

118TH CONGRESS
1ST SESSION

S. 2487

To provide for an enhanced domestic content requirement for Navy shipbuilding programs.

IN THE SENATE OF THE UNITED STATES

JULY 25, 2023

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To provide for an enhanced domestic content requirement for Navy shipbuilding programs.

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. ENHANCED DOMESTIC CONTENT REQUIRE-**
4 **MENT FOR NAVY SHIPBUILDING PROGRAMS.**

5 (a) ENHANCED DOMESTIC CONTENT REQUIRE-
6 MENT.—

7 (1) CONTRACTING REQUIREMENTS.—Except as
8 provided in paragraph (2), for purposes of chapter
9 83 of title 41, United States Code, manufactured ar-
10 ticles, materials, or supplies procured as part of a

1 Navy shipbuilding program are manufactured sub-
2 stantially all from articles, materials, or supplies
3 mined, produced, or manufactured in the United
4 States if the cost of such component articles, mate-
5 rials, or supplies—

6 (A) supplied during the period beginning
7 January 1, 2026, and ending December 31,
8 2027, exceeds 65 percent of the cost of the
9 manufactured articles, materials, or supplies;

10 (B) supplied during the period beginning
11 January 1, 2028, and ending December 31,
12 2032, exceeds 75 percent of the cost of the
13 manufactured articles, materials, or supplies;
14 and

15 (C) supplied on or after January 1, 2033,
16 equals 100 percent of the cost of the manufac-
17 tured articles, materials, or supplies.

18 (2) APPLICABILITY TO RESEARCH, DEVELOP-
19 MENT, TEST, AND EVALUATION ACTIVITIES.—Con-
20 tracts related to shipbuilding programs entered into
21 under paragraph (1) to carry out research, develop-
22 ment, test, and evaluation activities shall require
23 that these activities and the components specified
24 during these activities must meet the domestic con-
25 tent requirements delineated under paragraph (1).

1 (3) EXCLUSION FOR CERTAIN MANUFACTURED
2 ARTICLES.—Paragraph (1) shall not apply to manu-
3 factured articles that consist wholly or predomi-
4 nantly of iron, steel, or a combination of iron and
5 steel.

6 (4) WAIVER.—The Secretary of Defense may
7 request a waiver from the requirements under para-
8 graph (1) in order to expand sourcing to members
9 of the national technical industrial base (as that
10 term is defined in section 4801 of title 10, United
11 States Code). Any such waiver shall be subject to
12 the approval of the Director of the Made in America
13 Office and may only be requested if it is determined
14 that any of the following apply:

15 (A) Application of the limitation would in-
16 crease the cost of the overall acquisition by
17 more than 25 percent or cause unreasonable
18 delays to be incurred.

19 (B) Satisfactory quality items manufac-
20 tured by a domestic entity are not available or
21 domestic production of such items cannot be
22 initiated without significantly delaying the
23 project for which the item is to be acquired.

24 (C) It is inconsistent with the public inter-
25 est.

1 (5) RULEMAKING.—Not later than 180 days
2 after the date of the enactment of this Act, the Sec-
3 retary of Defense, in concurrence with the Director
4 of the Made in America Office, shall issue rules to
5 determine the treatment of the lowest price offered
6 for a foreign end product for which 55 percent or
7 more of the component articles, materials, or sup-
8 plies of such foreign end product are manufactured
9 substantially all from articles, materials, or supplies
10 mined, produced, or manufactured in the United
11 States if—

12 (A) the application of paragraph (1) re-
13 sults in an unreasonable cost; or

14 (B) no offers are submitted to supply man-
15 ufactured articles, materials, or supplies manu-
16 factured substantially all from articles, mate-
17 rials, or supplies mined, produced, or manufac-
18 tured in the United States.

19 (6) APPLICABILITY.—The requirements of this
20 subsection shall apply to contracts entered into on or
21 after January 1, 2026.

22 (b) REPORTING ON COUNTRY OF ORIGIN MANUFAC-
23 TURING.—Not later than one year after the date of the
24 enactment of this Act, and annually thereafter, the Sec-
25 retary of Defense shall submit to Congress a report on

1 country of origin tracking and reporting as it relates to
2 manufactured content procured as part of Navy ship-
3 building programs, including through primary contracts
4 and subcontracts at the second and third tiers. The report
5 shall describe measures taken to ensure that the country
6 of origin information pertaining to such content is re-
7 ported accurately in terms of the location of manufacture
8 and not determined by the location of sale.

