

118TH CONGRESS
2D SESSION

H. R. 8414

To support efforts of the governments of Western Hemisphere countries to increase the diversity of their upstream supply chains and downstream supply chains.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2024

Mr. STANTON (for himself and Mr. JOHNSON of South Dakota) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To support efforts of the governments of Western Hemisphere countries to increase the diversity of their upstream supply chains and downstream supply chains.

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 “Semiconductor Supply
5 Chain Security and Diversification Act of 2024”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act—

1 (1) the term “upstream supply chain” includes
2 mining, production, or processing of critical minerals
3 used in semiconductor manufacturing, including—

4 (A) zinc;

5 (B) gallium;

6 (C) germanium;

7 (D) silicon;

8 (E) lithium; and

9 (F) cobalt; and

10 (2) the term “downstream supply chain” in-
11 cludes—

12 (A) testing and packaging facilities for
13 semiconductors; and

14 (B) advanced testing and packaging facili-
15 ties for semiconductors.

16 **SEC. 3. SENSE OF CONGRESS; STATEMENT OF POLICY.**

17 (a) SENSE OF CONGRESS.—It is the sense of congress
18 that the United States has an economic and national secu-
19 rity interest in diversifying the semiconductor supply
20 chain, specifically by encouraging the development of a re-
21 gionally-based semiconductor ecosystems in the Western
22 Hemisphere to compliment the investments in the United
23 States under the CHIPS and Science Act.

24 (b) STATEMENT OF POLICY.—It is the policy of the
25 United States—

1 (1) to promote the security of allies and part-
2 ners of the United States by encouraging the devel-
3 opment of accessible, transparent, competitive, and
4 robust semiconductor markets that provide diversi-
5 fied sources, types, and parts of the semiconductor
6 chip; and

7 (2) to encourage United States public and pri-
8 vate sector investment in Latin American semicon-
9 ductor infrastructure projects to bridge the gap be-
10 tween national security needs and commercial de-
11 mand in a way that is consistent with the region's
12 absorptive capacity.

13 **SEC. 4. SUPPORTING EFFORTS OF THE GOVERNMENTS OF**
14 **WESTERN HEMISPHERE COUNTRIES TO IN-**
15 **CREASE THE DIVERSITY OF THEIR UP-**
16 **STREAM SUPPLY CHAINS AND DOWNSTREAM**
17 **SUPPLY CHAINS.**

18 (a) IN GENERAL.—In carrying out the policy de-
19 scribed in section 3(b), the Secretary of State, in consulta-
20 tion with the Secretary of Commerce and the heads of
21 other relevant United States agencies, shall, as appro-
22 priate, focus the efforts of the Department of State and
23 those agencies in supporting the efforts of the govern-
24 ments of Western Hemisphere countries to increase the

1 diversity of their upstream supply chains and downstream
2 supply chains, including through—

3 (1) providing diplomatic and political support to
4 the Organization of American States and Western
5 Hemisphere governments, as necessary—

6 (A) to facilitate international negotiations
7 concerning cross-border infrastructure;

8 (B) to enhance the Western Hemisphere’s
9 regulatory environment with respect to semi-
10 conductors; and

11 (C) to develop accessible, transparent, and
12 competitive supply chain markets and down-
13 stream supply chain markets that are supplied
14 by diverse sources, types, and routes of energy;
15 and

16 (2) providing support to improve Western
17 Hemisphere upstream supply chains and down-
18 stream supply chains for semiconductors, includ-
19 ing—

20 (A) to diversify the sources and supply
21 routes of Western Hemisphere countries; and

22 (B) to enhance semiconductor market inte-
23 gration across the regions.

1 (b) TERMS AND CONDITIONS.—For the purposes of
2 providing support for projects under this section, the fol-
3 lowing terms and conditions shall apply:

4 (1) The United States International Develop-
5 ment Finance Corporation may provide support for
6 upstream supply chain and downstream supply chain
7 projects in countries in the Western Hemisphere
8 with upper-middle-income economies or high-income
9 economies (as those terms are defined by the World
10 Bank).

11 (2) The restrictions under section 1412(c)(2) of
12 the Better Utilization of Investments Leading to De-
13 velopment Act of 2018 (22 U.S.C. 9612(c)(2)) shall
14 not apply.

15 (3) The Corporation shall restrict the provision
16 of such support in a country described in paragraph
17 (1) unless—

18 (A) the President certifies to the appro-
19 priate congressional committees that such sup-
20 port furthers the national economic or foreign
21 policy interests of the United States; and

22 (B) such support is—

23 (i) designed to produce significant de-
24 velopmental outcomes or provide develop-

1 mental benefits to the poorest population
2 of that country; or

3 (ii) necessary to preempt or counter
4 efforts by a strategic competitor of the
5 United States to secure significant political
6 or economic leverage or acquire national
7 security-sensitive technologies or infra-
8 structure in a country that is an ally or
9 partner of the United States.

10 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
11 FINED.—In this section, the term “appropriate congres-
12 sional committees” has the meaning given that term in
13 section 1402 of the Better Utilization of Investments
14 Leading to Development Act of 2018 (22 U.S.C. 9601).

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