

Calendar No. 222

117TH CONGRESS
1ST SESSION

S. 3309

To require SelectUSA to coordinate with State-level economic development organizations to increase foreign direct investment in semiconductor-related manufacturing and production.

IN THE SENATE OF THE UNITED STATES

DECEMBER 2, 2021

Mr. PETERS (for himself, Mr. SCOTT of Florida, and Mrs. BLACKBURN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

DECEMBER 17, 2021

Reported by Ms. CANTWELL, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To require SelectUSA to coordinate with State-level economic development organizations to increase foreign direct investment in semiconductor-related manufacturing and production.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Securing Semicon-
3 ductor Supply Chains Act of 2021”.

4 **SEC. 2. SELECTUSA DEFINED.**

5 In this Act, the term “SelectUSA” means the
6 SelectUSA Initiative of the Department of Commerce es-
7 tablished by Executive Order 13577 (76 Fed. Reg.
8 35,715).

9 **SEC. 3. FINDINGS.**

10 Congress makes the following findings:

11 (1) Semiconductors underpin the United States
12 and global economies, especially with respect to
13 manufacturing. Semiconductors are also essential to
14 national security and military applications of the
15 United States.

16 (2) A shortage of semiconductors, brought
17 about by the COVID-19 pandemic and other com-
18 plex factors impacting the overall supply chain, has
19 threatened the economic recovery of the United
20 States and industries that employ millions of United
21 States citizens.

22 (3) Addressing current challenges and building
23 resilience against future risks requires ensuring a se-
24 cure and stable supply chain for semiconductors that
25 will support the economic and national security
26 needs of the United States and its allies.

(4) The supply chain for semiconductors is complex and global. While the United States plays a leading role in certain segments, securing the supply chain requires onshoring, reshoring, and diversifying vulnerable segments, such as for—

(A) fabrication;

(B) advanced packaging; and

(C) material inputs.

(5) The Federal Government can leverage foreign direct investment and private dollars to grow the domestic manufacturing capacity of the United States for vulnerable segments of the semiconductor supply chain.

(6) The SelectUSA program of the Department of Commerce, in coordination with other Federal agencies and State-level economic development organizations, is positioned to boost foreign direct investment in domestic manufacturing that will help secure the semiconductor supply chain of the United States.

SEC. 4. COORDINATION WITH STATE-LEVEL ECONOMIC DEVELOPMENT ORGANIZATIONS.

Not later than 90 days after the date of the enactment of this Act, the Executive Director of SelectUSA

1 shall solicit comments from State-level economic develop-
 2 ment organizations—

3 (1) to assess—

4 (A) what efforts those organizations are
 5 engaged in to increase foreign direct investment
 6 in any segment of semiconductor-related manu-
 7 facturing and production;

8 (B) what tools and resources those organi-
 9 zations have to increase such investment;

10 (C) opportunities those organizations have
 11 identified to attract foreign direct investment to
 12 help increase investment described in subpara-
 13 graph (A); and

14 (D) resource gaps or other challenges that
 15 prevent those organizations from increasing
 16 such investment; and

17 (2) to develop recommendations for how
 18 SelectUSA can increase such investment independ-
 19 ently or through partnership with those organiza-
 20 tions.

21 **SEC. 5. REPORT ON INCREASING FOREIGN DIRECT INVEST-**
 22 **MENT IN SEMICONDUCTOR-RELATED MANU-**
 23 **FACTURING AND PRODUCTION.**

24 Not later than one year after the date of the enact-
 25 ment of this Act, the Executive Director of SelectUSA,

1 in coordination with the Federal Interagency Investment
2 Working Group established by Executive Order 13577 (76
3 Fed. Reg. 35,715; relating to establishment of the
4 SelectUSA Initiative); shall submit to the Committee on
5 Commerce, Science, and Transportation of the Senate and
6 the Committee on Energy and Commerce of the House
7 of Representatives a report that includes—

8 (1) a review of the comments SelectUSA re-
9 ceived from State-level economic development organi-
10 zations under section 4;

11 (2) a description of activities SelectUSA is en-
12 gaged in to increase foreign direct investment in
13 semiconductor-related manufacturing and produc-
14 tion; and

15 (3) an assessment of strategies SelectUSA may
16 implement to achieve an increase in such investment
17 and to help secure the United States supply chain
18 for semiconductors, including by—

19 (A) working with other relevant Federal
20 agencies; and

21 (B) working with State-level economic de-
22 velopment organizations and implementing any
23 strategies or recommendations SelectUSA re-
24 ceived from those organizations.

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Securing Semiconductor*
3 *Supply Chains Act of 2021”.*

4 **SEC. 2. SELECTUSA DEFINED.**

5 *In this Act, the term “SelectUSA” means the*
6 *SelectUSA program of the Department of Commerce estab-*
7 *lished by Executive Order 13577 (76 Fed. Reg. 35,715).*

8 **SEC. 3. FINDINGS.**

9 *Congress makes the following findings:*

10 *(1) Semiconductors underpin the United States*
11 *and global economies, including manufacturing sec-*
12 *tors. Semiconductors are also essential to the national*
13 *security of the United States.*

14 *(2) A shortage of semiconductors, brought about*
15 *by the COVID–19 pandemic and other complex fac-*
16 *tors impacting the overall supply chain, has threat-*
17 *ened the economic recovery of the United States and*
18 *industries that employ millions of United States citi-*
19 *zens.*

20 *(3) Addressing current challenges and building*
21 *resilience against future risks requires ensuring a se-*
22 *cure and stable supply chain for semiconductors that*
23 *will support the economic and national security needs*
24 *of the United States and its allies.*

25 *(4) The supply chain for semiconductors is com-*
26 *plex and global. While the United States plays a lead-*

1 *ing role in certain segments of the semiconductor in-*
 2 *dustry, securing the supply chain requires onshoring,*
 3 *reshoring, or diversifying vulnerable segments, such as*
 4 *for—*

5 *(A) fabrication;*

6 *(B) advanced packaging; and*

7 *(C) materials and equipment used to manu-*
 8 *facture semiconductor products.*

9 *(5) The Federal Government can leverage foreign*
 10 *direct investment and private dollars to grow the do-*
 11 *mestic manufacturing and production capacity of the*
 12 *United States for vulnerable segments of the semicon-*
 13 *ductor supply chain.*

14 *(6) The SelectUSA program of the Department*
 15 *of Commerce, in coordination with other Federal*
 16 *agencies and State-level economic development organi-*
 17 *zations, is positioned to boost foreign direct invest-*
 18 *ment in domestic manufacturing and to help secure*
 19 *the semiconductor supply chain of the United States.*

20 **SEC. 4. COORDINATION WITH STATE-LEVEL ECONOMIC DE-**
 21 **VELOPMENT ORGANIZATIONS.**

22 *Not later than 180 days after the date of the enactment*
 23 *of this Act, the Executive Director of SelectUSA shall solicit*
 24 *comments from State-level economic development organiza-*
 25 *tions—*

1 (1) to review—

2 (A) what efforts the Federal Government
3 can take to support increased foreign direct in-
4 vestment in any segment of semiconductor-re-
5 lated production;

6 (B) what barriers to such investment may
7 exist and how to amplify State efforts to attract
8 such investment;

9 (C) public opportunities those organizations
10 have identified to attract foreign direct invest-
11 ment to help increase investment described in
12 subparagraph (A);

13 (D) resource gaps or other challenges that
14 prevent those organizations from increasing such
15 investment; and

16 (2) to develop recommendations for—

17 (A) how SelectUSA can increase such in-
18 vestment independently or through partnership
19 with those organizations; and

20 (B) working with countries that are allies
21 or partners of the United States to ensure that
22 foreign adversaries (as defined in section 8(c)(2)
23 of the Secure and Trusted Communications Net-
24 works Act of 2019 (47 U.S.C. 1607(c)(2))) do not

1 *benefit from United States efforts to increase*
 2 *such investment.*

3 **SEC. 5. REPORT ON INCREASING FOREIGN DIRECT INVEST-**
 4 **MENT IN SEMICONDUCTOR-RELATED MANU-**
 5 **FACTURING AND PRODUCTION.**

6 *Not later than 2 years after the date of the enactment*
 7 *of this Act, the Executive Director of SelectUSA, in coordi-*
 8 *nation with the Federal Interagency Investment Working*
 9 *Group established by Executive Order 13577 (76 Fed. Reg.*
 10 *35,715; relating to establishment of the SelectUSA Initia-*
 11 *tive), shall submit to the Committee on Commerce, Science,*
 12 *and Transportation of the Senate and the Committee on*
 13 *Energy and Commerce of the House of Representatives a*
 14 *report that includes—*

15 *(1) a review of the comments SelectUSA received*
 16 *from State-level economic development organizations*
 17 *under section 4;*

18 *(2) a description of activities SelectUSA is en-*
 19 *gaged in to increase foreign direct investment in*
 20 *semiconductor-related manufacturing and production;*
 21 *and*

22 *(3) an assessment of strategies SelectUSA may*
 23 *implement to achieve an increase in such investment*
 24 *and to help secure the United States supply chain for*
 25 *semiconductors, including by—*

1 (A) *working with other relevant Federal*
2 *agencies; and*

3 (B) *working with State-level economic de-*
4 *velopment organizations and implementing any*
5 *strategies or recommendations SelectUSA re-*
6 *ceived from those organizations.*

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