Ways and Means, Committee on Energy and Commerce, Committee on Science, Space, and Technology, Committee on Transportation and Infrastructure, Committee on Armed Services, Committee on Natural Resources, Committee on Small Business, Committee on Homeland Security, and Committee on Agriculture of the House of Representatives;
  - (B) three members shall be appointed by the minority leader of the House of Representatives, in consultation with the ranking minority

Members of relevant committees, including the Committees described in subparagraph (A);

> (C) three members shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate, in consultation with the chairpersons of relevant committees, including the Committee on Finance, Committee on Commerce, Science, and Technology, Committee on Armed Services, Committee on Energy and Natural Resources, Committee on Small Busi-Entrepreneurship, Committee on ness and Homeland Security and Governmental Affairs, Committee on Environment and Public Works, and Committee on Agriculture, Nutrition, and Forestry of the Senate; and

> (D) three members shall be appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate, in consultation with the ranking minority Members of relevant committees, including the Committees described in subparagraph (C).

(2) Chair; vice chair.—

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- (A) APPOINTMENT.—Not later than 30 days after the initial meeting of the Commis-sion, the Commission shall elect a Chair and Vice Chair from among the Commission's members by a simple majority vote, and such Chair and Vice Chair shall be members of the Com-mission who were appointed by appointing au-thorities from different political parties under paragraph (1).
  - (B) Presence.—For purposes of appointing the Chair, all 12 members must be present. If all 12 members are not present, appointment of the chair shall be delayed until the next meeting of the Commission at which all 12 members are present.
  - (C) TIMING.—If a quorum is not present at that initial meeting, the Chair shall be appointed at the first meeting after that at which a quorum is present. If a Vice Chair is elected before the Chair and no Chair is elected, the Vice Chair shall serve as acting Chair until the Chair is elected.
  - (D) NEW CHAIR AND VICE CHAIR EACH CONGRESS.—A new Chair and Vice Chair shall be elected with respect to each Congress. Any

1	member that was a Chair or Vice Chair in a
2	Congress may not be elected to be a Chair or
3	Vice Chair in a subsequent Congress.
4	(3) Qualifications.—
5	(A) Areas of expertise.—
6	(i) In general.—Each individual ap-
7	pointed to the Commission shall have sub-
8	stantial expertise in one or more of the fol-
9	lowing areas:
10	(I) Supply chain expertise, in-
11	cluding the following:
12	(aa) Advanced manufac-
13	turing, with a focus on distrib-
14	uted operations and supply chain
15	management.
16	(bb) Economics of U.S.
17	manufacturing.
18	(cc) Supply chain logistics.
19	(dd) Supplier certification
20	and quality assurance processes.
21	(ee) Raw materials sourcing
22	and distribution.
23	(ff) Metrics used by Original
24	Equipment Manufacturer pur-
25	chasing managers and chief fi-

1	nancial officers to make pur-
2	chasing decisions.
3	(II) Critical domain expertise, in-
4	cluding the following:
5	(aa) Health care, medical
6	device, and pharmaceutical man-
7	ufacturing.
8	(bb) Mining, supply, and
9	usage of rare earth materials.
10	(cc) Precision-integrated cir-
11	cuits, microchips, and semicon-
12	ductor manufacturing.
13	(dd) Defense component
14	manufacturing and homeland se-
15	curity products.
16	(ee) Advanced machine tools
17	and production equipment.
18	(ff) Scientific equipment for
19	high-precision research and devel-
20	opment.
21	(gg) Clothing and textiles
22	manufacturing.
23	(hh) Food production and
24	agricultural products manufac-
25	turing.

1	(III) Industrial policy expertise,
2	including knowledge of industrial or-
3	ganization, development economics,
4	and policy tools that have been used
5	by the United States and other devel-
6	oping or industrial economies in the
7	world.
8	(ii) Composition.—The composition
9	of the members of the Commission shall
10	ensure the Commission has substantial ex-
11	pertise in all areas described in clause (i).
12	(B) Nongovernment appointees.—An
13	individual appointed to the Commission may
14	not be an officer or employee of the Federal
15	Government.
16	(4) Appointment requirements.—
17	(A) Initial appointments.—Members of
18	the Commission shall be appointed not later
19	than 45 days after the date of the enactment of
20	this Act.
21	(B) TERM OF APPOINTMENTS.—The term
22	of each member of the Commission shall expire
23	on December 31 of the second session of the
24	Congress in which the member is appointed to
25	the Commission.

- 1 (C) APPOINTMENTS WITH EACH CON2 GRESS.—Appointments to the Commission
  3 made after the initial appointments to the Commission under subparagraph (A) shall be made
  5 not later than 30 days after the date on which each Congress convenes.
  - (D) RENEWAL OF APPOINTMENTS.—A member of the Commission may be reappointed for additional terms of service upon mutual agreement between such member and the appointing authority that appointed such member to the Commission.
  - (E) Vacancies.—A vacancy in the Commission shall not affect the powers of the Commission and shall be filled by the same appointing authority that made the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the origi-

nal appointment was made by not later than 30
days after the date such vacancy occurs.

- (F) Removal.—A member of the Commission may be removed from the Commission at any time by the appointing authority that appointed such member to the Commission should the member fail to meet Commission responsibilities.
- (5) Compensation; travel expenses.—Each member of the Commission may be compensated at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which the member is engaged in the actual performance of the duties of the Commission. Travel expenses of members of the Commission shall be allowed at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, except that foreign travel for official purposes by members of the Commission is not authorized.

# (d) Meeting Requirements.—

(1) Initial meeting.—The Commission shall convene for an initial meeting not later than 45 days

- after the initial members of the Commission are all appointed. An initial meeting may be convened so long as at least 10 members are present.
  - (2) Subsequent meetings.—After the initial meeting under paragraph (1), the Commission shall meet upon the call of the Chair or as determined by a majority of Commission members.
  - (3) Expectations for attendance by members.—Members are expected to attend all Commission meetings. In the case of an absence, members are expected to report to the Chair prior to the meeting and allowance may be made for an absent member to participate remotely. Members will still be responsible for fulfilling prior commitments, regardless of attendance status. If a member is absent from multiple meetings, the member may be reviewed by the Chair and appointing authority that appointed such member to the Commission and further action will be considered, including removal and replacement on the Commission.
  - (4) Quorum.—A majority of the members of the Commission shall constitute a quorum.
  - (5) VOTING.—Each member of the Commission shall be entitled to one vote, which shall be equal to the vote of every other member of the Commission.

1	(6) MEETING NOTES.—Meetings notes shall be
2	made available to the Chairman and Ranking Mem-
3	ber of the relevant committees of jurisdiction.
4	(e) Subcommittees and Working Groups.—The
5	Commission may choose, at the discretion of the Chair and
6	Vice Chair, to establish subcommittees and working
7	groups for any purpose consistent with the duties of the
8	Commission. Any findings, conclusions, or recommenda-
9	tions made by a subcommittee or working group shall be
10	considered by the full Commission, which shall be respon-
11	sible for determining any final findings, conclusions, and
12	recommendations. Each such subcommittee or working
13	group shall operate only for the Congressional Session
14	with respect to which such subcommittee or group was es-
15	tablished.
16	(f) Administration and Powers of Commis-
17	SION.—
18	(1) Hearings.—The Commission may, for the
19	purpose of carrying out this Act—
20	(A) hold such hearings, sit and act at such
21	times and places, take such testimony, receive
22	such evidence, and administer such oaths as the
23	Commission considers appropriate; and
24	(B) subject to paragraph (2), require the
25	attendance and testimony of witnesses and the

production of books, records, correspondence, memoranda, papers, and documents.

### (2) Obtaining official data.—

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- (A) IN GENERAL.—The Commission may secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or other instrumentality of the Federal Government or a State, local, Tribal, or territorial government any information, suggestions, estimates, and statistics to enable the Commission to carry out this Act. Each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request of the Chair of the Commission and the Vice Chair of the Commission or any member designated by a majority of the Commission.
- (B) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION.—Any information, suggestions, estimates, and statistics submitted under subparagraph (A) shall only be received, handled, stored, and disseminated by members of

the Commission and its staff, consistent with
 applicable Federal law.
 (3) Public Hearings and Meetings.—

- (A) IN GENERAL.—The Commission shall hold public hearings and meetings as determined appropriate by the Commission.
- (B) PROTECTION OF CERTAIN INFORMATION.—Any public hearings and meetings of the Commission shall be conducted in a manner consistent with applicable Federal law regarding the protection of data submitted to the Commission under paragraph (3).

### (4) Personnel.—

#### (A) Staff.—

(i) APPOINTMENT; COMPENSATION; TRAVEL EXPENSES.—The Chair of the Commission, in consultation with Vice Chair of the Commission, and in accordance with rules agreed upon by the Commission, may appoint and fix the compensation of an executive director and other additional technical and administrative personnel as may be necessary to enable the Commission to carry out its duties, without regard to the provisions of

1 title 5, United States Code, governing ap-2 pointments in the competitive service, and 3 without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and 6 General Schedule pay rates, except that no 7 rate of pay fixed under this clause may ex-8 ceed the equivalent of that payable for a 9 position at level V of the Executive Sched-10 ule under section 5316 of title 5, United 11 States Code. Travel expenses of the execu-12 tive director and other additional technical 13 and administrative personnel of the Com-14 mission shall be allowed at rates author-15 ized for employees of agencies under sub-16 chapter I of chapter 57 of title 5, United 17 States Code, except that foreign travel for 18 official purposes by such director and per-19 sonnel of the Commission is not author-20 ized. 21

(ii) TECHNICAL STAFF EXPERTISE REQUIREMENT.—Technical staff of the Commission shall be individuals with substantial expertise in one or more of the areas described in subsection (c)(2). The

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1	expertise of such technical staff shall aug-
2	ment the ability of the Commission to have
3	substantial expertise in all areas so de-
4	scribed.
5	(iii) Personnel as federal em-
6	PLOYEES.—
7	(I) In general.—The executive
8	director and any other personnel of
9	the Commission shall be treated as
10	employees under section 2105 of title
11	5, United States Code, for purposes of
12	chapters 63, 81, 83, 84, 85, 87, 89,
13	and 90 of such title.
14	(II) Members of commis-
15	SION.—Subclause (I) shall not be con-
16	strued to apply to members of the
17	Commission.
18	(iv) Detailees.—Any Federal Gov-
19	ernment employee may be detailed to the
20	Commission without reimbursement from
21	the Commission, and such detailee shall re-
22	tain the rights, status, and privileges of his
23	or her regular employment without inter-
24	ruption.

1	(v) Experts and consultants.—
2	The Commission may procure temporary
3	and intermittent services of experts and
4	consultants in accordance with section
5	3109 of title 5, United States Code, but at
6	a rate not to exceed the daily equivalent of
7	the annual rate of basic pay in effect for
8	a position at level IV of the Executive
9	Schedule under section 5315 of title 5,
10	United States Code.
11	(B) Assistance from federal agen-
12	CIES.—
13	(i) General services administra-
14	TION.—The Administrator of General
15	Services shall provide to the Commission,
16	on a reimbursable basis, administrative
17	support and other services necessary to
18	carry out the duties of the Commission.
19	(ii) Other departments and agen-
20	CIES.—In addition to the assistance de-
21	scribed in subparagraph (A), departments
22	and agencies of the Federal Government
23	may provide to the Commission such serv-
24	ices, funds, facilities, and staff as such de-

1	partments and agencies determine appro-
2	priate and as authorized by Federal law.
3	(g) Security Clearances.—
4	(1) IN GENERAL.—The members and staff of
5	the Commission shall obtain, if necessary to carry
6	out the functions of the Commission, appropriate se-
7	curity clearances for access to any classified briefing,
8	records, and materials to be reviewed by such mem-
9	bers or staff. The appropriate Federal agencies or
10	departments shall cooperate with the Commission in
11	expeditiously providing to the members and staff of
12	the Commission security clearances pursuant to ex-
13	isting procedures and requirements, except that no
14	person may be provided with access to classified in-
15	formation under this Act without the appropriate se-
16	curity clearance.
17	(2) Office of House Security.—The Office
18	of House Security of the House of Representatives
19	shall—
20	(A) provide classified storage and meeting
21	and hearing spaces for the Commission as de-
22	termined necessary; and
23	(B) assist members and staff of the Com-
24	mission in obtaining security clearances.
25	(h) Reports.—

- 1 (1) Reports.—Not later than December 1 of 2 each year that the Commission remains active and 3 in operation, the Commission shall submit to the majority and minority leaders of the House of Rep-5 resentatives and Senate a comprehensive report on 6 the findings, conclusions, and recommendations of 7 the Commission with respect to such year and in-8 cluding an executive summary of the Commission's 9 purposes and activities and any relevant references 10 and materials with respect to such year. Notwithstanding the previous sentence, the Commission 12 shall not be required to submit a report under this 13 paragraph with respect to the first year in which 14 such Commission is active and in operation if the 15 Commission is so active and in operation for fewer 16 than six months of such first year.
  - (2) Classified information.—In the case that a report submitted under this subsection includes classified information, the Commission shall also submit to the majority and minority leaders of the House of Representatives and Senate a redacted version of such report with such classified information included as a classified annex to such report.
  - (3) Public availability.—Reports submitted under this subsection, or the redacted versions of

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- 1 such reports (if applicable), shall be made publicly
- 2 available on a centralized Federal internet website.
- 3 (i) APPLICABILITY OF FACA.—Except as provided in
- 4 subsection (j), the provisions of the Federal Advisory
- 5 Committee Act (5 U.S.C. App.) shall apply to the activi-
- 6 ties of the Commission.

# 7 (j) TERMINATION.—

- 8 (1) In General.—The Commission, and all the
- 9 authorities of the Commission under this Act, shall
- remain active and in operation until the last day of
- the 10-year period beginning on the date of the en-
- actment of this Act.
- 13 (2) Administrative activities.—The Com-
- mission may use the 60-day period following the
- date of termination of the Commission for the pur-
- pose of concluding its activities, including providing
- testimony to Congress concerning its results and dis-
- seminating the final report of the Commission.
- 19 (k) Authorization of Appropriations.—For pur-
- 20 poses of carrying out this section, there is authorized to
- 21 be appropriated to the Commission \$6,000,000 for fiscal
- 22 year 2021 and such sums as may be necessary for each
- 23 fiscal year thereafter through fiscal year 2031, to be avail-
- 24 able until expended.