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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To modernize and reauthorize the Defense Production Act of 1950, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. DAVIDSON (for himself, Mrs. BEATTY, Mr. HUIZENGA, Mr. VARGAS, and
Mr. NUNN of Iowa) introduced the following bill; which was referred to
the Committee on _____

A BILL

To modernize and reauthorize the Defense Production Act
of 1950, 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 “DPA Modernization
5 Act of 2026”.

6 **SEC. 2. PRIORITIES AND ALLOCATIONS.**

7 Title I of the Defense Production Act of 1950 (50
8 U.S.C. 4511 et seq.) is amended—

1 (1) in section 101—

2 (A) by striking “he” each place such term
3 appears and inserting “the President”;

4 (B) in subsection (a), by striking “or ap-
5 propriate” each place such term appears;

6 (C) in subsection (b)—

7 (i) by striking “The powers” and in-
8 serting “(1) The powers”

9 (ii) by striking “unless the President
10 finds (1) that such” and inserting the fol-
11 lowing: “unless—

12 “(A) the President finds that—

13 “(i) such”;

14 (iii) by striking “defense, and (2)
15 that” and inserting the following: “defense;
16 and

17 “(I) that”;

18 (iv) by striking the period at the end
19 and inserting “; and”; and

20 (v) by adding at the end the following:

21 “(B) the powers are used to address—

22 “(i) a national emergency declared by
23 the President;

24 “(ii) a natural disaster declared by
25 the President pursuant to the Robert T.

1 Stafford Disaster Relief and Emergency
2 Assistance Act; or

3 “(iii) a public health emergency, as
4 determined by the Secretary of Health and
5 Human Services pursuant to section 319
6 of the Public Health Service Act.

7 “(2) The powers described in this section may
8 not be used to control the general distribution of any
9 material in the civilian market for a period exceed-
10 ing 1 year, except that the President may extend
11 such 1-year period for up to 180 days upon report-
12 ing to Congress, on a non-delegable basis, that the
13 extension is essential to meet national defense re-
14 quirements.”;

15 (D) in subsection (c)—

16 (i) in paragraph (1), by striking “Not-
17 withstanding any other provision of this
18 Act, the” and inserting “The”; and

19 (ii) in paragraph (3), by striking
20 “President” and inserting “Executive Di-
21 rector of the Defense Production Act Com-
22 mittee”; and

23 (E) in subsection (d)—

24 (i) strike “section shall” and all that
25 follows through “issue, and annually re-

1 view and update” and insert the following:

2 “section, in consultation with the Defense
3 Production Act Committee—

4 “(1) shall—

5 “(A) issue and”;

6 (ii) by redesignating paragraph (2) as
7 subparagraph (B), and adjusting the mar-
8 gin of such subparagraph accordingly;

9 (iii) in subparagraph (B), as so redес-
10 igned, by striking the period at the end
11 and inserting “; and”; and

12 (iv) by adding at the end the fol-
13 lowing:

14 “(2) may waive or revise relevant regulations
15 for the purpose of expediting the procurement of
16 critical technologies (as defined under section
17 316(a)) or critical minerals subject to the priorities
18 and allocations.”;

19 (2) in section 102—

20 (A) by striking “he” each place such term
21 appears and inserting “the President”; and

22 (B) by striking “sections 101 and 704 of
23 this Act” and inserting “sections 101 and
24 304”;

1 (3) in section 103, by striking “\$10,000” and
2 inserting “\$100,000”;

3 (4) by redesignating section 107 as section 204
4 and transferring such section so as to appear after
5 section 303; and

6 (5) by redesignating section 108 as section 207
7 and transferring such section so as to appear after
8 section 305.

9 **SEC. 3. EXPANSION OF PRODUCTIVE CAPACITY AND SUP-**
10 **PLY.**

11 The Defense Production Act of 1950 (50 U.S.C.
12 4501 et seq.) is amended—

13 (1) by redesignating title III as title II;

14 (2) by redesignating sections 301, 302, 303,
15 304, and 305 as sections 201, 202, 203, 205, and
16 206, respectively;

17 (3) in section 201, as so redesignated—

18 (A) in the heading, by striking “**PRESI-**
19 **DENTIAL AUTHORIZATION FOR THE NA-**
20 **TIONAL DEFENSE**” and inserting “**LOAN**
21 **GUARANTEES**”;

22 (B) in subsection (a)—

23 (i) in paragraph (1), by inserting “,
24 with the concurrence of the Fund manager

1 of the Defense Production Act Fund,” be-
2 fore “to provide”; and

3 (ii) in paragraph (2)—

4 (I) in the heading, by striking
5 “PRESIDENTIAL DETERMINATIONS”
6 and inserting “DETERMINATIONS”;

7 (II) by striking “during a period
8 of” and inserting “with respect to a”;

9 (III) by striking “if the Presi-
10 dent” and inserting “if the guaran-
11 teeing agency, in coordination with
12 the Fund manager of the Defense
13 Production Act Fund and relevant
14 members of the Defense Production
15 Act Committee,”; and

16 (IV) in subparagraph (G)(i), by
17 striking “the President” and inserting
18 “Fund manager of the Defense Pro-
19 duction Act Fund”;

20 (C) in subsection (b)(1), by striking
21 “President” and inserting “Fund manager of
22 the Defense Production Act Fund”;

23 (D) in subsection (c), by striking “Presi-
24 dent” each place such term appears and insert-

1 ing “Fund manager of the Defense Production
2 Act Fund”; and

3 (E) in subsection (d)—

4 (i) in paragraph (1)—

5 (I) by striking “SHORTFALLS.—”

6 and all that follows through “If the
7 making” and inserting “SHORT-
8 FALLS.—If the making”;

9 (II) by striking “\$50,000,000”
10 and inserting “\$100,000,000”;

11 (III) by striking “only—” and all
12 that follows through “if the Presi-
13 dent” and inserting “only if the Fund
14 manager of the Defense Production
15 Act Fund”;

16 (IV) by striking “guarantee;
17 and” and inserting “guarantee.”;

18 (V) in subparagraph (A), by
19 striking clause (ii); and

20 (VI) by striking subparagraph
21 (B); and

22 (ii) in paragraph (2)(B), by striking
23 “not later than 10 days”; and

24 (4) in section 202, as so redesignated—

1 (A) in subsection (a), by inserting “author-
2 ize a lending agency, with the concurrence of
3 the Fund manager of the Defense Production
4 Act Fund and relevant members of the Defense
5 Production Act Committee, to” after “President
6 may”;

7 (B) in subsection (b)—

8 (i) in paragraph (1), by striking
9 “and” at the end;

10 (ii) in paragraph (2)—

11 (I) by inserting “except” before
12 “during”;

13 (II) by striking “no such loan
14 may be made unless the President”
15 and inserting “no such loan may be
16 made with respect to the national
17 emergency unless the lending agency,
18 in consultation with the Fund man-
19 ager of the Defense Production Act
20 Fund and relevant members of the
21 Defense Production Act Committee,”;
22 and

23 (III) by striking the period at the
24 end and inserting a semicolon; and

1 (iii) by adding at the end the fol-
2 lowing:

3 “(3) any such loan shall be secured by a first-
4 priority lien on such collateral as the Fund manager
5 of the Defense Production Act Fund may require,
6 and such lien shall—

7 “(A) attach upon disbursement of funds;

8 “(B) be senior to all other liens and
9 claims; and

10 “(C) be deemed perfected upon attach-
11 ment; and

12 “(4) in the event that the loan recipient de-
13 faults on the repayment of the loan, any portion of
14 such repayment that is not satisfied from the collat-
15 eral described in paragraph (3) shall have priority in
16 payment over all other unsecured claims.”; and

17 (C) in subsection (d)—

18 (i) in paragraph (1)—

19 (I) by striking “\$50,000,000”
20 and inserting “\$100,000,000”;

21 (II) by striking “only—” and all
22 that follows through “if the Presi-
23 dent” and inserting “only if the Fund
24 manager of the Defense Production
25 Act Fund”;

1 (III) in subparagraph (A), by
2 striking “; and” at the end and in-
3 serting a period; and

4 (IV) by striking subparagraph
5 (B); and

6 (ii) by striking paragraph (2);

7 (5) in section 203, as so redesignated—

8 (A) in the heading, by striking “**OTHER**
9 **PRESIDENTIAL ACTION AUTHORIZED**” and
10 inserting “**PURCHASES, COMMITMENTS TO**
11 **PURCHASE, AND SUBSIDY PAYMENTS**”;

12 (B) in subsection (a)—

13 (i) in paragraph (1) by striking “the
14 President” and inserting “a member of the
15 Defense Production Act Committee de-
16 scribed under section 317(b)(1)(A), in con-
17 sultation with the Executive Director of
18 the Defense Production Act Committee,”;

19 (ii) in paragraph (5)—

20 (I) in the heading, by striking
21 “Presidential” and inserting “Federal
22 agency”;

23 (II) by striking “Except as pro-
24 vided in paragraph (7), the Presi-

1 dent” and inserting “The member de-
2 scribed under paragraph (1)”;

3 (III) by striking “the President,
4 on a non-delegable basis,” and insert-
5 ing “member, on a non-delegable
6 basis, and in consultation with the
7 Executive Director of the Defense
8 Production Act Committee,”; and

9 (IV) in subparagraph (B), by
10 striking “Presidential”;

11 (iii) in paragraph (6)—

12 (I) in subparagraph (A)—

13 (aa) by striking “Except as
14 provided in paragraph (7), the
15 President” and inserting “The
16 member described under para-
17 graph (1)”;

18 (bb) by striking “by the
19 President” and inserting “by the
20 member”;

21 (II) in subparagraph (B)—

22 (aa) by striking
23 “\$50,000,000” and inserting
24 “\$100,000,000”;

1 (bb) by striking “the 30-day
2 period following”; and

3 (cc) by inserting “by the
4 Fund manager of the Defense
5 Production Act Fund” after “in
6 writing”; and

7 (III) by striking subparagraph
8 (C); and

9 (iv) by striking paragraph (7) and in-
10 serting the following:

11 “(7) LIMITATIONS ON EQUITY INVESTMENTS.—
12 The equity shares of an entity may not be acquired
13 under this section if such acquisition would result in
14 the Government holding, in the aggregate, 15 per-
15 cent or more of the equity shares of the entity.

16 “(8) ACQUISITION AND LIQUIDATION.—A mem-
17 ber of the Defense Production Act Committee de-
18 scribed under section 317(b)(1)(A)—

19 “(A) may make an equity investment in an
20 entity under this section only after the Fund
21 manager of the Defense Production Act Fund
22 finds that the entity is unable to obtain addi-
23 tional equity investment from private sources
24 on commercially reasonable terms; and

1 “(B) shall seek to sell and liquidate any
2 equity support for an entity provided under this
3 section as soon as commercially feasible, com-
4 mensurate with other similar investors in the
5 entity, taking into consideration the national se-
6 curity interests of the United States.”;

7 (C) by redesignating subsections (b)
8 through (g) as subsections (e) through (h), re-
9 spectively;

10 (D) by inserting after subsection (a) the
11 following:

12 “(b) CRITICAL MINERALS RESILIENCE.—

13 “(1) CRITICAL MINERALS RESILIENCE INITIA-
14 TIVE.—There is established the Critical Minerals
15 Resilience Initiative, under which a member of the
16 Defense Production Act Committee described under
17 section 317(b)(1)(A), in consultation with the Exec-
18 utive Director of the Defense Production Act Com-
19 mittee and the Fund manager of the Defense Pro-
20 duction Act Fund, may make grants, purchases, and
21 commitments to purchase involving an entity in the
22 United States, a member country of the North At-
23 lantic Treasury Organization, or a major non-NATO
24 ally, to—

1 “(A) ensure that the mining or processing
2 of critical and strategic materials is not domi-
3 nated by a foreign adversary; and

4 “(B) provide for offtake agreements, price
5 floors, or incentives in order to ensure the via-
6 bility of mines or processing facilities for crit-
7 ical and strategic materials outside the control
8 of a foreign adversary.

9 “(2) COOPERATION AMONG ENTITIES.—To the
10 extent practicable, the Defense Production Act Com-
11 mittee shall develop a process to encourage coopera-
12 tion among, and manage potential conflicts be-
13 tween—

14 “(A) entities that are domestic sources,
15 and the countries where they are located; and

16 “(B) for the purpose of carrying out the
17 Critical Minerals Resilience Initiative, countries
18 involved in the Initiative.”;

19 (E) in subsection (e), as so redesignated,
20 by striking “not more than 10 years” and in-
21 serting “more than 10 years”

22 (F) in subsection (d), as so redesignated—

23 (i) in paragraph (1)(A), by striking
24 “necessary to carry out the objectives of

1 this title” and inserting “essential for na-
2 tional defense requirements”;

3 (ii) in paragraph (2)—

4 (I) by striking “President may
5 make provision for subsidy payments”
6 and inserting “President, in consulta-
7 tion with the Executive Director of
8 the Defense Production Act Com-
9 mittee and the Fund manager of the
10 Defense Production Act Fund, may
11 make provision for subsidy payments,
12 for a period not to exceed 1 year,”;
13 and

14 (II) by striking “President deter-
15 mines” and inserting “Fund manager
16 determines”; and

17 (iii) by adding at the end the fol-
18 lowing:

19 “(3) RENEWAL OF SUBSIDY.—The President
20 may renew subsidy payments authorized under para-
21 graph (2) for up to 180 days after submitting a re-
22 port to the Committee on Financial Services of the
23 House of Representatives and the Committee on
24 Banking, Housing, and Urban Affairs of the Senate
25 that—

1 “(A) certifies that the subsidy payment is
2 the most efficient means to ensure objectives
3 described under paragraph (2); and

4 “(B) explains why market conditions do
5 not allow for the achievement of the objec-
6 tives.”;

7 (G) in paragraph (1)(C) of subsection (f),
8 as so redesignated, by striking “section 301,
9 302” and inserting “section 201, 202”;

10 (H) in subsection (h), as so redesignated,
11 by striking “make provision” and inserting “ex-
12 ercise the authorities under title I and this
13 title”; and

14 (I) by adding at the end the following:

15 “(i) WAIVER TO EXPEDITE PROCUREMENT.—In ex-
16 ercising the authorities under section 201, section 202, or
17 this section, the President may waive or revise relevant
18 regulations for the purpose of expediting—

19 “(1) the procurement of critical technologies (as
20 defined under section 316(a)) or critical minerals; or

21 “(2) the permitting of critical infrastructure re-
22 quired to produce or refine the critical technologies
23 or critical minerals described in paragraph (1).

24 “(j) ADDITIONAL REQUIREMENTS.—

1 “(1) USE OF COMMERCIALY AVAILABLE SOFT-
2 WARE.—Software procured using funds appropriated
3 pursuant to this Act shall be commercially available
4 off-the-shelf software, unless no commercially avail-
5 able off-the-shelf software that meets the applicable
6 requirements is available, more cost-effective, or is
7 practicable to procure.

8 “(2) USE OF FUNDS FOR SKILLED LABOR.—

9 “(A) IDENTIFICATION OF WORKFORCE AND
10 SKILLS GAPS.—Each Federal agency to which
11 the President has delegated authority under
12 this Act shall identify any workforce gaps or
13 skills gaps that affect the ability of the domes-
14 tic industrial base to supply the materials and
15 services necessary to satisfy the objectives set
16 forth in section 2(b).

17 “(B) USE OF FUNDS.—With respect to an
18 entity receiving financial assistance under title
19 I or this title, the agency making such financial
20 assistance may direct that a portion of the fi-
21 nancial assistance be used to recruit, train,
22 place, or retain workers in defense-critical occu-
23 pations directly related to the activities funded
24 by the assistance, if such entity keeps records
25 of performance standards for workers recruited,

1 trained, placed, or retained using such assist-
2 ance.

3 “(C) INFORMATION INCLUDED IN ANNUAL
4 REPORT.—Each Federal agency to which the
5 President has delegated authority under this
6 Act shall include in the annual report of the
7 Defense Production Act Committee—

8 “(i) a discussion of the identification
9 required under subparagraph (A) and the
10 authority provided under subparagraph
11 (B);

12 “(ii) short-term and long-term rec-
13 ommendations for administrative or legisla-
14 tive action to reduce any workforce gaps or
15 skills gaps identified by the agency, espe-
16 cially through the simulation required
17 under section 206(c), including rec-
18 ommendations on workforce training pro-
19 grams to recruit, train, place, and retain
20 workers in occupations critical to the na-
21 tional defense, including any apprentice-
22 ships.

23 “(k) SPECIAL HIRING AUTHORITY FOR SUBJECT
24 MATTER EXPERTS.—Each agency represented on the De-
25 fense Production Act Committee may appoint, without re-

1 gard to the provisions of sections 3309 through 3318 of
2 title 5, subject matter experts directly to positions in the
3 competitive service (as defined in section 2102 of that
4 title) in the agency for the sole purpose of identifying, so-
5 liciting, evaluating, or approving activities that may re-
6 ceive financial assistance under this title.”;

7 (6) in section 204, as redesignated and moved
8 by section 3(4)—

9 (A) in subsection (a)—

10 (i) by striking “title III of this Act or
11 any other provision of law, the President
12 may” and inserting “this title, a member
13 of the Defense Production Act Committee
14 may, in consultation with the Executive
15 Director of the Defense Production Act
16 Committee,”; and

17 (ii) by inserting “essential” before
18 “materials”;

19 (B) in subsection (b)(1), by striking “as-
20 sure” and inserting “ensure”; and

21 (C) by adding at the end the following:

22 “(c) **WAIVER TO EXPEDITE PROCUREMENT.**—The
23 President may waive or revise relevant regulations for the
24 purpose of expediting—

1 “(1) the procurement of critical technologies (as
2 defined under section 316(a)) or critical minerals
3 subject to the incentives described in subsection (a);
4 or

5 “(2) the permitting of critical infrastructure re-
6 quired to produce or refine the critical technologies
7 or critical minerals described in paragraph (1).”.

8 (7) in section 205, as so redesignated—

9 (A) in subsection (a), insert before the pe-
10 riod at the end the following: “, to be adminis-
11 tered by the Secretary of the Treasury”;

12 (B) in subsection (b)—

13 (i) in paragraph (1)—

14 (I) by striking “section 711” and
15 inserting “section 311”; and

16 (II) by striking “and” at the end;

17 (ii) by redesignating paragraph (2) as
18 paragraph (3);

19 (iii) by inserting after paragraph (1)
20 the following:

21 “(2) all moneys appropriated for activities pur-
22 suant to this title; and”; and

23 (iv) in paragraph (3), as so redesign-
24 ated, by striking “section 303” and in-
25 serting “this title”;

1 (C) in subsection (e), by striking
2 “\$750,000,000” each place such term appears
3 and inserting “\$2,000,000,000”;

4 (D) by redesignating subsections (f) and
5 (g) as subsections (g) and (h), respectively;

6 (E) by inserting after subsection (e) the
7 following:

8 “(f) WAIVER.—The Executive Director of the De-
9 fense Production Act Committee may waive the require-
10 ment described under subsection (e) for up to 1 year at
11 a time upon notifying the Committee on Financial Serv-
12 ices of the House of Representatives and the Committee
13 on Banking, Housing, and Urban Affairs of the Senate
14 in writing that the waiver is in the national security inter-
15 ests of the United States.”;

16 (F) in subsection (g), as so redesignated—

17 (i) by striking “President shall des-
18 ignate a” and inserting “Secretary of the
19 Treasury shall serve as”;

20 (ii) in paragraph (1), by striking
21 “subsection (g)” and inserting “subsection
22 (h)”;

23 (iii) in paragraph (2), by striking
24 “and” at the end;

25 (iv) in paragraph (3)—

1 (I) by inserting “and the Defense
2 Production Act Committee” after
3 “Congress”; and

4 (II) by striking the period at the
5 end and inserting “, including an
6 analysis of the effectiveness of invest-
7 ments made during the previous fiscal
8 year;”; and

9 (v) by adding at the end the following:

10 “(4) designating financial institutions as finan-
11 cial agents of the Federal Government, as appro-
12 priate, for the purposes of this title;

13 “(5) delegating authorities, as the Fund man-
14 ager finds appropriate, to members of the Defense
15 Production Act Committee; and

16 “(6) issuing rules and guidance regarding fi-
17 nancing activities authorized by this title.”; and

18 (G) by adding at the end the following:

19 “(i) DEFERRAL.—The Executive Director of the De-
20 fense Production Act Committee shall defer budget au-
21 thority involving the Fund for an agency that has repeat-
22 edly failed to submit complete reports described under sec-
23 tion 101(e) and 206(a).”;

24 (8) section 206, as so redesignated—

1 (A) in the heading, by striking “**REPORTS**
2 **ON EXERCISE OF AUTHORITIES**” and insert-
3 ing “**DPA STRATEGY**”;

4 (B) by striking subsections (a) and (b) and
5 inserting the following:

6 “(a) IN GENERAL.—Not later than 180 days after
7 the effective date of this subsection, and annually there-
8 after, the head of each agency to which the President has
9 delegated authorities under title I or this title shall submit
10 the report described under subsection (b) to the Executive
11 Director of the Defense Production Act Committee and
12 the Fund manager of the Defense Production Act Fund.

13 “(b) DPA STRATEGY.—A report described under this
14 subsection is a report that includes—

15 “(1) an assessment, in consultation with the
16 Defense Production Act Committee and the private
17 sector, of industrial base needs required by the head
18 of the agency to meet the highest priorities arising
19 from national defense requirements, as determined
20 by the President;

21 “(2) a detailed strategy, timeline, and spending
22 plan, in consultation with the Defense Production
23 Act Committee, to deploy the authorities under title
24 I and this title to address the needs identified under
25 paragraph (1);

1 “(3) the results of the most recent simulation
2 described in subsection (c);

3 “(4) a comprehensive list of actions (including
4 all priority ratings, the exercise or non-exercise of
5 such ratings and any allocations or financing) taken
6 by the agency pursuant to the authorities since the
7 previous report, and an explanation of how the ac-
8 tions support the strategy described under para-
9 graph (2);

10 “(5) any use of authorities under section 308 or
11 section 310 in support of the strategy described
12 under paragraph (2);

13 “(6) a description of any waivers exercised pur-
14 suant to section 101(d)(2), section 107(c), or section
15 203(h); and

16 “(7) in the case of an action taken pursuant to
17 title I or this title involving a business concern in
18 Canada, the United Kingdom, or Australia, a jus-
19 tification of the necessity of the use of authorities
20 under the applicable title.

21 “(c) STRATEGY SIMULATION.—At least once every 5
22 years, the Defense Production Act Committee shall con-
23 duct a discussion-based simulation (commonly known as
24 a ‘table-top exercise’) to determine the resources needed
25 and the best use of the authorities under title I and this

1 title to implement the strategy described in subsection
2 (b)(2) contained in the most recent report required under
3 subsection (a).”;

4 (C) in subsection (c)(2), by striking “sec-
5 tion 702(7)(B)(ii)(II)(bb)” and inserting “sec-
6 tion 302(7)(B)(ii)(II)(bb)”;

7 (D) by adding at the end the following:

8 “(d) STRATEGY ON SECURING SUPPLY CHAINS ES-
9 SENTIAL TO NATIONAL DEFENSE.—The head of any rel-
10 evant agency, as determined by the President, shall, in the
11 first report submitted under subsection (a) after the date
12 of enactment of this subsection, include in such report the
13 following:

14 “(1) A detailed plan to ensure the supply of the
15 following, to the extent necessary for national de-
16 fense:

17 “(A) Medical materials (including drugs,
18 devices, and biological products (as that term is
19 defined in section 351 of the Public Health
20 Service Act (42 U.S.C. 262)) to diagnose, cure,
21 mitigate, treat, or prevent disease).

22 “(B) Critical minerals.

23 “(C) Naval shipbuilding capacity, mate-
24 rials, and components.

1 “(2) An analysis of vulnerabilities to existing
2 supply chains for the materials, minerals, and capac-
3 ity described in paragraph (1).

4 “(3) Any authorities provided by this Act to be
5 used by the agency to ensure that essential compo-
6 nents of such supply chains are not under the con-
7 trol of a foreign adversary.”.

8 (9) in section 207, as redesignated and moved
9 by section 3(5)—

10 (A) in subsection (a), by inserting “, to the
11 extent required for national defense purposes,”
12 after “President shall”; and

13 (B) in subsection (b)—

14 (i) in paragraph (1)—

15 (I) by striking “title III” and in-
16 serting “this title”; and

17 (II) by striking “advance” and
18 inserting “advanced”; and

19 (ii) in paragraph (2)—

20 (I) by striking “title III” and in-
21 serting “this title”; and

22 (II) in subparagraph (C), by
23 striking “section 301, 302, or 303”
24 and inserting “section 201, 202, or
25 203”; and

1 (10) by adding at the end the following:

2 **“SEC. 208. PROHIBITION ON DISCRIMINATION BASED ON**
3 **ENERGY SOURCE.**

4 “In using the authorities under this title, the Presi-
5 dent may not deny financial support pursuant to sections
6 201, 202, 203, or 204, other than for the production of
7 energy, based on the energy source involved in the explo-
8 ration, development, production, utilization, transpor-
9 tation, or sale of energy.

10 **“SEC. 209. LIMITATION ON ELIGIBILITY FOR ASSISTANCE.**

11 “(a) IN GENERAL.—A covered entity is not eligible
12 for assistance authorized under this title.

13 “(b) DEFINITIONS.—In this section:

14 “(1) COVERED ENTITY.—The term ‘covered en-
15 tity’ means an entity in which a covered individual
16 directly or indirectly holds a significant interest. For
17 the purpose of determining whether an entity is a
18 covered entity, if securities of the entity are owned,
19 controlled, or held by 2 or more individuals who are
20 related as described in paragraph (2), such securi-
21 ties shall be aggregated.

22 “(2) COVERED INDIVIDUAL.—The term ‘cov-
23 ered individual’ means—

1 “(A) the President, the Vice President, or
2 a member of the Defense Production Act Com-
3 mittee; and

4 “(B) the spouse, child, son-in-law, or
5 daughter-in-law of an individual described in
6 subparagraph (A).

7 “(3) EQUITY INTEREST.—The term ‘equity in-
8 terest’ means—

9 “(A) a share in an entity, without regard
10 to whether the share is—

11 “(i) transferable; or

12 “(ii) classified as stock or anything
13 similar;

14 “(B) a capital or profit interest in a lim-
15 ited liability company or partnership; and

16 “(C) a warrant or right (other than a right
17 to convert) to purchase, sell, or subscribe to a
18 share or interest described in subparagraph (A)
19 or (B), respectively.

20 “(4) SIGNIFICANT INTEREST.—The term ‘sig-
21 nificant interest’ means owning, controlling, or hold-
22 ing not less than 20 percent, by vote or value, of the
23 outstanding amount of any class of equity interest in
24 an entity.”.

1 **SEC. 4. GENERAL PROVISIONS.**

2 The Defense Production Act of 1950 (50 U.S.C.
3 4501 et seq.) is amended—

4 (1) by redesignating title VII as title III;

5 (2) by striking section 714 and 723;

6 (3) by redesignating sections 701 through 711,
7 section 713, sections 715 through 717, and sections
8 721 and 722 as sections 301 through 317, respec-
9 tively;

10 (4) in section 301, as so redesignated, in sub-
11 section (e), by inserting “and consistent with na-
12 tional defense requirements” after “practicable”;

13 (5) in section 302, as so redesignated—

14 (A) in paragraph (7)(B), by striking “title
15 III” each place such term appears in a heading
16 or text, and inserting “title II”; and

17 (B) in paragraph (14)—

18 (i) by inserting “or section 319 of the
19 Public Health Service Act,” after “Assist-
20 ance Act”; and

21 (ii) by striking “and critical infra-
22 structure protection and restoration” and
23 inserting “, critical infrastructure protec-
24 tion and restoration, and public health
25 emergency preparedness and response ac-
26 tivities”;

1 (6) in section 303, as so redesignated—

2 (A) by striking “Any officer” and inserting
3 the following:

4 “(a) IN GENERAL.—Any officer”;

5 (B) by striking “GS–18 of the General
6 Schedule, as the President deems appropriate to
7 carry out this Act” and inserting “senior-level
8 positions described under section 5376 of title
9 5, United States Code, as the President deems
10 appropriate to carry out title I or title II”; and

11 (C) by adding at the end the following:

12 “(b) OUTREACH REPRESENTATIVE DURING A PUB-
13 LIC HEALTH EMERGENCY.—

14 “(1) IN GENERAL.—Consistent with the au-
15 thorities in this title, the Administrator of the Fed-
16 eral Emergency Management Agency, in consulta-
17 tion with the Secretary of Health and Human Serv-
18 ices, may designate or appoint, pursuant to sub-
19 section (a), an individual to be known as the ‘Out-
20 reach Representative’ for the period of a public
21 health emergency. Such individual shall—

22 “(A) be appointed from among individuals
23 with substantial experience in the production or
24 distribution of medical supplies or equipment;
25 and

1 “(B) act as the Government-wide single
2 point of contact during the public health emer-
3 gency for outreach to manufacturing companies
4 and their suppliers who may be interested in
5 producing medical supplies or equipment.

6 “(2) ENCOURAGING PARTNERSHIPS.—During
7 the period of a public health emergency, the Out-
8 reach Representative shall seek to develop partner-
9 ships between companies, in coordination with any
10 overall coordinator appointed by the President to
11 oversee the response to the public health emergency,
12 including through the exercise of the authorities del-
13 egated by the President under section 308.”;

14 (7) in section 304, as so redesignated—

15 (A) by striking “(a) **IN GENERAL.**—”;

16 (B) by striking “section 709 and sub-
17 section (b), the President may prescribe” and
18 inserting “section 309 and subsection (b), the
19 President, not later than 360 days after the
20 date of enactment of the DPA Modernization
21 Act of 2026, shall issue”; and

22 (C) by striking subsection (b);

23 (8) in section 305, as so redesignated—

24 (A) in subsection (a)—

1 (i) by striking “or appropriate, in his
2 discretion,”; and

3 (ii) by striking “in order” and insert-
4 ing “essential”;

5 (B) in subsection (e), by striking
6 “\$10,000” and inserting “\$100,000”;

7 (C) in subsection (d), by striking
8 “\$10,000” and inserting “\$100,000”; and

9 (D) by adding at the end the following:

10 “(f) The authority of the President under this section
11 may not be used to obtain sensitive personally identifiable
12 information. In this subsection, the term ‘sensitive person-
13 ally identifiable information’ means personally identifiable
14 information which, if lost, compromised, or disclosed with-
15 out authorization, could result in substantial harm, em-
16 barrassment, inconvenience, or unfairness to an indi-
17 vidual.”.

18 (9) in section 306, as so redesignated—

19 (A) in subsection (a), by striking “he” and
20 inserting “the President”;

21 (B) in subsection (b), by striking “sub-
22 pena” each place such term appears and insert-
23 ing “subpoena”; and

24 (C) by adding at the end the following:

1 “(c) CIVIL ACTIONS.—A civil action challenging an
2 action taken under this Act may be brought only in the
3 United States Court of Appeals for the District of Colum-
4 bia Circuit.”;

5 (10) in section 308, as so redesignated—

6 (A) by striking “he” each place such term
7 appears and inserting “the President”;

8 (B) in subsection (e)(2), by striking “not
9 less than ten days”; and

10 (C) in subsection (e)—

11 (i) by striking “(1) The individual”
12 and inserting “The individual”;

13 (ii) by striking “section 553 of title 5,
14 United States Code” and inserting “sec-
15 tion 309”; and

16 (iii) by striking paragraphs (2) and
17 (3);

18 (11) in section 309, as so redesignated—

19 (A) in subsection (a), by striking “sections
20 551 through 559” and inserting “sections 552
21 through 552b and sections 554 through 559”;
22 and

23 (B) by striking subsection (c);

24 (12) in section 310, as so redesignated—

1 (A) by redesignating subsections (b)
2 through (g) as subsections (a) through (f), re-
3 spectively;

4 (B) in subsection (a), as so redesignated—

5 (i) in paragraph (1), by striking “he”
6 each place such term appears and inserting
7 “the President”; and

8 (ii) in paragraph (6)—

9 (I) by striking “his or her” and
10 inserting “the Director’s”; and

11 (II) by striking “he or she” and
12 inserting “the Director”;

13 (C) in subsection (b), as so redesignated—

14 (i) by striking “he” and inserting “the
15 President”; and

16 (ii) by striking “section 55a of title 5
17 of the United States Code. Individuals so
18 employed may be compensated at rates not
19 in excess of \$50 per diem and while away
20 from their homes or regular places of busi-
21 ness they may be allowed transportation
22 and not to exceed \$15 per diem in lieu of
23 subsistence and other expenses while so
24 employed” and inserting “section 3109 of
25 title 5, United States Code”;

1 (D) in subsection (e), as so redesignated,
2 by striking “\$10,000” and inserting
3 “\$100,000”; and

4 (E) in subsection (f), as so redesignated,
5 by striking “he” and inserting “the President”;
6 (13) in section 311, as so redesignated—

7 (A) by striking “he” and inserting “the
8 President”;

9 (B) by striking “\$133,000,000 for fiscal
10 year 2015” and inserting “\$250,000,000 for
11 fiscal year 2025”; and

12 (C) by striking “\$117,000,000 for each of
13 fiscal years 2020 through 2024 to carry out
14 title III” and inserting “\$5,000,000 for each of
15 fiscal years 2026 through 2031 to the Execu-
16 tive Director of the Defense Production Act
17 Committee and the Fund manager of the De-
18 fense Production Act Fund to carry out this
19 Act”;

20 (14) in section 315, as so redesignated—

21 (A) in subsection (a)—

22 (i) by striking “title III, and title VII
23 (except sections 707, 708, and 721)” and
24 inserting “title II, and title III (except sec-
25 tions 307, 308, and 316)”;

1 (ii) by striking “2026” and inserting
2 “2031”; and

3 (iii) by striking “under title III” and
4 inserting “under title II”;

5 (B) in subsection (c), by striking “section
6 301 of this Act” and inserting “section 201”;
7 and

8 (C) by striking subsection (d);

9 (15) in section 316, as so redesignated, in sub-
10 section (l)(3)(D), by striking “section 706(b)” and
11 inserting “section 306(b)”;

12 (16) in section 317, as so redesignated—

13 (A) in subsection (a), by striking “plan for
14 on” and inserting “plan for”;

15 (B) in subsection (b)—

16 (i) in paragraph (1)—

17 (I) in subparagraph (A), by strik-
18 ing “and” at the end;

19 (II) in subparagraph (B), by
20 striking the period at the end and in-
21 sserting a semicolon; and

22 (III) by adding at the end the
23 following:

24 “(C) the Fund manager of the Defense
25 Production Act Fund; and

1 “(D) the Director of the Office of Manage-
2 ment and Budget.”; and

3 (ii) by striking paragraph (2) and in-
4 serting the following:

5 “(2) CHAIRPERSON.—The Assistant to the
6 President for National Security Affairs shall serve
7 as the non-voting Chairperson of the Committee.

8 “(3) EXECUTIVE DIRECTOR.—The Director of
9 the Office of Management and Budget shall serve as
10 the Executive Director of the Committee, who shall
11 oversee interagency planning, coordination, and im-
12 plementation of this Act.”;

13 (C) in subsection (c)—

14 (i) by striking “one person” and in-
15 serting “one or more persons”; and

16 (ii) by striking “such person” and in-
17 serting “each such person”;

18 (D) in subsection (d)—

19 (i) by inserting “Chairperson of the”
20 before “Committee shall”;

21 (ii) by striking “signed by the Chair-
22 person”;

23 (iii) by striking paragraphs (1) and
24 (2) and inserting the following:

1 “(1) the most recent reports submitted pursu-
2 ant to section 206;”;

3 (iv) by striking paragraph (5);

4 (v) by redesignating paragraphs (3)
5 and (4) as paragraphs (2) and
6 (3), respectively;

7 (vi) in paragraph (2), as so redesign-
8 ated, by striking “legislation” and insert-
9 ing “legislative”;

10 (vii) in paragraph (3), as so redesign-
11 ated, by striking “recommendations for
12 improving” and inserting “actions taken to
13 improve”;

14 (viii) by inserting after paragraph (3),
15 as so redesignated, the following:

16 “(4) an evaluation of the effectiveness of each
17 relevant Federal agency in deploying the authorities
18 under title I and title II to address the needs de-
19 scribed under section 206(b)(2);

20 “(5) a summary of any steps taken to reduce
21 fraud in transactions under this Act and a fraud
22 risk assessment for all activities under undertaken
23 under this Act; and”;

1 (ix) in paragraph (4), as so redesignig-
2 nated, by striking “each” and inserting
3 “any”;

4 (E) by redesignating subsection (e) as sub-
5 section (f);

6 (F) by inserting after subsection (d) the
7 following:

8 “(e) DEFENSE PRODUCTION ACT DASHBOARD.—The
9 Executive Director of the Committee shall maintain a
10 database that—

11 “(1) compiles and categorizes the actions re-
12 ported under section 206(b)(3);

13 “(2) is available to all members of the Com-
14 mittee, for the purpose of more effective coordina-
15 tion of actions authorized this Act;

16 “(3) allows for real-time updates by the mem-
17 bers of the Committee; and

18 “(4) is subject to appropriate information secu-
19 rity, confidentiality, and classification requirements.

20 “(f) TOOLKIT AND ONLINE RESOURCES SITE.—

21 “(1) IN GENERAL.—Not later than 365 days
22 after the date of the enactment of this subsection,
23 the Committee shall develop a toolkit and an online
24 ‘one-stop shop’ that allows Federal agencies to share
25 information and resources with interested persons

1 regarding the use of authorities under this Act
2 (other than authorities under section 316 or title
3 IV), including the following:

4 “(A) The process for solicitations under
5 such authorities, including information on sub-
6 mitting offers and receiving assistance.

7 “(B) Opportunities under such authorities
8 for business concerns, including small business
9 concerns (as defined under section 3 of the
10 Small Business Act (15 U.S.C. 632)), to par-
11 ticipate in contracts and other funding mecha-
12 nisms allowed such authorities.

13 “(C) A searchable description of awards,
14 including an identification of the awardee and
15 any priority rating for such award, made using
16 such authorities.

17 “(D) A description of any voluntary agree-
18 ments and executive reserves established, con-
19 sistent with such authorities, including an iden-
20 tification of the parties engaged in each activity
21 and the goals and terms of such activity, as the
22 Committee determines appropriate.

23 “(E) The contact information for an indi-
24 vidual at each Federal agency to which the
25 President may delegate such authorities.

1 “(2) OUTREACH.—Not later than 365 days
2 after the development of the toolkit required in para-
3 graph (1), and every 6 months thereafter, the Com-
4 mittee shall develop a plan for each Federal agency
5 to which the President has delegated authorities
6 under this Act (other than authorities under section
7 316 or title IV) to conduct outreach activities to
8 educate the private sector about the commercial op-
9 portunities available under such authorities.

10 “(g) MEETINGS.—The Committee shall meet at least
11 twice per year. The Chairperson of the Committee may
12 convene such other meetings as the Chairperson deter-
13 mines necessary.

14 “(h) SUBCOMMITTEES.—

15 “(1) EMERGING TECHNOLOGY SUB-
16 COMMITTEE.—

17 “(A) ESTABLISHMENT.—There is estab-
18 lished within the Committee a Subcommittee on
19 Emerging Technology.

20 “(B) ACTIVITIES.—The Subcommittee on
21 Emerging Technology shall analyze—

22 “(i) the effects or potential benefits of
23 covered technology on activities determined
24 essential to the national defense; and

1 “(ii) how covered technology can be
2 used within a single industry or Federal
3 agency, or across industries and Federal
4 agencies, to improve efficiencies, encourage
5 innovation, and address supply chain gaps

6 “(C) REPORT ELEMENTS.—The Sub-
7 committee on Emerging Technology shall in-
8 clude, in the annual report of the Defense Pro-
9 duction Act Committee, the analysis required
10 under subparagraph (B)(ii), including a de-
11 scription of how covered technology can be used
12 within a single industry or Federal agency, or
13 across industries and Federal agencies, to im-
14 prove efficiencies, conserve resources, and ad-
15 dress supply chain gaps, in support of national
16 defense priorities.

17 “(D) COVERED TECHNOLOGY.—For pur-
18 poses of this paragraph, the Subcommittee shall
19 establish a definition for the term ‘covered tech-
20 nology’ and, in establishing such definition,
21 shall consider including technologies in the
22 fields of—

23 “(i) artificial intelligence and robotics;

24 “(ii) biotechnology;

1 “(iii) cryptography and quantum com-
2 puting;

3 “(iv) materials science;

4 “(v) semiconductors; and

5 “(vi) space.

6 “(2) GENERAL SUBCOMMITTEE AUTHORITY.—

7 The Executive Director may establish and convene
8 such additional subcommittees of the Committee as
9 the Executive Director determines appropriate to
10 improve coordination among member agencies of the
11 Committee regarding particular activities authorized
12 under this Act.”; and

13 (G) by adding at the end the following:

14 “(g) FRAUD RISK MANAGEMENT IN TRANSACTIONS
15 UNDER THIS ACT.—Not later than 1 year after the date
16 of the enactment of this subsection, the Defense Produc-
17 tion Act Committee shall—

18 “(1) establish and implement processes and
19 procedures consistent with leading practices in the
20 Fraud Risk Framework established by the Govern-
21 ment Accountability Office to combat fraud in trans-
22 actions undertaken under this Act;

23 “(2) train personnel about the standards and
24 practices established and implemented under para-
25 graph (1); and

1 “(3) designate a point of contact within the De-
2 fense Production Act Committee to be responsible
3 for managing issues relating to fraud, including co-
4 ordinating with agencies to review fraud-related
5 issues.”.

6 **SEC. 5. PROHIBITION AND NOTIFICATION ON INVEST-**
7 **MENTS RELATING TO COVERED NATIONAL**
8 **SECURITY TRANSACTION.**

9 The Defense Production Act of 1950 (50 U.S.C.
10 4501 et seq.) is amended—

11 (1) by redesignating title VIII as title IV;

12 (2) by redesignating sections 801 through 809
13 as sections 401 through 409, respectively;

14 (3) in subsection (e)(1) of section 401, as so re-
15 designated, by striking “section 709” and inserting
16 “section 309”;

17 (4) in section 402, as so redesignated—

18 (A) in subsection (a), by striking “section
19 801(a)” and inserting “section 401(a)”;

20 (B) in subsection (b)(1), by striking “sec-
21 tion 709” and inserting “section 309”; and

22 (C) in subsection (c), by striking “section
23 801” and inserting “section 401”;

24 (5) in subsection (a) of section 403, as so re-
25 designated—

1 (A) in paragraph (1), by striking “section
2 801(e) and 802(b)” and inserting “section
3 401(e) or 402(b)”;

4 (B) in paragraph (2)—

5 (i) by striking “section 801(e) and
6 802(b)” and inserting “section 401(e) or
7 402(b)”;

8 (ii) by striking “section 801(e)” each
9 place such term appears and inserting
10 “section 401(e)”;

11 (C) in paragraph (3), by striking “section
12 802” and inserting “section 402”;

13 (6) in section 407, as so redesignated—

14 (A) in subsection (a), by striking “section
15 801 or 802” and inserting “section 401 or
16 402”;

17 (B) in subsection (b), by striking “sub-
18 section 801(a)” each place such term appears
19 and inserting “section 401(a)”;

20 (7) in subsection (b)(4) of section 408, as so re-
21 designated, by striking “section 805” and inserting
22 “section 405”;

23 (8) in section 409, as so redesignated—

24 (A) in paragraph (1), by striking “section
25 804(d)” and inserting “section 404(d)”;

1 (B) in paragraph (4)(A)(viii), by striking
2 “section 709” and inserting “section 309”;
3 (C) in paragraph (7)—
4 (i) in subparagraph (A), by striking
5 “section 801” and inserting “section 401”;
6 and
7 (ii) in subparagraph (B), by striking
8 “section 709” and inserting “section 309”;
9 and
10 (D) in paragraph (10)(B), by striking
11 “section 709” and inserting “section 309”.

12 **SEC. 6. GAO STUDY ON STOCKPILING AND LONG-LEAD**
13 **ITEMS.**

14 (a) **IN GENERAL.**—The Comptroller General of the
15 United States shall, not later than 1 year after the date
16 of the enactment of this Act, begin a study on the efficacy
17 of the current methods used by DPA agencies to address
18 DPA-related long-lead items and related stockpiling chal-
19 lenges.

20 (b) **REQUIREMENTS.**—When conducting the study re-
21 quired under subsection (a), the Comptroller General
22 shall—

23 (1) examine how DPA-related long-lead items
24 are currently procured and stockpiled by DPA agen-
25 cies;

1 (2) identify ways in which Federal agencies can
2 work together to better address procurement and
3 stockpiling of DPA-related long-lead items; and

4 (3) provide legislative recommendations, includ-
5 ing amendments to the DPA, to address procure-
6 ment of DPA-related long-lead items and the stock-
7 piling of such items.

8 (c) DEFINITIONS.—In this section:

9 (1) DPA.—The term “DPA” means the De-
10 fense Production Act of 1950.

11 (2) DPA AGENCY.—The term “DPA agency”
12 means a Federal agency to which the President has
13 delegated authority under the DPA.

14 (3) LONG-LEAD ITEM.—The term “long-lead
15 item” means components of a system or piece of
16 equipment for which the times to design and fab-
17 ricate are the longest, and therefore, to which an
18 early commitment of funds may be desirable to com-
19 plete the system by the earliest possible.

20 **SEC. 7. CONFORMING AMENDMENTS.**

21 (a) ADVANCE ACT OF 2024.—Section 301(d) of di-
22 vision B of the ADVANCE Act of 2024 (42 U.S.C. 2133
23 note) is amended by striking “section 712” and inserting
24 “section 316”.

1 (b) AMERICAN HOMEOWNERSHIP AND ECONOMIC
2 OPPORTUNITY ACT OF 2000.—Section 1102 of the Amer-
3 ican Homeownership and Economic Opportunity Act of
4 2000 (Public Law 106-569) is amended by striking para-
5 graph (2).

6 (c) ENERGY POLICY AND CONSERVATION ACT.—Sec-
7 tion 252(h) of the Energy Policy and Conservation Act
8 (42 U.S.C. 6272(h)) is amended by striking “Section
9 708” and inserting “Section 308”.

10 (d) FURTHER CONSOLIDATED APPROPRIATIONS ACT,
11 2020.—Section 402(e) of the Further Consolidated Ap-
12 propriations Act, 2020 (12 U.S.C. 635 note) is amended
13 by striking “section 721(a)(6)(A)” and inserting “section
14 316(a)(6)(A)”.

15 (e) JOHN S. MCCAIN NATIONAL DEFENSE AUTHOR-
16 IZATION ACT FOR FISCAL YEAR 2019.—Section 1792 of
17 the John S. McCain National Defense Authorization Act
18 for Fiscal Year 2019 (50 U.S.C. 4531 note) is hereby re-
19 pealed.

20 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR
21 FISCAL YEARS 1988 AND 1989 .—Section 272 of the Na-
22 tional Defense Authorization Act for Fiscal Years 1988
23 and 1989 (15 U.S.C. 4602(c)) is amended by striking
24 “section 719 of the Defense Production Act of 1950 (50
25 U.S.C. App. 2168),”.

1 (g) NATIONAL DEFENSE AUTHORIZATION ACT FOR
2 FISCAL YEAR 2018.—Section 226 of the National Defense
3 Authorization Act for Fiscal Year 2018 (50 U.S.C. 4531
4 note) is amended—

5 (1) by striking subsection (e); and

6 (2) by redesignating subsection (f) as sub-
7 section (e).

8 (h) NATIONAL DEFENSE AUTHORIZATION ACT FOR
9 FISCAL YEAR 2020.—Section 847(e) of the National De-
10 fense Authorization Act for Fiscal Year 2020 is amended
11 by striking “section 721” and inserting “section 316”.

12 (i) NATIONAL DEFENSE AUTHORIZATION ACT FOR
13 FISCAL YEAR 2022.—Effective on the date of enactment
14 of the National Defense Authorization Act for Fiscal Year
15 2022, section 1702(k)(4) of such Act is amended by strik-
16 ing “Defense Production Act” and inserting “Defense
17 Production Act of 1950”.

18 (j) TITLE 10, UNITED STATES CODE.—Section
19 4891(a) of title 10, United States Code, is amended by
20 striking “section 721(a)” and inserting “section 316(a)”.

21 (k) WILLIAM M. (MAC) THORNBERRY NATIONAL DE-
22 FENSE AUTHORIZATION ACT FOR FISCAL YEAR 2021.—
23 Section 848(b)(2)(C) of the William M. (Mac) Thornberry
24 National Defense Authorization Act for Fiscal Year 2021

1 (10 U.S.C. 4811 note) is amended by striking “title III”
2 and inserting “title II”.