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#### BIS DEPLOYS ASSESSMENT ON THE USE OF MATURE-NODE CHIPS

WASHINGTON, DC.--The U.S. Department of Commerce's Bureau of Industry and Security (BIS) is conducting a comprehensive assessment of the use of mature-node semiconductor devices in the supply chains that support—directly or indirectly—U.S. national security and critical infrastructure.

The intent of the survey is to identify how U.S. companies are sourcing mature-node semiconductors, also known as legacy chips. This analysis will inform U.S. policy to bolster the semiconductor supply chain, promote a level playing field for legacy chip production, and reduce national security risks posed by the People's Republic of China (PRC).

The assessment was requested by the Secretary of Commerce in response to findings in a Congressionally mandated report released in December 2023 that assessed the capabilities of the U.S. microelectronics industrial base to support U.S. national defense. The findings of that report, titled "Assessments of the Status of the Microelectronics Industrial Base in the United States," are available online at: <a href="https://www.bis.doc.gov/index.php/other-areas/office-of-technology-evaluation-ote/industrial-base-assessments">https://www.bis.doc.gov/index.php/other-areas/office-of-technology-evaluation-ote/industrial-base-assessments</a>

The survey will be performed under Section 705 of the Defense Production Act of 1950 to evaluate the extent of, and visibility into, the use of mature-node chips manufactured by PRC-based companies in supply chains of critical U.S. industries like telecommunications, automotive, medical device, and the defense industrial base.

# **FAQs**

Q. Under what authority does the Bureau of Industry and Security conduct this survey? A. BIS has authority under Section 705 of the Defense Production Act of 1950 (DPA) (50 U.S.C. App. Sec. 4555), as amended, to conduct research and analysis of critical technologies and industrial sectors to advance U.S. national security and economic competitiveness. BIS uses industry-specific surveys to obtain production, R&D, export control, employment, and other relevant data to inform U.S. Government policies and proposals.

### Q. Is this an annual/repeated collection?

**A.** This assessment is a one-time information collection, though BIS has performed similar assessments in the past and may be tasked to carry out similar assessments in the future.

#### Q. What will the information from the assessment be used for?

**A.** This analysis will inform U.S. policy to bolster the semiconductor supply chain, promote a level playing field for legacy chip production, and reduce national security risks posed by the People's Republic of China (PRC). The data will also support preparation for the implementation of Section 5949 of the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 (Public Law 117-263).

# Q. Has BIS conducted similar studies in the past?

**A.** Yes. Since 1986, BIS has conducted over 60 assessments and 150 surveys on a wide range of topics, including shipbuilding, strategic materials, space and aeronautics, rocket propulsion, munitions, and semiconductors, among others. To view public versions of previous BIS reports and surveys, please visit our website at: <a href="https://www.bis.doc.gov/dib">https://www.bis.doc.gov/dib</a>.

### Q. Will the findings from this assessment be publicly available?

**A.** BIS expects to provide a public summary of key findings, though the Department's priority is the development of policy to bolster the semiconductor supply chain, promote a level playing field for legacy chip production, and reduce national security risks posed by the People's Republic of China (PRC). Data provided in response to the survey is deemed business confidential under the DPA and is protected from disclosure under the Freedom of Information Act (FOIA), should it be the subject of a FOIA request.

# Q. Is this assessment part of the CHIPS Act?

**A.** No. This survey is not part of the application for funding under Section 9902 of the 2021 NDAA (15 USC § 4652). Individual survey responses will not affect eligibility and/or consideration for CHIPS Act or other government funding.

#### Q. How does this effort relate to BIS's advanced computing chips rules?

**A.** This assessment is not part of BIS's advanced computing chips rules. The focus of this assessment is on older generations of technology referred to as mature-node or legacy chips. The information collected will guide U.S. policies to ensure safe and reliable semiconductor supply chains, particularly for the legacy chips essential to U.S. national security and critical infrastructure.

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