

**AMENDMENT TO H.R. 5013, AS REPORTED
OFFERED BY MR. CONNOLLY OF VIRGINIA**

At the end of title IV, add the following new section:

1 **SEC. 407. INDUSTRIAL BASE COUNCIL AND FUND.**

2 (a) INDUSTRIAL BASE COUNCIL.—

3 (1) IN GENERAL.—Chapter 7 of title 10, United
4 States Code, is amended by adding at the end the
5 following new section:

6 **“§ 188. Industrial Base Council**

7 “(a) COUNCIL ESTABLISHED.—There is in the De-
8 partment of Defense an Industrial Base Council.

9 “(b) MISSION.—The mission of the Industrial Base
10 Council is to assist the Secretary in all matters pertaining
11 to the industrial base of the Department of Defense, in-
12 cluding matters pertaining to the national defense tech-
13 nology and industrial base included in chapter 148 of this
14 title.

15 “(c) MEMBERSHIP.—The following officials of the
16 Department of Defense shall be members of the Council:

17 “(1) The Chairman of the Council, who shall be
18 the Under Secretary of Defense for Acquisition,
19 Technology, and Logistics, the functions of which
20 may be delegated by the Under Secretary only to the

1 Principal Deputy Under Secretary of Defense for
2 Acquisition, Technology, and Logistics.

3 “(2) The Executive Director of the Council ,
4 who shall be an official from within the Office of the
5 Under Secretary responsible for industrial base mat-
6 ters and who shall report directly to the Under Sec-
7 retary or the Principal Deputy Under Secretary.

8 “(3) Officials from within the Office of the Sec-
9 retary of Defense, as designated by the Secretary,
10 with direct responsibility for matters pertaining to
11 following areas:

12 “(A) Manufacturing.

13 “(B) Research and development.

14 “(C) Systems engineering and system inte-
15 gration.

16 “(D) Services.

17 “(E) Information Technology.

18 “(F) Sustainment and logistics.

19 “(4) The Director of the Defense Logistics
20 Agency.

21 “(5) Officials from the military departments, as
22 designated by the Secretary of each military depart-
23 ment, with responsibility for industrial base matters
24 relevant to the military department concerned.

1 “(d) DUTIES.—The Council shall assist the Secretary
2 in the following:

3 “(1) Providing input on industrial base matters
4 to strategy reviews, including quadrennial defense
5 reviews performed pursuant to section 118 of this
6 title.

7 “(2) Managing the industrial base.

8 “(3) Providing recommendations to the Sec-
9 retary on budget matters pertaining to the industrial
10 base.

11 “(4) Providing recommendations to the Sec-
12 retary on supply chain management and supply
13 chain vulnerability.

14 “(5) Providing input on industrial base matters
15 to defense acquisition policy guidance.

16 “(6) Issuing and revising the Department of
17 Defense technology and industrial base guidance re-
18 quired by section 2506 of this title.

19 “(7) Such other duties as are assigned by the
20 Secretary.

21 “(e) REPORTING OF ACTIVITIES.—The Secretary
22 shall include a section describing the activities of the
23 Council in the annual report to Congress required by sec-
24 tion 2505 of this title.”.

1 (2) CLERICAL AMENDMENT.—The table of sec-
2 tions at the beginning of such chapter is amended
3 by adding at the end the following new item:

 “188. Industrial Base Council.”.

4 (b) INDUSTRIAL BASE FUND.—

5 (1) IN GENERAL.—Chapter 148 of title 10,
6 United States Code, is amended by adding at the
7 end the following new section:

8 **“§ 2508. Industrial Base Fund**

9 “(a) ESTABLISHMENT.—The Secretary of Defense
10 shall establish an Industrial Base Fund (in this section
11 referred to as the ‘Fund’).

12 “(b) CONTROL OF FUND.—The Fund shall be under
13 the control of the Industrial Base Council established pur-
14 suant to section 188 of this title.

15 “(c) AMOUNTS IN FUND.—The Fund shall consist of
16 amounts appropriated or otherwise made available to the
17 Fund.

18 “(d) USE OF FUND.—Subject to subsection (e), the
19 Fund shall be used—

20 “(1) to support the monitoring and assessment
21 of the industrial base required by this chapter;

22 “(2) to address critical issues in the industrial
23 base relating to urgent operation needs;

24 “(3) to support efforts to expand the industrial
25 base; and

1 “(4) to address supply chain vulnerabilities.

2 “(e) USE OF FUND SUBJECT TO APPROPRIATIONS.—

3 The authority of the Secretary of Defense to use the Fund
4 under this section in any fiscal year is subject to the avail-
5 ability of appropriations for that purpose.

6 “(f) EXPENDITURES.—The Secretary shall establish
7 procedures for expending monies in the Fund in support
8 of the uses identified in subsection (d), including the fol-
9 lowing:

10 “(1) Direct obligations from the Fund.

11 “(2) Transfers of monies from the Fund to rel-
12 evant appropriations of the Department of De-
13 fense.”.

14 “(2) CLERICAL AMENDMENT.—The table of sec-
15 tions at the beginning of such chapter is amended
16 by adding at the end the following new item:

“2508. Industrial Base Fund.”.

