

Section 5949 Timeline & Requirements

June 2023

Section 5949(e)

DOC, in coordination with DOD, DHS, DNI, and DOE, shall:

- analyze semiconductor design and production capacity domestically and by allies or partner countries;
- assess the risks of products or services in Federal systems;
- assess the risk posed by the presence of such products or services in Federal contractor/subcontractor supply chains, including for non-Federal systems;
- develop a strategy; and
- provide the results to FASC.

August 2023

Section 5949(i)

DOC reports to Congress on:

- 5949(e) findings and recommendations; and
- 5949(f) traceability and diversification initiative.

December 2024

Section 5949(g)

FASC, in consultation with DOC, DOD, DHS, DNI, and DOE, and **after private sector engagement**, shall:

- issue recommendations to mitigate supply chain risks to Federal acquisition of covered products and services; and
- make regulatory recommendations to FARC on risk mitigation.

December 2025

Section 5949(c)

FARC shall issue regulations implementing Section 5949's prohibitions, including a requirement for prime contractors to incorporate the substance of such prohibitions and applicable implementing contract clauses into contracts for the supply of electronic parts and products. **Industry should have opportunity to provide comments on rulemaking activity prior to issuance of regulations implementing Section 5949's prohibitions.**

December 2027

Section 5949(a)

- Federal agencies may not procure, obtain, or renew contracts for certain products or services that **include** semiconductor products or services "designed, produced, or provided" by SMIC, CXMT, or YMTC.
- Federal agencies may not enter into contracts, or extend or renew contracts, with an entity to procure or obtain certain parts or products that **use** any electronic parts or products in critical systems, that include products or services from SMIC, CXMT, or YMTC.

2022

2023

2024

2025

2027

2028

December 2022

Enactment of FY 2023 NDAA

December 2023

Section 5949(i)

FASC shall include in its annual report, and annually thereafter for 10 years, a description of:

- the development of recommendations under 5949(g); and
- the impact of recommendations or regulations.

December 2024

Section 5949(f)

DOC, in coordination with DHS, DOD, DNI, OMB, and OSTP, and **in consultation with industry**, shall establish a microelectronics traceability and diversification initiative to coordinate analysis of and response to Federal Government microelectronics supply chain vulnerabilities.

September 2028

Section 5949(d)

OMB, in coordination with DNI and the NCD, shall provide a report to Congress on:

- implementation of section 5949(a) prohibitions; and
- the effectiveness and utility of the 5949(b) waiver authority.

Abbreviations

DHS - Department of Homeland Security
DNI - Director of National Intelligence
DOC - Department of Commerce
DOE - Department of Energy
FARC - Federal Acquisition Regulatory Council
FASC - Federal Acquisition Security Council
NCD - National Cyber Director
OMB - Office of Management and Budget
OSTP - Office of Science and Technology Policy