

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 6207
OFFERED BY MR. BILIRAKIS OF FLORIDA

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Chip Equipment Qual-
3 ity, Usefulness, and Integrity Protection Act of 2026” or
4 the “Chip EQUIP Act”.

5 SEC. 2. PURCHASES OF SEMICONDUCTOR MANUFAC-
6 TURING EQUIPMENT.

7 (a) DEFINITIONS.—Section 9901 of the William M.
8 (Mac) Thornberry National Defense Authorization Act for
9 Fiscal Year 2021 (15 U.S.C. 4651) is amended by adding
10 at the end the following:

11 “(14) The term ‘completed, fully assembled’,
12 with respect to semiconductor manufacturing equip-
13 ment, means the state in which all (or substantially
14 all) necessary parts, chambers, subsystems, and sub-
15 components have been put together, resulting in
16 such equipment that is—

17 “(A) ready-to-use or ready-to-install; and

1 “(B) ready to be purchased directly from
2 an entity.

3 “(15) The term ‘ineligible semiconductor manu-
4 facturing equipment’—

5 “(A) means completed, fully assembled
6 equipment that is manufactured, assembled, or
7 refurbished by a foreign entity of concern, or a
8 subsidiary or affiliate thereof, and designed for
9 use in the fabrication, assembly, testing, ad-
10 vanced packaging, production, or research and
11 development of semiconductors;

12 “(B) includes—

13 “(i) deposition equipment;

14 “(ii) etching equipment;

15 “(iii) lithography equipment;

16 “(iv) inspection, measuring, and test
17 equipment;

18 “(v) wafer slicing equipment;

19 “(vi) wafer dicing equipment;

20 “(vii) wire bonders;

21 “(viii) ion implantation equipment;

22 “(ix) chemical mechanical polishing;

23 “(x) diffusion or oxidation furnaces;

24 “(xi) thermal processing equipment;

25 and

1 “(xii) automated material handling
2 systems; and

3 “(C) does not include any part, chamber,
4 subsystem, or subcomponent that enables or is
5 incorporated into such equipment.”.

6 (b) INELIGIBLE USE OF FUNDS.—Section 9909 of
7 the William M. (Mac) Thornberry National Defense Au-
8 thorization Act for Fiscal Year 2021 (15 U.S.C. 4659)
9 is amended—

10 (1) by redesignating subsection (f) as sub-
11 section (g); and

12 (2) by inserting after subsection (e) the fol-
13 lowing new subsection:

14 “(f) INELIGIBLE USE OF FUNDS.—

15 “(1) IN GENERAL.—Subject to paragraphs (2)
16 and (3), the Secretary shall include in the terms of
17 each agreement with a covered entity for the award
18 of Federal financial assistance under section 9902,
19 or with the recipient of an award made under sec-
20 tion 9906, prohibitions with respect to a project re-
21 lating to the procurement, installation, or use of in-
22 eligible semiconductor manufacturing equipment, to
23 be effective for 10 years beginning on the date on
24 which the agreement is signed.

1 “(2) WAIVER.—The Secretary may waive the
2 prohibitions referred to in paragraph (1) if—

3 “(A) the ineligible semiconductor manufac-
4 turing equipment to be purchased by the appli-
5 cable covered entity is not produced in the
6 United States or an allied or partner country in
7 sufficient and reasonably available quantities or
8 of a satisfactory quality to support established
9 or expected production capabilities;

10 “(B) the ineligible semiconductor manufac-
11 turing equipment at issue was manufactured or
12 assembled by an entity that is not a foreign en-
13 tity of concern, or a subsidiary or affiliate
14 thereof, and was refurbished by a foreign entity
15 of concern ,or a subsidiary or affiliate thereof;
16 or

17 “(C)(i) the use of the ineligible semicon-
18 ductor manufacturing equipment complies with
19 the requirements set forth in the Export Ad-
20 ministration Regulations (as such term is de-
21 fined in section 1742 of the Export Control Re-
22 form Act of 2018 (50 U.S.C. 4801)); and

23 “(ii) the Secretary, in consultation
24 with the Director of National Intelligence
25 or the Secretary of Defense, determines

1 such waiver is in the national security in-
2 terest of the United States.

3 “(3) PRIOR AGREEMENTS.—

4 “(A) IN GENERAL.—The prohibitions re-
5 ferred to in paragraph (1) shall not apply to
6 any ineligible semiconductor manufacturing
7 equipment that—

8 “(i) has been installed by the applica-
9 ble covered entity prior to the date of en-
10 actment of the Chip EQUIP Act; or

11 “(ii) is allowed to be procured, in-
12 stalled, or used by the applicable covered
13 entity under the terms of an agreement
14 that was entered into before the date of
15 enactment of the Chip EQUIP Act be-
16 tween the Secretary and the covered entity.

17 “(B) LIMITATION.—Nothing in clause (ii)
18 of subparagraph (A) shall be construed to au-
19 thorize the procurement, installation, or use of
20 ineligible semiconductor manufacturing equip-
21 ment that is not allowed under the terms of an
22 agreement entered into prior to the date of en-
23 actment of the Chip EQUIP Act.

1 “(4) FOREIGN ENTITIES OF CONCERN.—Noth-
2 ing in this subsection may be construed to waive the
3 application of section 9907.”.

