

Calendar No. 294

108TH CONGRESS
1ST SESSION**S. 1680****[Report No. 108-156]**

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

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 30 (legislative day, SEPTEMBER 29), 2003

Mr. SHELBY, from the Committee on Banking, Housing, and Urban Affairs, reported the following original bill; which was read twice and placed on the calendar

A BILL

To 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 “Defense Production
5 Reauthorization Act of 2003”.

6 **SEC. 2. FINDINGS AND DECLARATION OF POLICY.**

7 Section 2(a) of the Defense Production Act of 1950
8 (50 U.S.C. App. 2062(a)) is amended to read as follows:

1 **“SEC. 2. FINDINGS AND DECLARATION OF POLICY.**

2 “(a) FINDINGS.—Congress finds that—

3 “(1) the security of the United States is de-
4 pendent upon its ability—

5 “(A) to maintain and enhance the indus-
6 trial and technology base necessary to meet na-
7 tional defense requirements for emergency con-
8 tingencies; and

9 “(B) to continue to function economically,
10 politically, and socially in the midst of a crisis
11 and thereafter, whether it results from a nat-
12 ural or man-caused event, especially after an at-
13 tack by a hostile state or organization;

14 “(2) to that end, the United States Government
15 requires certain statutory authorities to enable it to
16 prepare for, respond to, and recover from hazards
17 that threaten the national security or emergency
18 preparedness of the United States;

19 “(3) private industries, both manufacturing and
20 service-oriented, that support the functioning of the
21 United States Government and its Armed Forces
22 and ensure economic security and social stability
23 need to be capable of preparing for and responding
24 as expeditiously as possible to an attack, either
25 physical upon its premises or support structures or
26 electronic, and recovering from any such attack;

1 “(4) with the rise in terrorism as a principal
2 threat to the security of the United States, and with
3 the increasing dependence of the Government,
4 Armed Forces, banking, financial, public works,
5 communications, transportation, and other critical
6 sectors on infrastructure vulnerable to hostile attack,
7 the Government continues to require statutory au-
8 thority that enables it to establish priorities, alloca-
9 tions, and processes essential to the ability of the
10 country to function as required;

11 “(5) the maintenance of industrial capabilities
12 critical to the ability of the Armed Forces to prepare
13 for and respond to hostile attack on the United
14 States or its interests remains a vital interest of the
15 United States;

16 “(6) contraction in the United States defense
17 industrial base and increased dependence on over-
18 seas sources of defense items has placed a premium
19 on the authorities provided for in this Act, including
20 expansion of domestic productive capacity and some
21 diversion of certain materials and facilities from ci-
22 vilian use to military and related purposes; and

23 “(7) United States economic and national secu-
24 rity remain dependent on assured access to sources

1 of energy, and on the uninterrupted supply of energy
2 within the United States.

3 “(b) STATEMENT OF POLICY.—It is the policy of the
4 United States that—

5 “(1) the authorities provided for in this Act
6 should be used as judiciously as possible, and always
7 with the intent of ensuring the national security of
8 the United States and its infrastructure against hos-
9 tile attack and against other man-caused and nat-
10 ural hazards;

11 “(2) the authorities provided for in this Act
12 should be used to ensure the availability of materials
13 and services that promote national defense, economic
14 security, and social stability; and

15 “(3) executive agencies and departments re-
16 sponsible for defense acquisition should continuously
17 assess the capability of the domestic defense and in-
18 dustrial base to satisfy national security require-
19 ments.”.

20 **SEC. 3. REAUTHORIZATION OF THE DEFENSE PRODUCTION**

21 **ACT OF 1950.**

22 (a) IN GENERAL.—Section 717(a) of the Defense
23 Production Act of 1950 (50 U.S.C. App. 2166(a)) is
24 amended—

1 action under this section to correct an in-
2 dustrial resource shortfall for radiation-
3 hardened electronics, to the extent that
4 such action does not cause the aggregate
5 outstanding amount of all such actions for
6 industrial resource shortfalls to exceed
7 \$200,000,000.

8 “(ii) REPORT BY THE SECRETARY.—
9 Not later than 6 months after the date of
10 enactment of this subparagraph, the Sec-
11 retary of Defense shall submit a report to
12 the Committee on Banking, Housing, and
13 Urban Affairs of the Senate and the Com-
14 mittee on Financial Services of the House
15 of Representatives describing—

16 “(I) the current state of the do-
17 mestic industrial base for radiation-
18 hardened electronics;

19 “(II) the projected requirements
20 of the Department of Defense for ra-
21 diation-hardened electronics;

22 “(III) the intentions of the De-
23 partment of Defense for the industrial
24 base for radiation-hardened elec-
25 tronics; and

1 “(IV) the plans of the Depart-
2 ment of Defense for use of providers
3 of radiation-hardened electronics be-
4 yond the providers with which the De-
5 partment had entered into contractual
6 arrangements under the authority of
7 this Act as of the date of enactment
8 of this subparagraph.”.

9 (b) DEFINITION.—Section 702 of the Defense Pro-
10 duction Act of 1950 (50 U.S.C. App. 2152) is amended—

11 (1) by redesignating paragraphs (15) through
12 (17) as paragraphs (17) through (19), respectively;
13 and

14 (2) by inserting after paragraph (14) the fol-
15 lowing:

16 “(16) RADIATION-HARDENED ELECTRONICS.—
17 The term ‘radiation-hardened electronics’ means key
18 electronic components used in strategic defense
19 space and missile systems developed for the Depart-
20 ment of Defense and warhead maintenance pro-
21 grams of the Department of Energy that ensure the
22 functionality of such systems in high radiation envi-
23 ronments, such as ambient space and in proximity to
24 nuclear detonations.”.

1 (c) REPEAL OF DUPLICATIVE PROVISION.—Section
2 829 of the Bob Stump National Defense Authorization
3 Act for Fiscal Year 2003 (50 U.S.C. App. 2093 note, 116
4 Stat. 2618) is repealed.

5 **SEC. 5. PROTECTION AND RESTORATION OF CRITICAL IN-**
6 **FRASTRUCTURE.**

7 (a) DEFINITION.—Section 702 of the Defense Pro-
8 duction Act of 1950 (50 U.S.C. App. 2152), as amended
9 by section 4(b), is amended—

10 (1) by redesignating paragraphs (3) through
11 (14) as paragraphs (4) through (15), respectively;

12 (2) by inserting after paragraph (2) the fol-
13 lowing:

14 “(3) CRITICAL INFRASTRUCTURE.—The term
15 ‘critical infrastructure’ means systems and assets,
16 whether physical or cyber-based, so vital to the
17 United States that the degradation or destruction of
18 such systems and assets would have a debilitating
19 impact on national security, national economic secu-
20 rity, national public health or safety, or any com-
21 bination of those matters.”; and

22 (3) in paragraph (14), as redesignated, by in-
23 serting before the period at the end the following:
24 “and critical infrastructure protection and restora-
25 tion”.

1 (b) AUTHORITY TO PROTECT AND RESTORE CRIT-
2 ICAL INFRASTRUCTURE.—Section 101 of the Defense Pro-
3 duction Act (50 U.S.C. App. 2071) is amended by adding
4 at the end the following:

5 “(d) PROTECTION AND RESTORATION OF CRITICAL
6 INFRASTRUCTURE.—The President may exercise the au-
7 thority provided under subsection (a) to directly assist a
8 private sector critical infrastructure owner or operator in
9 the furtherance of critical infrastructure protection or res-
10 toration.”.

11 **SEC. 6. CLARIFICATION OF PRESIDENTIAL AUTHORITY.**

12 Section 705(a) of the Defense Production Act of
13 1950 (50 U.S.C. App. 2155(a)) is amended by inserting
14 after the first sentence the following: “The authority of
15 the President under this section includes the authority to
16 obtain information in order to perform industry studies
17 assessing the capabilities of the United States industrial
18 base to support the national defense.”.

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