

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. 6875**  
**OFFERED BY MR. MAST 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 “Artificial Intelligence  
3 Oversight of Verified Exports and Restrictions on  
4 Weaponizable Advanced Technology to Covered High-Risk  
5 Actors Act” or the “AI OVERWATCH Act”.

**6 SEC. 2. LICENSE REQUIREMENT FOR EXPORTS OF COV-**  
**7                   ERED INTEGRATED CIRCUITS TO COUNTRIES**  
**8                   OF CONCERN.**

9       Part I of the Export Control Reform Act of 2018 (50  
10 U.S.C. 4811 et seq.) is amended by inserting after section  
11 1758 the following:

**12 “SEC. 1758A. CONTROL OF EXPORTS OF COVERED INTE-**  
**13                   GRATED CIRCUITS.**

14       “(a) DEFINITIONS.—In this section:

15               “(1) ALLIED COUNTRY.—The term ‘allied coun-  
16 try’ means any country listed in Country Group A  
17 under Supplement No. 1 to part 740 of the Export

1 Administration Regulations (as in effect on January  
2 1, 2026).

3 “(2) APPROPRIATE CONGRESSIONAL COMMIT-  
4 TEES.—The term ‘appropriate congressional com-  
5 mittees’ means the Committee on Foreign Affairs of  
6 the House of Representatives and the Committee on  
7 Banking, Housing, and Urban Affairs of the Senate.

8 “(3) COMMERCE CONTROL LIST.—The term  
9 ‘Commerce Control List’ means the list set forth in  
10 Supplement No. 1 to part 774 of the Export Admin-  
11 istration Regulations.

12 “(4) COUNTRY OF CONCERN.—The term ‘coun-  
13 try of concern’ means—

14 “(A) the People’s Republic of China, in-  
15 cluding the Hong Kong and Macau Special Ad-  
16 ministrative Regions;

17 “(B) the Republic of Cuba;

18 “(C) the Islamic Republic of Iran;

19 “(D) the Democratic People’s Republic of  
20 Korea;

21 “(E) the Russian Federation; and

22 “(F) any other foreign country listed in  
23 Country Group D:5 under Supplement No. 1 to  
24 part 740 of the Export Administration Regula-  
25 tions, as published on January 1, 2026, that is

1 designated by the Secretary of State as a coun-  
2 try of concern for purposes of this section and  
3 for which notice of such designation has been  
4 published in the Federal Register.

5 “(5) COVERED AGENCY HEADS.—The term  
6 ‘covered agency heads’ means the Secretary of De-  
7 fense, the Secretary of Energy, the Secretary of  
8 State, and the Director of the White House Office  
9 of Science and Technology Policy.

10 “(6) COVERED INTEGRATED CIRCUIT.—

11 “(A) IN GENERAL.—Subject to subpara-  
12 graphs (B), (C), and (D), the term ‘covered in-  
13 tegrated circuit’ means—

14 “(i) an integrated circuit, computer,  
15 or other product—

16 “(I) classified under Export Con-  
17 trol Classification Number 3A090 or  
18 4A090 or related Export Control  
19 Classification Numbers; or

20 “(II) that is functionally equiva-  
21 lent or substantially similar to a cir-  
22 cuit, computer, or product described  
23 in subclause (I), including certain  
24 similar products listed under Export

1 Control Classification Number

2 5A002.z; or

3 “(ii) an integrated circuit that has 1

4 or more digital processing units with—

5 “(I) a total processing perform-  
6 ance of 4,800 or more;

7 “(II) a total processing perform-  
8 ance of 2,400 or more and a perform-  
9 ance density of 1.6 or more;

10 “(III) a total processing perform-  
11 ance of 1,600 or more and a perform-  
12 ance density of 3.2 or more; or

13 “(IV) a total DRAM bandwidth  
14 of 1,400 gigabytes per second or  
15 more, interconnect bandwidth of  
16 1,100 gigabytes per second or more,  
17 or a sum of DRAM bandwidth and  
18 interconnect bandwidth of 1,700  
19 gigabytes per second or more.

20 “(B) AUTHORITY TO UPDATE TECHNICAL  
21 PARAMETERS.—Beginning 24 months after the  
22 date of the submission to Congress of the  
23 American Artificial Intelligence Victory Strat-  
24 egy required in subsection (f), the Under Sec-  
25 retary of Commerce for Industry and Security

1           may add or modify technical parameters for the  
2           definition of ‘covered integrated circuit’ for pur-  
3           poses of this section though notice in the Fed-  
4           eral Register, so long as—

5                   “(i) the addition or modification poses  
6                   no adverse impact on the national security  
7                   of the United States;

8                   “(ii) not fewer than 30 days before  
9                   the addition or modification takes effect,  
10                  the Secretary of Commerce—

11                   “(I) consults with the appro-  
12                   priate congressional committees re-  
13                   garding such addition or modification;  
14                   and

15                   “(II) in conjunction with each  
16                   agency that is part of the Operating  
17                   Committee for Export Policy and in  
18                   coordination with the Director of Na-  
19                   tional Intelligence, updates the Amer-  
20                   ican Artificial Intelligence Victory  
21                   Strategy required in subsection (f)  
22                   and submits such update to the ap-  
23                   propriate congressional committees;  
24                   and

1 “(iii) the Operating Committee for  
2 Export Policy has approved the addition or  
3 modification by majority vote.

4 “(C) PRODUCTS INCLUDED.—Except as  
5 provided in subparagraph (D), the term ‘cov-  
6 ered integrated circuit’ includes a product con-  
7 taining such a covered integrated circuit.

8 “(D) EXCLUSION.—The term ‘covered in-  
9 tegrated circuit’ does not include—

10 “(i) covered integrated circuits or  
11 products containing a covered integrated  
12 circuit that are not designed or marketed  
13 for use in a data center; or

14 “(ii) microprocessor microcircuits,  
15 such as central processing units, that are  
16 not graphics processing units or similar  
17 products.

18 “(7) OPERATING COMMITTEE FOR EXPORT POL-  
19 ICY.—The term ‘Operating Committee for Export  
20 Policy’ means the Operating Committee for Export  
21 Policy referred to in section 1763(c) of the John S.  
22 McCain National Defense Authorization Act for Fis-  
23 cal Year 2019 (50 U.S.C. 4822(c)).

24 “(8) PERFORMANCE DENSITY; TOTAL PROC-  
25 ESSING PERFORMANCE.—The terms ‘performance

1 density’ and ‘total processing performance’ have the  
2 meanings given those terms in, and are calculated as  
3 provided for under, Export Control Classification  
4 Number 3A090 in the Commerce Control List (as in  
5 effect on January 1, 2026).

6 “(9) RESTRICTED INTEGRATED CIRCUIT.—

7 “(A) IN GENERAL.—Subject to subpara-  
8 graphs (B), (C), and (D), the term ‘restricted  
9 integrated circuit’ means a covered integrated  
10 circuit that is—

11 “(i) an integrated circuit that has 1  
12 or more digital processing units—

13 “(I) with a total processing per-  
14 formance of 21,000 or more; or

15 “(II) with a total processing per-  
16 formance of 1,600 or more and a per-  
17 formance density of 21 or more; or

18 “(ii) an integrated circuit that was  
19 first marketed for sale after January 1,  
20 2026, and that has 1 or more digital proc-  
21 essing units with—

22 “(I) a total processing perform-  
23 ance of 4,800 or more;

1 “(II) a total processing perform-  
2 ance of 2,400 or more and a perform-  
3 ance density of 1.6 or more; or

4 “(III) a total processing perform-  
5 ance of 1,600 or more and a perform-  
6 ance density of 3.2 or more.

7 “(B) AUTHORITY TO UPDATE TECHNICAL  
8 PARAMETERS.—The Under Secretary of Com-  
9 merce for Industry and Security may add or  
10 modify technical parameters for the definition  
11 of ‘restricted integrated circuit’ in the same  
12 manner and subject to the same restrictions as  
13 the authority described in paragraph (6)(B).

14 “(C) PRODUCTS INCLUDED.—Except as  
15 provided by subparagraph (D), the term ‘re-  
16 stricted integrated circuit’ includes a product  
17 containing such a restricted integrated circuit.

18 “(D) EXCLUSION.—The term ‘restricted  
19 integrated circuit’ does not include—

20 “(i) restricted integrated circuits or  
21 products containing a restricted integrated  
22 circuit that are not designed or marketed  
23 for use in a data center; or

24 “(ii) microprocessor microcircuits,  
25 such as central processing units, that are



1 not graphics processing units or similar  
2 products.

3 “(10) TRUSTED UNITED STATES PERSON.—The  
4 term ‘trusted United States person’ means any  
5 United States person designated as a trusted United  
6 States person pursuant to subsection (h)(2).

7 “(b) LICENSE REQUIREMENT.—

8 “(1) IN GENERAL.—Beginning on the date of  
9 the enactment of this section, the Under Secretary  
10 of Commerce for Industry and Security, in coordina-  
11 tion with each agency that is part of the Operating  
12 Committee for Export Policy, shall require a license  
13 for the export, reexport, or in-country transfer of a  
14 covered integrated circuit or a restricted integrated  
15 circuit to an entity that is located or headquartered  
16 in, or the ultimate parent company of which is  
17 headquartered in, a country of concern.

18 “(2) GENERAL LICENSE PROHIBITED.—The  
19 Under Secretary of Commerce for Industry and Se-  
20 curity may not issue a general license for the pur-  
21 pose of fulfilling the license requirement in para-  
22 graph (1).

23 “(c) CERTIFICATION TO CONGRESS.—

24 “(1) CERTIFICATION REQUIREMENT.—Not  
25 fewer than 30 days prior to approving any license

1 for the export, reexport, or in-country transfer of a  
2 covered integrated circuit to an entity that is located  
3 or headquartered in, or the ultimate parent company  
4 of which is headquartered in, a country of concern,  
5 the Under Secretary of Commerce for Industry and  
6 Security, in coordination with each agency that is  
7 part of the Operating Committee for Export Policy,  
8 shall submit to the appropriate congressional com-  
9 mittees a copy of the license application and pro-  
10 posed license, including—

11 “(A) the quantity of covered integrated cir-  
12 cuit, identified by an Export Control Classifica-  
13 tion Number, as applicable, and by technical  
14 parameters of the covered integrated circuit;

15 “(B) the ultimate consignee or end-user of  
16 the covered integrated circuit;

17 “(C) any and all license conditions;

18 “(D) a certification that the export, reex-  
19 port, or in-country transfer of the covered inte-  
20 grated circuit has verifiable and enforceable  
21 mechanisms for ensuring the ultimate consignee  
22 or end-user has not, does not, and will not sup-  
23 port or enable, directly or indirectly, the mili-  
24 tary, intelligence, surveillance, or cyber-enabled  
25 capabilities of a country of concern, including—

1           “(i) that the United States Govern-  
2           ment has no information indicating that  
3           the ultimate consignee or end-user has,  
4           does, or will support or enable, directly or  
5           indirectly, the military, intelligence, sur-  
6           veillance, or cyber-enabled capabilities of a  
7           country of concern;

8           “(ii) an explanation of how the license  
9           conditions support the certification; and

10          “(iii) in the case that the license con-  
11          cerns a country of concern that engages in  
12          a military-civil fusion policy or maintains a  
13          law that requires persons to provide sup-  
14          port and assistance to national security  
15          bodies, public security bodies, or relevant  
16          military bodies of the country of concern,  
17          details on how the license conditions ad-  
18          dress the specific threats arising from such  
19          policy or law;

20          “(E) a certification that approving the li-  
21          cense will not adversely impact the defense in-  
22          dustrial base of the United States, including the  
23          availability of covered integrated circuits for  
24          United States persons, including all of the

1 major subcomponents of the covered integrated  
2 circuits, such as high-bandwidth memory;

3 “(F) a certification that approving the li-  
4 cense will not adversely impact the technology  
5 leadership and advantage of the United States  
6 in total nationally-installed processing power ca-  
7 pacity relative to the country of concern related  
8 to the ultimate consignee or end user of the  
9 covered integrated circuit;

10 “(G) a certification that approving the li-  
11 cense will not adversely impact the national se-  
12 curity of the United States;

13 “(H) the underlying analyses supporting  
14 the certifications required in subparagraphs  
15 (D), (E), (F), and (G); and

16 “(I) a technical assessment (including an  
17 alternative assessment by the Director of Na-  
18 tional Intelligence, if applicable) of how the ex-  
19 port, reexport, or in-country transfer of the cov-  
20 ered integrated circuit to an entity that is lo-  
21 cated or headquartered in, or the ultimate par-  
22 ent company of which is headquartered in, a  
23 country of concern affects the artificial intel-  
24 ligence leadership of the United States, includ-  
25 ing in terms of global market share, in artificial

1 intelligence models, artificial intelligence cloud  
2 services, and covered integrated circuits, respec-  
3 tively.

4 “(2) EXTENSION OF REVIEW PERIOD FOR CER-  
5 TAIN SUBMISSIONS.—In the case that a submission  
6 to Congress under paragraph (1) is submitted on a  
7 date that is on or after July 10 and on or before  
8 September 7 in any year, paragraph (1) shall apply  
9 by substituting ‘60 days’ for ‘30 days’.

10 “(3) LIMITATION.—

11 “(A) IN GENERAL.—The license described  
12 in subsection (b) may not be issued—

13 “(i) until the date that is not fewer  
14 than 30 days after the committees de-  
15 scribed in paragraph (1) received the cer-  
16 tification required in such paragraph; and

17 “(ii) if Congress, prior to the date  
18 that is 30 days after such committees re-  
19 ceived such certification, enacts a joint res-  
20 olution prohibiting the proposed export, re-  
21 export, or in-country transfer.

22 “(B) JOINT RESOLUTION.—

23 “(i) CONSIDERATION IN THE SEN-  
24 ATE.—Any joint resolution under this sub-  
25 section shall be considered in the Senate in

1 accordance with the provisions of section  
2 601(b) of the International Security As-  
3 sistance and Arms Export Control Act of  
4 1976 (Public Law 94–329; 90 Stat. 765).

5 “(ii) CONSIDERATION IN THE HOUSE  
6 OF REPRESENTATIVES.—For the purpose  
7 of expediting the consideration and enact-  
8 ment of joint resolutions under this sub-  
9 section, a motion to proceed to the consid-  
10 eration of any such joint resolution after it  
11 has been reported by the appropriate com-  
12 mittee shall be treated as highly privileged  
13 in the House of Representatives.

14 “(iii) JOINT RESOLUTION CONTENT.—  
15 The only licensing information that may be  
16 included in a joint resolution under this  
17 section is—

18 “(I) the quantity of covered inte-  
19 grated circuit, identified by an Export  
20 Control Classification Number, as ap-  
21 plicable, and by technical parameters  
22 of the covered integrated circuit; and

23 “(II) the ultimate consignee or  
24 end-user of the covered integrated cir-  
25 cuit.

1       “(d) TERMINATION OF LICENSES.—Any license  
2 issued or approved prior to the date of the enactment of  
3 this section for the export, reexport, or in-country transfer  
4 of a covered integrated circuit to an entity that is located  
5 or headquartered in, or the ultimate parent company of  
6 which is headquartered in, a country of concern is termi-  
7 nated.

8       “(e) TEMPORARY PROHIBITION.—The Under Sec-  
9 retary of Commerce for Industry and Security, in coordi-  
10 nation with each agency that is part of the Operating  
11 Committee for Export Policy, shall deny all licenses for  
12 the export, reexport, or in-country transfer of a covered  
13 integrated circuit to an entity that is located or  
14 headquartered in, or the ultimate parent company of  
15 which is headquartered in, a country of concern, within  
16 one business day of receiving any application for such a  
17 license, until the date that is 14 days after the submission  
18 to Congress of the American Artificial Intelligence Victory  
19 Strategy required in subsection (f).

20       “(f) AMERICAN ARTIFICIAL INTELLIGENCE VICTORY  
21 STRATEGY.—The Secretary of Commerce, in conjunction  
22 with the covered agency heads and in coordination with  
23 the Director of National Intelligence, shall submit to the  
24 appropriate congressional committees an American Arti-  
25 cial Intelligence Victory Strategy that details—

1           “(1) a whole-of-government framework to win  
2           the artificial intelligence race;

3           “(2) the national security and economic impli-  
4           cations of the People’s Republic of China winning  
5           the artificial intelligence race;

6           “(3) the effect that access by countries of con-  
7           cern to covered integrated circuits, semiconductor  
8           manufacturing equipment, and related subcompo-  
9           nents that are from the United States or allied coun-  
10          tries would have on the artificial intelligence race,  
11          the capabilities of the People’s Republic of China,  
12          and United States national security;

13          “(4) recommendations for policy changes the  
14          United States Government should make to best posi-  
15          tion the United States in the artificial intelligence  
16          race against the People’s Republic of China;

17          “(5) an assessment of the implications of the  
18          export, reexport, or in-country transfer of covered  
19          integrated circuits to countries of concern for the  
20          military, intelligence, surveillance, or cyber-enabled  
21          capabilities of such countries; and

22          “(6) an assessment of the covered integrated  
23          circuit production numbers and capabilities of the  
24          People’s Republic of China for fiscal years 2026 and  
25          2027, including—



1           “(A) a determination of whether the Peo-  
2           ple’s Republic of China would cease or reduce  
3           its efforts to pursue indigenous production and  
4           use of Chinese-designed and manufactured cov-  
5           ered integrated circuits if entities located or  
6           headquartered in, or the ultimate parent com-  
7           pany of which is headquartered in, the People’s  
8           Republic of China are provided access to cov-  
9           ered integrated circuits designed in the United  
10          States;

11          “(B) a comparison of the covered inte-  
12          grated circuit production numbers and capabili-  
13          ties of the People’s Republic of China to the  
14          covered integrated circuit production numbers  
15          and capabilities of the United States and allies  
16          of the United States; and

17          “(C) a quantitative analysis, to the extent  
18          feasible, examining the artificial intelligence ca-  
19          pabilities of countries of concern if such coun-  
20          tries relied solely on indigenous production of  
21          covered integrated circuits using indigenously  
22          produced manufacturing equipment and related  
23          subcomponents.

24          “(g) LICENSE PROHIBITION FOR RESTRICTED INTE-  
25          GRATED CIRCUITS.—The Under Secretary of Commerce

1 for Industry and Security, in coordination with each agen-  
2 cy that is part of the Operating Committee for Export  
3 Policy, shall deny all licenses for the export, reexport, or  
4 in-country transfer of a restricted integrated circuit to an  
5 entity that is located or headquartered in, or the ultimate  
6 parent company of which is headquartered in, a country  
7 of concern.

8 “(h) EXEMPTION FROM CERTAIN LICENSE RE-  
9 QUIREMENTS FOR TRUSTED UNITED STATES PERSONS.—

10 “(1) IN GENERAL.—The requirement for a li-  
11 cense under sections 742.6 and 744.23 of the Ex-  
12 port Administration Regulations shall not apply to  
13 the export, reexport, or in-country transfer of a cov-  
14 ered integrated circuit if the covered integrated cir-  
15 cuit—

16 “(A) is not destined for Macau, Hong  
17 Kong, or a country listed in Country Group D:5  
18 under Supplement No. 1 to part 740 of the Ex-  
19 port Administration Regulations; and

20 “(B) will remain under the ownership and  
21 control of a trusted United States person or a  
22 subsidiary of a trusted United States person  
23 once the covered integrated circuit is in oper-  
24 ation.

1           “(2) IMPLEMENTATION.—Not later than 90  
2       days after the date of the enactment of this section,  
3       the Under Secretary of Commerce for Industry and  
4       Security, in coordination with each agency that is  
5       part of the Operating Committee for Export Policy,  
6       shall—

7           “(A) seek input from the public regarding  
8       the standards and requirements a United  
9       States person should be required to meet to ob-  
10      tain a designation as a trusted United States  
11      person;

12          “(B) based on such input, prescribe regu-  
13      lations establishing such standards and require-  
14      ments, which shall include—

15           “(i) establishment by the United  
16      States person of reasonable security stand-  
17      ards, including physical security, cyberse-  
18      curity, remote access, secure covered inte-  
19      grated circuit repair and disposal proce-  
20      dures, and other measures designed to pre-  
21      vent the illicit transfer, diversion, or access  
22      to covered integrated circuits;

23           “(ii) a requirement that the United  
24      States person may not transfer or install a  
25      majority of its aggregate total processing

1 performance of covered integrated circuits  
2 outside the United States;

3 “(iii) a requirement that not more  
4 than an aggregate 10 percent of the ulti-  
5 mate beneficial ownership of the United  
6 States person may be held, directly or indi-  
7 rectly, by any entity that primarily resides,  
8 is domiciled, or conducts the majority of  
9 its business in a country of concern;

10 “(iv) robust know-your-customer  
11 standards;

12 “(v) a preference for sourcing ad-  
13 vanced integrated circuits and subcompo-  
14 nents from production facilities that sup-  
15 port the revival of semiconductor manufac-  
16 turing in the United States; and

17 “(vi) annual audit or attestation re-  
18 quirements to ensure compliance with  
19 clauses (i), (ii), (iii), and (iv); and

20 “(C) prescribe regulations establishing the  
21 process by which the Under Secretary of Com-  
22 merce for Industry and Security, in coordina-  
23 tion with each agency that is part of the Oper-  
24 ating Committee for Export Policy, shall ap-  
25 prove such a designation.

1           “(3) EXPANSION TO ALLIED COUNTRIES.—The  
2           Under Secretary of Commerce for Industry and Se-  
3           curity, in coordination with each agency that is part  
4           of the Operating Committee for Export Policy, shall  
5           consider options for securely expanding the license  
6           exemption program described in this subsection to  
7           certain allied countries.”.

