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(Original Signature of Member)

119TH CONGRESS  
1ST SESSION

**H. R.**

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To require the Under Secretary of Commerce for Industry and Security to require a license for the export, reexport, or in-country transfer of certain integrated circuits, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. MAST introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To require the Under Secretary of Commerce for Industry and Security to require a license for the export, reexport, or in-country transfer of certain integrated circuits, 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 “Artificial Intelligence  
5       Oversight of Verified Exports and Restrictions on  
6       Weaponizable Advanced Technology to Covered High-Risk  
7       Actors Act” or the “AI OVERWATCH Act”.

1   **SEC. 2. LICENSE REQUIREMENT FOR EXPORTS OF COV-**  
2                   **ERED INTEGRATED CIRCUITS TO COUNTRIES**  
3                   **OF CONCERN.**

4       Part I of the Export Control Reform Act of 2018 (50  
5   U.S.C. 4811 et seq.) is amended by inserting after section  
6   1758 the following:

7   **“SEC. 1758A. CONTROL OF EXPORTS OF COVERED INTE-**  
8                   **GRATED CIRCUITS.**

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

10       “(1) APPROPRIATE CONGRESSIONAL COMMIT-  
11       TEES.—the term ‘appropriate congressional commit-  
12       tees’ means the Committee on Foreign Affairs of the  
13       House of Representatives and the Committee on  
14       Banking, Housing, and Urban Affairs of the Senate.

15       “(2) COMMERCE CONTROL LIST.—The term  
16       ‘Commerce Control List’ means the list set forth in  
17       Supplement No. 1 to part 774 of the Export Admin-  
18       istration Regulations.

19       “(3) COUNTRY OF CONCERN.—The term ‘coun-  
20       try of concern’ means—

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

24       “(B) the Republic of Cuba;

25       “(C) the Islamic Republic of Iran;

1                   “(D) the Democratic People’s Republic of  
2                   Korea;

3                   “(E) the Russian Federation; and  
4                   “(F) the Bolivarian Republic of Venezuela  
5                   under the regime of Nicolás Maduro Moros.

6                   “(4) COVERED INTEGRATED CIRCUIT.—

7                   “(A) IN GENERAL.—Subject to subparagraphs (B), (C), and (D), the term ‘covered integrated circuit’ means—

10                   “(i) an integrated circuit, computer,  
11                   or other product—

12                   “(I) classified under Export Control Classification Number 3A090 or  
13                   4A090 or related Export Control Classification Numbers; or

16                   “(II) that is functionally equivalent or substantially similar to a circuit, computer, or product described in subclause (I), including certain similar products listed under Export Control Classification Number  
17                   5A002.z; or

23                   “(ii) an integrated circuit that has 1  
24                   or more digital processing units with—

1                             “(I) a total processing performance of 4,800 or more;

2                             “(II) a total processing performance of 2,400 or more and a performance density of 1.6 or more;

3                             “(III) a total processing performance of 1,600 or more and a performance density of 3.2 or more; or

4                             “(IV) a total DRAM bandwidth of 1,400 gigabytes per second or more, interconnect bandwidth of 1,100 gigabytes per second or more, or a sum of DRAM bandwidth and interconnect bandwidth of 1,700 gigabytes per second or more.

5

6                             “(B) AUTHORITY TO UPDATE TECHNICAL

7                             PARAMETERS.—Beginning 18 months after the

8                             date of the submission to Congress of the na-

9                             tional security strategy required in subsection

10                             (g), the Under Secretary may add or modify

11                             technical parameters for the definition of ‘cov-

12                             ered integrated circuit’ for purposes of this sec-

13                             tion, if the Operating Committee for Export

14                             Policy has approved the new or modified tech-

15                             nical parameters by majority vote.

1                   “(C) PRODUCTS INCLUDED.—Except as  
2                   provided by subparagraph (D), the term ‘cov-  
3                   ered integrated circuit’ includes a product con-  
4                   taining such a covered integrated circuit.

5                   “(D) EXCLUSION.—The term ‘covered in-  
6                   tegrated circuit’ does not include a covered inte-  
7                   grated circuit or a product containing such a  
8                   covered integrated circuit that is not designed  
9                   or marketed for use in data centers.

10                  “(5) OPERATING COMMITTEE FOR EXPORT POL-  
11                  ICY.—The term ‘Operating Committee for Export  
12                  Policy’ means the Operating Committee for Export  
13                  Policy referred to in section 1763(c) of the John S.  
14                  McCain National Defense Authorization Act for Fis-  
15                  cal Year 2019 (50 U.S.C. 4822(c)).

16                  “(6) PERFORMANCE DENSITY; TOTAL PROC-  
17                  ESSING PERFORMANCE.—The terms ‘performance  
18                  density’ and ‘total processing performance’ have the  
19                  meanings given those terms in, and are calculated as  
20                  provided for under, Export Control Classification  
21                  Number 3A090 in the Commerce Control List (as in  
22                  effect on December 15, 2025).

23                  “(7) TRUSTED UNITED STATES PERSON.—The  
24                  term ‘trusted United States person’ means any

1       United States person designated as a trusted United  
2       States person pursuant to subsection (d)(2).

3       **“(b) LICENSE REQUIREMENT.—**

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

13       **“(2) GENERAL LICENSE PROHIBITED.—**The  
14       Under Secretary may not issue a general license for  
15       the purpose of fulfilling the license requirement in  
16       paragraph (1).

17       **“(c) CERTIFICATION TO CONGRESS.—**

18       **“(1) CERTIFICATION REQUIREMENT.—**Not  
19       fewer than 30 days prior to approving any license  
20       for the export, reexport, or in-country transfer of a  
21       covered integrated circuit to an entity that is located  
22       or headquartered in, or the ultimate parent company  
23       of which is headquartered in, a country of concern,  
24       the Under Secretary of Commerce for Industry and  
25       Security, in coordination with each agency that is

1 part of the Operating Committee for Export Policy,  
2 shall submit to the appropriate congressional com-  
3 mittees a copy of the license application, including—

4                 “(A) the quantity of covered integrated cir-  
5                 cuit, identified by an Export Control Classifica-  
6                 tion Number, as applicable, and by technical  
7                 parameters of the covered integrated circuit;

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

10                 “(C) any and all license conditions;

11                 “(D) a certification that the export, reex-  
12                 port, or in-country transfer of the covered inte-  
13                 grated circuit has verifiable and enforceable  
14                 mechanisms for ensuring the ultimate consignee  
15                 or end-user has not, does not, and will not sup-  
16                 port or enable, directly or indirectly, the mili-  
17                 tary, intelligence, surveillance, or cyber-enabled  
18                 capabilities of a country of concern, including—

19                 “(i) an explanation of how the license  
20                 conditions support the certification; and

21                 “(ii) in the case that the license con-  
22                 cerns a country of concern that engages in  
23                 a military-civil fusion policy or maintains a  
24                 law that requires persons to provide sup-  
25                 port and assistance to national security

1 bodies, public security bodies, or relevant  
2 military bodies of the country of concern,  
3 details on how the license conditions ad-  
4 dress the specific threats arising from such  
5 policy or law;

6                             “(E) a certification that approving the li-  
7                             cense will not adversely impact the availability  
8                             of covered integrated circuits for United States  
9                             persons, including a certification that all of the  
10                            major subcomponents of the covered integrated  
11                            circuits, such as high-bandwidth memory, are  
12                            available in sufficient supply to fulfill the en-  
13                            tirety of the demand of United States persons;  
14                            and

15                     “(F) a certification that approving the li-  
16                     cense will not adversely impact the advantage of  
17                     the United States in total nationally-installed  
18                     processing power capacity relative to the coun-  
19                     try of concern related to the ultimate consignee  
20                     or end user of the covered integrated circuit;

21                   “(G) the underlying analyses supporting  
22 the certifications required in subparagraphs  
23 (D), (E), and (F); and

## 12                   “(2) LIMITATION.—

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

1                         “(i) CONSIDERATION IN THE SEN-  
2                         ATE.—Any joint resolution under this sub-  
3                         section shall be considered in the Senate in  
4                         accordance with the provisions of section  
5                         601(b) of the International Security As-  
6                         sistance and Arms Export Control Act of  
7                         1976 (Public Law 94-329; 90 Stat. 765).

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

17                 “(d) EXEMPTION FROM CERTAIN LICENSE RE-  
18                         QUIREMENTS FOR TRUSTED UNITED STATES PERSONS.—

19                 “(1) IN GENERAL.—The requirement for a li-  
20                         cense under sections 742.6 and 744.23 of the Ex-  
21                         port Administration Regulations shall not apply to  
22                         the export, reexport, or in-country transfer of a cov-  
23                         ered integrated circuit if the covered integrated cir-  
24                         cuit—

1                   “(A) is destined for a country that is not  
2                   a country of concern; and

3                   “(B) remains under the ownership and  
4                   control of a trusted United States person or the  
5                   subsidiaries of a trusted United States person  
6                   once the covered integrated circuit is in oper-  
7                   ation.

8                   “(2) IMPLEMENTATION.—Not later than 90  
9                   days after the date of the enactment of this section,  
10                   the Under Secretary of Commerce for Industry and  
11                   Security, in coordination with each agency that is  
12                   part of the Operating Committee for Export Policy,  
13                   shall—

14                   “(A) seek input from the public regarding  
15                   the standards and requirements a United  
16                   States person should be required to meet to ob-  
17                   tain a designation as a trusted United States  
18                   person;

19                   “(B) based on such input, prescribe regu-  
20                   lations establishing such standards and require-  
21                   ments, which shall include—

22                   “(i) establishment by the United  
23                   States person of reasonable security stand-  
24                   ards, including physical security, cyberse-  
25                   curity, remote access, secure covered inte-



1                   “(C) prescribe regulations establishing the  
2                   process by which the Under Secretary, in co-  
3                   ordination with each agency that is part of the  
4                   Operating Committee for Export Policy, shall  
5                   approve such a designation.

6                   “(3) ALLIED EXPANSION.—The Under Sec-  
7                   retary, in coordination with each agency that is part  
8                   of the Operating Committee for Export Policy, shall  
9                   consider options for securely expanding the license  
10                  exemption program described in this subsection to  
11                  allies of the United States.

12                  “(e) TERMINATION OF LICENSES.—Any license  
13 issued or approved prior to the date of the enactment of  
14 this section for the export, reexport, or in-country transfer  
15 of a covered integrated circuit to an entity that is located  
16 or headquartered in, or the ultimate parent company of  
17 which is headquartered in, a country of concern is termi-  
18 nated.

19                  “(f) TEMPORARY PROHIBITION.—The Under Sec-  
20                  retary, in coordination with each agency that is part of  
21 the Operating Committee for Export Policy, shall deny all  
22 licenses for the export, reexport, or in-country transfer of  
23 a covered integrated circuit to an entity that is located  
24 or headquartered in, or the ultimate parent company of  
25 which is headquartered in, a country of concern until the

1 date that is 14 days after the submission to Congress of  
2 the national security strategy required in subsection (g).

3       “(g) NATIONAL SECURITY STRATEGY.—The Sec-  
4 retary of Commerce, in conjunction with the Secretary of  
5 State, the Secretary of Defense, the Secretary of Energy,  
6 the United States Trade Representative, the Secretary of  
7 the Treasury, and the Director of the White House Office  
8 of Science and Technology Policy, and in consultation with  
9 the Director of National Intelligence, shall submit to the  
10 appropriate congressional committees a strategy that de-  
11 tails—

12           “(1) the national security implications of and  
13        goals that should govern the physical and remote ac-  
14        cess by countries of concern to covered integrated  
15        circuits, semiconductor manufacturing equipment,  
16        and related subcomponents that are from the United  
17        States or allies of the United States;

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

23           “(3) an assessment by the Director of National  
24        Intelligence of the covered integrated circuit produc-

1       tion numbers and capabilities of the People's Repub-  
2       lic of China for fiscal year 2026, including—

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

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

19               “(C) a quantitative analysis examining the  
20       artificial intelligence capabilities of countries of  
21       concern if such countries relied solely on indige-  
22       nous production of covered integrated circuits  
23       using indigenously produced manufacturing  
24       equipment and related subcomponents.”.