

S.4429 - MORENO - SUBSTITUTE (as modified)



AMENDMENT NO. _____

Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.**S. 4429**

To prohibit the importation, manufacture, sale, resale, or introduction into interstate commerce in the United States of connected vehicles and related software and hardware associated with foreign adversaries.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mr. MORENO

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Connected Vehicle Se-
5 curity Act of 2026”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The United States automotive industry is
9 critical to the national economy, supporting millions
10 of jobs, supply chains, and advanced manufacturing.
11 The introduction of vehicles and components con-

1 trolled by foreign adversaries threatens the indus-
2 trial competitiveness and technological leadership of
3 the United States.

4 (2) The People's Republic of China has rapidly
5 expanded its automotive manufacturing capacity and
6 is increasingly targeting export markets. Despite
7 having the largest market in the world, the People's
8 Republic of China exports nearly 8,000,000 vehicles
9 annually, approximately twice the volume exported
10 by any other country, demonstrating the scale at
11 which vehicles and components controlled by a for-
12 eign adversary may enter global markets, including
13 the United States.

14 (3) Connected vehicles incorporate advanced in-
15 formation and communications technologies that col-
16 lect, process, and transmit vast amounts of sensitive
17 data, including geolocation, operational, and per-
18 sonal information, and are capable of being remotely
19 accessed and controlled.

20 (4) In Executive Order 13873 (50 U.S.C. 1701
21 note; relating to securing the information and com-
22 munications technology and services supply chain),
23 the President declared a national emergency with re-
24 spect to the threat posed by foreign adversaries cre-

1 ating and exploiting vulnerabilities in information
2 and communications technology and services.

3 (5) The access, control, or influence of vehicle
4 connectivity systems or automated driving systems
5 by foreign adversaries creates substantial economic
6 and national security risks to the United States, in-
7 cluding risks of surveillance, espionage, cyber intru-
8 sion, and disruption of critical infrastructure. Such
9 risks fall within the scope of the national emergency
10 described in Executive Order 13873 and pose an un-
11 acceptable threat to the security and resilience of the
12 United States.

13 **SEC. 3. DEFINITIONS.**

14 In this Act:

15 (1) **AUTOMATED DRIVING SYSTEM.**—The term
16 “automated driving system” means hardware and
17 software that, collectively, are capable of performing
18 the entire dynamic driving task for a connected vehi-
19 cle on a sustained basis, regardless of whether the
20 system is limited to a specific operational design do-
21 main.

22 (2) **CONNECTED VEHICLE.**—

23 (A) **IN GENERAL.**—Except as provided by
24 subparagraph (B) or (C), the term “connected
25 vehicle” means a vehicle driven or drawn by

1 mechanical power, regardless of propulsion
2 technology, and manufactured primarily for use
3 on public streets, roads, and highways, that has
4 a gross vehicle weight rating of 4,536 kilograms
5 (10,000 pounds) or less and—

6 (i) integrates onboard networked
7 hardware with automotive software sys-
8 tems to communicate, at a radio frequency
9 over 450 megahertz, via dedicated short-
10 range communication, cellular tele-
11 communications connectivity, satellite com-
12 munication, or other wireless spectrum
13 connectivity with any other network or de-
14 vice; or

15 (ii) is designed, manufactured, or
16 equipped to communicate as described in
17 clause (i), regardless of whether the capa-
18 bility to communicate as described in
19 clause (i) has been removed before the
20 time of importation, manufacture, sale, re-
21 sale, or introduction of the vehicle into
22 interstate commerce in the United States.

23 (B) EXCLUSION.—The term “connected
24 vehicle” does not include a vehicle operated only
25 on a rail line.

1 (C) APPLICATION TO SECTION 8.—In sec-
2 tion 8, the term “connected vehicle” applies
3 without regard to the limitation on the gross ve-
4 hicle weight rating under subparagraph (A).

5 (3) COVERED COUNTRY.—The term “covered
6 country” means—

7 (A) the Democratic People’s Republic of
8 North Korea;

9 (B) the People’s Republic of China;

10 (C) the Russian Federation; and

11 (D) the Islamic Republic of Iran.

12 (4) COVERED SOFTWARE.—

13 (A) IN GENERAL.—Except as otherwise
14 provided in this paragraph, the term “covered
15 software” means a software-based component,
16 including any application, middleware, system
17 software, and any machine-learning model or
18 other artificial intelligence component, that is
19 installed in or on a connected vehicle, or de-
20 signed to be installed in or on a connected vehi-
21 cle, and that is executed by the primary proc-
22 essing unit or units of an item that directly en-
23 ables, at the vehicle level, the function of a vehi-
24 cle connectivity system or automated driving

1 system, including decision-making or control of
2 an automated driving system.

3 (B) EXCLUSION.—The term “covered soft-
4 ware” does not include—

5 (i) open-source software, unless that
6 open-source software has been modified for
7 proprietary purposes and not redistributed
8 or shared; or

9 (ii) software subcomponents that were
10 designed, developed, manufactured, or sup-
11 plied prior to March 17, 2026, as long as
12 those software subcomponents are not
13 maintained, augmented, or otherwise al-
14 tered by a foreign entity of concern after
15 March 17, 2026.

16 (5) ELECTRIC VEHICLE BATTERY.—The term
17 “electric vehicle battery” means a rechargeable bat-
18 tery designed to store and supply electrical energy
19 for the propulsion of a hybrid or electric vehicle.

20 (6) FOREIGN ENTITY OF CONCERN.—The term
21 “foreign entity of concern” means—

22 (A) any individual, wherever located,
23 who—

24 (i) acts as an agent, representative, or
25 employee, or acts in any other capacity at

1 the order, request, or under the direction
 2 or control, of a covered country or of a
 3 person whose activities are directly or indi-
 4 rectly supervised, directed, controlled, fi-
 5 nanced, or subsidized in whole or in major-
 6 ity part by a covered country; or

7 (ii) is a citizen or resident of a cov-
 8 ered country or a country controlled by a
 9 covered country, and is not a United
 10 States citizen or alien lawfully admitted for
 11 permanent residence in the United States;
 12 or

13 (B) an entity—

14 (i) with a principal place of business
 15 in, headquartered in, incorporated in, or
 16 otherwise organized under the laws of a
 17 covered country or a country controlled by
 18 a covered country;

19 (ii) that is a subsidiary or affiliate of
 20 an entity described in clause (i); or

21 (iii) wherever organized or doing busi-
 22 ness; that is owned or controlled by a cov-
 23 ered country, or that is subject to other
 24 circumstances, such as through participa-
 25 tion in a partnership or joint venture or

1 other formal or informal relationship, in
2 which an individual described in subpara-
3 graph (A) or an entity described in clause
4 (i), or a combination of such individuals or
5 entities, possesses the power, direct or in-
6 direct, whether or not exercised, through—

7 (I) ownership of a majority or a
8 dominant minority of the total out-
9 standing voting or financial interest in
10 the entity, board representation, proxy
11 voting, a special share, contractual ar-
12 rangements, formal or informal ar-
13 rangements to act in concert, or other
14 means, to determine, direct, or decide
15 important matters affecting the enti-
16 ty;

17 (II) with respect to an entity that
18 manufactures, develops, designs, or
19 supplies a connected vehicle, owner-
20 ship or control of more than 15 per-
21 cent of the total outstanding equity
22 interest, voting interest, board rep-
23 resentation, or other indicia of con-
24 trol;

1 (III) with respect to an entity
2 that manufactures, develops, designs,
3 or supplies covered software, owner-
4 ship or control of more than 25 per-
5 cent of the total outstanding equity
6 interest, voting interest, board rep-
7 resentation, or other indicia of con-
8 trol; or

9 (IV) with respect to an entity
10 that manufactures or supplies vehicle
11 connectivity system hardware, owner-
12 ship or control of more than 25 per-
13 cent of the total outstanding equity
14 interest, voting interest, board rep-
15 resentation, or other indicia of con-
16 trol.

17 (7) IMPORTATION.—The term “importation”
18 has the meaning given the term “import” in section
19 1001 of the Controlled Substances Import and Ex-
20 port Act (21 U.S.C. 951).

21 (8) RESALE.—

22 (A) IN GENERAL.—The term “resale”,
23 with respect to a vehicle, software, or hardware,
24 means the transferring of ownership of the ve-
25 hicle, software, or hardware by an individual or

1 entity that acquired the vehicle, software, or
2 hardware for the purpose of transfer in the or-
3 dinary course of business, and not for the use
4 of or consumption by the individual or entity.

5 (B) EXCLUSION.—The term “resale” does
6 not include the transfer of a connected vehicle
7 that was previously titled or registered to, and
8 used by, a consumer or end-user or was ac-
9 quired for bona fide use, lease, or operation by
10 the individual or entity that was transferred the
11 vehicle or by a dealer (as defined in section
12 30102(a)(2) of title 49, United States Code).

13 (9) SECRETARY.—The term “Secretary” means
14 the Secretary of Commerce, acting through the
15 Under Secretary of Commerce for Industry and Se-
16 curity.

17 (10) TRANSACTION.—The term “trans-
18 action”—

19 (A) means any acquisition, importation,
20 transfer, installation, dealing in, or use of any
21 vehicle, software, or hardware subject to a pro-
22 hibition under subsection (a) or (b) of section
23 4, including ongoing activities, such as managed
24 services, data transmission, software updates,
25 repairs, or provision of platform services or

1 data hosting of applications for consumer
2 download; and

3 (B) includes—

4 (i) any other transaction, arrange-
5 ment, practice, or course of conduct, the
6 structure or purpose of which is designed
7 or intended to evade or circumvent this
8 Act; and

9 (ii) a class of transactions.

10 (11) VEHICLE CONNECTIVITY SYSTEM.—The
11 term “vehicle connectivity system” means vehicle
12 connectivity system hardware or a covered software
13 item installed in or on a connected vehicle, or de-
14 signed to be installed in or on a connected vehicle,
15 that directly enables the function of transmission,
16 receipt, conversion, or processing of radio frequency
17 communications at a frequency over 450 megahertz.

18 (12) VEHICLE CONNECTIVITY SYSTEM HARD-
19 WARE.—

20 (A) IN GENERAL.—The term “vehicle
21 connectivity system hardware”—

22 (i) means software-enabled or pro-
23 grammable components that—

1 (I) are installed in or on a con-
2 nected vehicle or designed to be in-
3 stalled in or on a connected vehicle;

4 (II) are directly connected to a
5 vehicle connectivity system; and

6 (III) directly enable the
7 connectivity functions of a vehicle
8 connectivity system or are part of an
9 item that directly enables the function
10 of a vehicle connectivity system;

11 (ii) includes microcontrollers, micro-
12 computers or modules, systems on a chip,
13 networking or telematics units, cellular
14 modems or modules, Wi-Fi microcontrol-
15 lers or modules, Bluetooth microcontrollers
16 or modules, satellite communication sys-
17 tems, other wireless communication micro-
18 controllers or modules, external antennas,
19 digital signal processors, and field-pro-
20 grammable gate arrays; and

21 (iii) includes electronic systems inte-
22 grated into an electric vehicle battery that
23 directly enable or control the monitoring,
24 management, security, or external commu-
25 nication of battery performance or oper-

1 ation, including any transmitter or inter-
2 face component that performs such func-
3 tions.

4 (B) EXCLUSION.—The term “vehicle
5 connectivity system hardware” does not include
6 component parts that do not contribute to the
7 connectivity function of vehicle connectivity sys-
8 tem hardware, which may include items such as
9 brackets, fasteners, plastics, passive electronics,
10 diodes, field effect transistors, and bipolar junc-
11 tion transistors.

12 **SEC. 4. PROHIBITION ON CONNECTED VEHICLES AND**
13 **OTHER TRANSACTIONS THAT THREATEN NA-**
14 **TIONAL SECURITY.**

15 (a) PROHIBITIONS.—

16 (1) CONNECTED VEHICLES.—On and after Jan-
17 uary 1, 2027, the importation, manufacture, sale, re-
18 sale, or introduction into interstate commerce in the
19 United States of a connected vehicle is prohibited
20 if—

21 (A) the connected vehicle is primarily de-
22 signed, primarily developed, or manufactured
23 in, or supplied from, a covered country, without
24 regard to whether—

1 (i) at the time of importation, sale, re-
2 sale, or introduction, the vehicle is
3 equipped with any covered software or ve-
4 hicle connectivity system hardware subject
5 to a prohibition under paragraph (2) or
6 (3); or

7 (ii) any such software or hardware—
8 (I) is removed from the vehicle
9 before importation, sale, resale, or in-
10 troduction; or

11 (II) will be installed after impor-
12 tation, sale, resale, or introduction; or

13 (B) the manufacturer, developer, designer,
14 or supplier of the connected vehicle is a foreign
15 entity of concern.

16 (2) COVERED SOFTWARE.—The integration of
17 covered software into a connected vehicle that is im-
18 ported, manufactured, sold, resold, or introduced
19 into interstate commerce in the United States is pro-
20 hibited if—

21 (A) the connected vehicle into which the
22 covered software is integrated was manufac-
23 tured for model year 2027 or later; and

1 (B)(i) the covered software is designed, de-
2 veloped, or manufactured in, or supplied from,
3 a covered country; or

4 (ii) the manufacturer, developer, designer,
5 or supplier of the software is a foreign entity of
6 concern.

7 (3) VEHICLE CONNECTIVITY SYSTEM HARD-
8 WARE.—

9 (A) IN GENERAL.—On and after January
10 1, 2030, the integration of any vehicle
11 connectivity system hardware into a connected
12 vehicle that is imported, manufactured, sold, re-
13 sold, or introduced into interstate commerce in
14 the United States is prohibited if—

15 (i) the hardware is manufactured in,
16 or supplied from, a covered country; or

17 (ii) the manufacturer or supplier of
18 the hardware is a foreign entity of concern.

19 (B) REPAIR AND WARRANTY.—The prohi-
20 bition under subparagraph (A) shall not apply
21 to vehicle connectivity system hardware that
22 is—

23 (i) integrated into a vehicle that is
24 manufactured for a model year before
25 model year 2030; or

1 (ii) imported, manufactured, sold, re-
2 sold, or introduced into interstate com-
3 merce in the United States for the purpose
4 of repair, or under warranty, for a con-
5 nected vehicle of a model year before model
6 year 2030.

7 (4) ADDITIONAL ITEMS.—A prohibition under
8 paragraph (1), (2), or (3) applies with respect to a
9 connected vehicle, covered software, or vehicle
10 connectivity system hardware, as the case may be,
11 that is renamed, rebranded, restructured, or altered
12 to circumvent the prohibition.

13 (5) EXCEPTION.—The prohibitions under para-
14 graphs (1), (2), and (3) shall not apply to the im-
15 portation, manufacture, sale, resale, or introduction
16 into interstate commerce in the United States of a
17 connected vehicle, covered software, or vehicle
18 connectivity system hardware, as the case may be,
19 for the sole purpose of testing and evaluation if—

20 (A) in the case of a connected vehicle, the
21 vehicle is not intended to be driven on public
22 roads; or

23 (B) in the case of a connected vehicle, cov-
24 ered software, or vehicle connectivity system
25 hardware, the testing or evaluation is by—

- 1 (i) an entity that—
2 (I) is organized under the laws of
3 a State in the United States;
4 (II) does not have its principal
5 place of business in a covered country;
6 and
7 (III) is not a foreign entity of
8 concern; or
9 (ii) a Federal agency.

10 (6) TREATMENT OF INDIVIDUALS.—For pur-
11 poses of this subsection, a connected vehicle, covered
12 software, or vehicle connectivity system hardware
13 shall not be considered to be designed, developed,
14 manufactured in, or supplied by a foreign entity of
15 concern based solely on the country of citizenship of
16 one or more individuals who are employed by, con-
17 tracted by, or otherwise similarly engaged in design,
18 development, manufacturing, or supply activities
19 through an entity that is not a foreign entity of con-
20 cern.

21 (b) RELATED TRANSACTIONS.—

22 (1) IN GENERAL.—The Secretary shall pre-
23 scribe regulations, pursuant to section 553 of title 5,
24 United States Code, to prohibit any specific trans-
25 action relating to connected vehicles, including the

1 importation into the United States, sale, distribu-
2 tion, integration, or use of a connected vehicle, cov-
3 ered software, or vehicle connectivity system hard-
4 ware, that the Secretary determines poses an undue
5 or unacceptable threat to the national security of the
6 United States.

7 (2) NOTICE.—If the Secretary prohibits a
8 transaction under paragraph (1), the Secretary shall
9 deliver, by certified United States mail, to the par-
10 ties to the transaction a notice of the prohibition
11 that includes an identification, by name, of the spe-
12 cific vehicle, software, or hardware that the Sec-
13 retary determines poses an undue or unacceptable
14 threat to the national security of the United States.

15 (c) AUTHORIZATIONS.—

16 (1) ISSUANCE.—

17 (A) IN GENERAL.—The Secretary may
18 issue a general or specific authorization for the
19 importation, manufacture, sale, resale, or intro-
20 duction into interstate commerce in the United
21 States of a connected vehicle, covered software,
22 or vehicle connectivity system hardware that
23 would otherwise be subject to a prohibition
24 under subsection (a) if—

1 (i) the Secretary determines that the
2 importation, manufacture, sale, resale, or
3 introduction of the vehicle, software, or
4 hardware does not pose, and is not reason-
5 ably likely to pose—

6 (I) an undue risk of data
7 exfiltration from, or remote manipula-
8 tion or operation of, a connected vehi-
9 cle;

10 (II) a risk to critical infrastruc-
11 ture of the United States; or

12 (III) any other risk to the na-
13 tional security of the United States;

14 (ii) upon issuing an authorization
15 under this subparagraph, the Secretary
16 submits to Congress a detailed written no-
17 tification that—

18 (I) includes the determination
19 under clause (i) and the underlying
20 analysis, including a written risk as-
21 sessment, that supports that deter-
22 mination; and

23 (II) redacts confidential business
24 information and other sensitive pro-
25 prietary information; and

1 (iii) in the case of an authorization
2 issued on or after January 1, 2030, there
3 is not enacted into law a joint resolution of
4 disapproval with respect to the authoriza-
5 tion.

6 (B) LIMITED AUTHORITY FOR CERTAIN
7 ENTITIES.—The Secretary may not issue a gen-
8 eral or specific authorization under subpara-
9 graph (A) to import, manufacture, sell, resell,
10 or introduce into interstate commerce in the
11 United States a connected vehicle otherwise
12 subject to the prohibition under subsection
13 (a)(1) to an entity with a principal place of
14 business in, headquartered in, incorporated in,
15 or otherwise organized under the laws of a cov-
16 ered country or that is a subsidiary or affiliate
17 of such an entity, unless the entity—

18 (i) is selling passenger vehicles in the
19 United States as of the date of the enact-
20 ment of this Act; and

21 (ii) has been manufacturing passenger
22 vehicles in the United States for not less
23 than 5 years before such date of enact-
24 ment.

1 (C) CONTINUED VALIDITY AND MODIFICA-
2 TION AND REVOCATION OF AUTHORIZATIONS.—

3 (i) CONTINUED VALIDITY OF AUTHOR-
4 IZATIONS UNDER REGULATIONS.—Except
5 as provided by clause (iii), any general or
6 specific authorization issued under subpart
7 D of part 791 of title 15, Code of Federal
8 Regulations, before the date of the enact-
9 ment of this Act shall remain in effect
10 until the earlier of—

11 (I) the date specified in the
12 terms of the authorization; or

13 (II) January 1, 2030.

14 (ii) EXPIRATION OF AUTHORIZATIONS
15 ISSUED BEFORE JANUARY 1, 2030.—Except
16 as provided by clause (iii), any general or
17 specific authorization issued under sub-
18 paragraph (A) after the date of the enact-
19 ment of this Act and before January 1,
20 2030, shall remain in effect until the ear-
21 lier of—

22 (I) the date specified in the
23 terms of the authorization; or

24 (II) January 1, 2030.

(iii) MODIFICATION OR REVOCATION OF GENERAL OR SPECIFIC AUTHORIZATIONS.—The Secretary may, at any time, modify, suspend, or revoke a general or specific authorization described in clause (i) or issued under subparagraph (A) if the Secretary determines that the authorization no longer satisfies the requirements of subparagraph (A)(i).

(iv) PUBLICATION REQUIRED.—Not later than January 1, 2027, the Secretary shall publish a list of all general or specific authorizations issued under subpart D of part 791 of title 15, Code of Federal Regulations, before the date of the enactment of this Act.

(2) PUBLICATION OF AUTHORIZATIONS.—

(A) IN GENERAL.—The Secretary shall publish and maintain a list of all general and specific authorizations issued under paragraph (1)(A) after the date of the enactment of this Act.

(B) INITIAL LIST.—The initial list required by subparagraph (A) shall be published not later than January 1, 2027.

1 (C) INCLUSIONS.—

2 (i) IN GENERAL.—To the extent pos-
3 sible, the Secretary shall include in the list
4 required by subparagraph (A) the manu-
5 facturer and product name for the con-
6 nected vehicles, covered software, and vehi-
7 cle connectivity system hardware on the
8 list.

9 (ii) RISK ASSESSMENT.—To the ex-
10 tent possible, the Secretary shall include in
11 the list required by subparagraph (A) a de-
12 tailed explanation about why the connected
13 vehicles, covered software, and vehicle
14 connectivity system hardware on the list do
15 not pose any of the risks described in para-
16 graph (1)(A)(i).

17 (3) IDENTIFICATION OF TRUSTED SUP-
18 PLIERS.—

19 (A) IN GENERAL.—The Secretary shall
20 create and maintain a list of trusted entities
21 that supply connected vehicles, covered soft-
22 ware, vehicle connectivity systems, and vehicle
23 connectivity system hardware.

24 (B) DETERMINATION.—The Secretary may
25 determine an entity is a trusted supplier for

1 purposes of subparagraph (A) if the entity does
2 not pose an undue or unacceptable national se-
3 curity risk.

4 (4) PROTECTION OF CONFIDENTIAL BUSINESS
5 INFORMATION.—The Secretary shall establish a ro-
6 bust process to redact confidential business informa-
7 tion and other sensitive information from publication
8 in the lists required by paragraphs (1)(C)(iv) and
9 (2).

10 (5) PROCEDURES FOR AUTHORIZATION.—Not
11 later than January 1, 2027, the Secretary shall es-
12 tablish a procedure pursuant to which—

13 (A) an importer, manufacturer, supplier,
14 or seller or reseller may seek the authorization
15 under paragraph (1) of the importation, manu-
16 facture, sale, resale, or introduction into inter-
17 state commerce in the United States of con-
18 nected vehicles, covered software, or vehicle
19 connectivity system hardware that would other-
20 wise be subject to a prohibition under sub-
21 section (a); and

22 (B) the Secretary may issue such an au-
23 thorization on the Secretary's own initiative.

24 (d) ADVISORY OPINIONS.—

1 (1) IN GENERAL.—Not later than January 1,
2 2027, the Secretary shall establish a procedure pur-
3 suant to which an importer, manufacturer, or seller
4 or reseller may seek an advisory opinion with respect
5 to whether—

6 (A) the importation, manufacture, sale, re-
7 sale, or introduction into interstate commerce in
8 the United States of a connected vehicle, cov-
9 ered software, or vehicle connectivity system
10 hardware is or is not prohibited under this sec-
11 tion; or

12 (B) a connected vehicle, covered software,
13 or vehicle connectivity system hardware has
14 been renamed, rebranded, restructured, or al-
15 tered to circumvent the prohibitions under sub-
16 section (a).

17 (2) TIMING.—

18 (A) IN GENERAL.—The Secretary shall
19 issue an advisory opinion under paragraph (1)
20 with respect to a connected vehicle, covered
21 software, or vehicle connectivity system hard-
22 ware not later than 45 days after receiving an
23 application for such an advisory opinion that is
24 supported by a reasonably clear description of

1 the vehicle, software, or hardware, as the case
2 may be.

3 (B) FAILURE TO ISSUE.—If the Secretary
4 fails to issue an advisory opinion within the 45-
5 day period described in subparagraph (A), the
6 Secretary shall notify the relevant committees
7 of Congress (including, at a minimum, the
8 Committee on Energy and Commerce of the
9 House of Representatives and the Committee
10 on Commerce, Science, and Transportation of
11 the Senate) of that failure not later than 7 days
12 after the 45-day period has elapsed.

13 (C) EXCLUSION.—This paragraph shall
14 not apply in any case in which an applicant
15 under subparagraph (A) has not made good
16 faith efforts to provide prompt responses to in-
17 quires or requests for additional information or
18 materials from the Secretary that are necessary
19 for the consideration of the application.

20 (3) PUBLICATION.—

21 (A) IN GENERAL.—The Secretary shall—

22 (i) publish a list of all connected vehi-
23 cles, covered software, and vehicle
24 connectivity system hardware for which the

1 Secretary has issued advisory opinions
2 under paragraph (1); and

3 (ii) update that list not less frequently
4 than annually.

5 (B) PROHIBITION ON PUBLICATION OF
6 IDENTIFYING INFORMATION.—The Secretary
7 shall not publish the name of, or other informa-
8 tion that might reasonably identify, the party
9 that requested the advisory opinion under para-
10 graph (1).

11 (4) CONTINUED VALIDITY OF EXISTING ADVI-
12 SORY OPINIONS.—Except as provided by paragraph
13 (5), an advisory opinion issued under this subsection
14 or subpart D of part 791 of title 15, Code of Fed-
15 eral Regulations, before January 1, 2027, shall re-
16 main in effect.

17 (5) MODIFICATION OR REVOCATION.—The Sec-
18 retary may modify, suspend, or revoke any advisory
19 opinion issued under paragraph (1) or subpart D of
20 part 791 of title 15, Code of Federal Regulations, at
21 any time if the Secretary determines that the cir-
22 cumstances that led to the opinion have changed.

23 (e) DECLARATION OF CONFORMITY.—The Secretary
24 shall establish a process requiring a person, before import-
25 ing, manufacturing, selling, reselling, or introducing into

1 interstate commerce in the United States a connected ve-
2 hicle, covered software, or vehicle connectivity system
3 hardware, to submit to the Secretary a declaration, to be
4 known as a "declaration of conformity", that certifies that
5 the vehicle, hardware, or incorporated covered software is
6 not subject to a prohibition under subsection (a).

7 (f) SAFE HARBOR.—The Secretary shall prescribe
8 regulations establishing a safe harbor period of one year
9 during which a person may cure a violation of subsection
10 (a). During that period, civil penalties shall not accrue
11 with respect to the violation if the person—

12 (1) promptly upon discovery discloses the viola-
13 tion to the Bureau of Industry and Security and
14 diligently undertakes all legally available remedial
15 measures;

16 (2) cooperates with the Bureau and provides all
17 reasonably available information it is legally per-
18 mitted to provide that the Secretary may require to
19 verify the violation and the cure;

20 (3) completes the cure within the period pre-
21 scribed by the Secretary, including by submitting
22 any corrected declaration of conformity or obtaining
23 any authorization, ruling, or advisory opinion re-
24 quired by this section; and

1 (4) did not engage in willful misconduct, know-
2 ing violation, fraud, material misrepresentation, or
3 conduct intended to evade or circumvent this section.

4 (g) CIVIL PENALTIES.—

(1) IN GENERAL.—Except as provided by paragraph (3), the Secretary shall assess a civil penalty for each transaction that is a violation of a prohibition under subsection (a) in an amount that is not less than the greater of—

10 (A) \$1,500,000; or

11 (B) five times the value of the transaction.

(2) CONTINUING VIOLATIONS.—In the case of a violation that occurs on more than one day, each day on which the violation continues shall be treated as a separate violation.

(3) EXCEPTION.—A civil penalty shall not apply under paragraph (1) in a case in which an individual transports a vehicle into the United States in violation of a prohibition under subsection (a) if—

(A) the vehicle is owned, leased, rented, or otherwise in the possession of the individual for personal use; and

23 (B) the individual does not know that the
24 vehicle, or covered software or vehicle

1 connectivity system hardware integrated into
2 the vehicle, is subject to the prohibition.

3 (h) CLASSIFIED INFORMATION.—The Secretary may
4 rely on classified information in carrying out this section,
5 which may be submitted to a reviewing court ex parte and
6 in camera.

7 (i) PETITIONS FOR REVIEW.—The filing in a court
8 of a petition for review shall not stay the effectiveness of
9 any action under this section unless ordered by the court.

10 **SEC. 5. USE OF EXISTING ADVISORY BODIES; INTERAGENCY**
11 **COORDINATION.**

12 (a) USE OF EXISTING ADVISORY BODIES.—

13 (1) IN GENERAL.—In carrying out this Act, the
14 Secretary may consult, as appropriate, with existing
15 advisory committees of the Department of Transpor-
16 tation and other relevant Federal agencies on mat-
17 ters relating to connected vehicles and associated na-
18 tional security risks.

19 (2) SCOPE OF CONSULTATION.—Consultation
20 under paragraph (1) may include consideration of—

21 (A) risks relating to data security, cyberse-
22 curity, and supply chain integrity associated
23 with connected vehicles;

24 (B) the effectiveness of authorities and
25 regulations issued under this Act;

1 (C) emerging technologies and threat vec-
2 tors relevant to connected vehicle ecosystems;
3 and

4 (D) recommendations made to the Sec-
5 retary with respect to regulatory, enforcement,
6 and policy measures to mitigate risks described
7 in subparagraph (A).

8 (b) INTERAGENCY COORDINATION.—In carrying out
9 this Act, the Secretary may consult and coordinate, as ap-
10 propriate, with the Federal Communications Commission
11 and other relevant Federal agencies to ensure alignment
12 with respect to the scope, timeline, and implementation
13 of any prohibitions or restrictions issued under this Act,
14 including to avoid duplicative, inconsistent, or conflicting
15 regulatory requirements.

16 **SEC. 6. REPORTS.**

17 Not later than one year after the date of the enact-
18 ment of this Act, and annually thereafter, the Secretary
19 shall submit to Congress a report, which may contain a
20 classified annex—

21 (1) describing activities carried out to enforce
22 the prohibitions under section 4, including enforce-
23 ment actions taken and resources utilized;

24 (2) providing a detailed accounting of connected
25 vehicles, covered software, and vehicle connectivity

1 system hardware covered by such prohibitions during
2 the one-year period preceding submission of the re-
3 port;

4 (3) explaining any exclusions, exemptions, or
5 authorizations made by the Secretary, including the
6 rationale and criteria applied;

7 (4) assessing the effectiveness of such prohibi-
8 tions in decreasing the threats to the national secu-
9 rity of the United States posed by connected vehi-
10 cles;

11 (5) including metrics on enforcement, compli-
12 ance rates, violations identified, penalties assessed,
13 and any identified gaps or challenges; and

14 (6) making recommendations with respect to
15 further decreasing such threats.

16 **SEC. 7. REPORT ON AUTOMOTIVE SUPPLY CHAIN RESIL-**
17 **IENCY AND SECURITY.**

18 (a) IN GENERAL.—Not later than 18 months after
19 the date of the enactment of this Act, the Secretary shall
20 submit to Congress a report assessing the resilience and
21 security of supply chains critical to the United States
22 automotive sector.

23 (b) ELEMENTS.—The report required by subsection
24 (a) may—

1 (1) identify the segments, materials, compo-
2 nents, and technologies within the automotive supply
3 chain that are most dependent on a covered country;

4 (2) assess the extent to which the dependencies
5 identified under paragraph (1) pose significant risk
6 to the economic or national security of the United
7 States; and

8 (3) recommend specific policies and measures to
9 support the development and expansion of supply
10 chains outside of covered countries for the depend-
11 encies identified under paragraph (2) that pose the
12 most significant risk to the economic or national se-
13 curity of the United States.

14 (c) CONSIDERATIONS.—In identifying segments, ma-
15 terials, components, and technologies within the auto-
16 motive supply chain under subsection (b)(1), the Secretary
17 may consider—

18 (1) safety equipment;

19 (2) hardware or software that enables the
20 transmission, receipt, conversion, or processing of
21 automotive sensing (such as LiDAR, radar, video, or
22 ultrawideband);

23 (3) electric vehicle batteries;

24 (4) smart glass, antenna glass, and other elec-
25 tronically controlled automotive glass that directly

1 enables the transmission, receipt, conversion, or
2 processing of radio frequency communications; and
3 (5) any other segments, materials, components,
4 technologies, hardware, or software identified by the
5 Department of Commerce for consideration during
6 the process of promulgating subpart D of part 791
7 of title 15, Code of Federal Regulations.

8 (d) USE OF EXISTING INFORMATION.—In preparing
9 the report required by subsection (a), the Secretary shall,
10 to the maximum extent practicable, utilize existing anal-
11 yses, assessments, reports, data, and other relevant infor-
12 mation available to the Department of Commerce or an-
13 other Federal department or agency to avoid unnecessary
14 duplication of effort.

15 **SEC. 8. REGULATIONS.**

16 Not later than December 31, 2028, the Secretary
17 shall issue or amend final regulations, pursuant to section
18 553 of title 5, United States Code, including by amending
19 regulations issued under subpart D of part 791 of title
20 15, Code of Federal Regulations, or successor regulations,
21 to establish prohibitions and requirements applicable to
22 connected vehicles with a gross vehicle weight rating
23 greater than 4,536 kilograms (10,000 pounds), consistent
24 with the authorities and requirements under this Act.

1 Such prohibitions and requirements shall take effect not
2 later than December 31, 2032.

3 **SEC. 9. SEVERABILITY; REGULATORY CONTINUITY.**

4 (a) SEVERABILITY.—If any provision of this Act, or
5 the application of any such provision to any person or cir-
6 cumstance, is held to be invalid, the remainder of this Act,
7 and the application of the remaining provisions to any per-
8 son or circumstance, shall not be affected.

9 (b) RESTORATION OF PRIOR REGULATIONS.—

10 (1) IN GENERAL.—If a court of competent ju-
11 risdiction enters a final judgment holding invalid or
12 unenforceable a provision of this Act or any regula-
13 tions prescribed to carry out section 4, the Secretary
14 may, notwithstanding any other provision of this
15 Act, reissue or reinstate, in whole or in part, any
16 similar regulations that were in effect on the day be-
17 fore the date of the enactment of this Act.

18 (2) APPLICATION OF CERTAIN LAWS.—Rein-
19 statement of regulations under paragraph (1) shall
20 not be subject to sections 551, 553 through 559,
21 and 701 through 706 of title 5, United States Code.

22 **SEC. 10. INTERACTION WITH REGULATIONS.**

23 (a) RULE OF CONSTRUCTION.—Nothing in this Act
24 shall be construed to prohibit, limit, or otherwise affect
25 the authority of the Secretary of Commerce—

1 (1) to implement or administer subpart D of
2 part 791 of title 15, Code of Federal Regulations, as
3 added by the final rule of the Bureau of Industry
4 and Security entitled “Securing the Information and
5 Communications Technology and Services Supply
6 Chain: Connected Vehicles” (90 Fed. Reg. 5360);

7 (2) under Executive Order 13873 (50 U.S.C.
8 1701 note; relating to securing the information and
9 communications technology and services supply
10 chain); or

11 (3) under Executive Order 14034 (50 U.S.C.
12 1701 note; relating to protecting Americans’ sen-
13 sitive data from foreign adversaries).

14 (b) DELAYED IMPLEMENTATION FOR SOFTWARE
15 NOT COVERED BY REGULATIONS.—In the case of covered
16 software that is subject to a prohibition under section
17 4(a)(2) and is not subject to subpart D of part 791 of
18 title 15, Code of Federal Regulations, as in effect on the
19 day before the date of the enactment of this Act, the Sec-
20 retary shall not implement the prohibition with respect to
21 such software incorporated into connected vehicles before
22 model year 2029.

23 (c) DELAYED IMPLEMENTATION FOR HARDWARE
24 NOT COVERED BY REGULATIONS.—In the case of vehicle
25 connectivity system hardware that is subject to a prohibi-

tion under section 4(a)(3) and is not subject to subpart D of part 791 of title 15, Code of Federal Regulations, as in effect on the day before the date of the enactment of this Act, the Secretary shall not implement the prohibition with respect to such hardware incorporated into connected vehicles before model year 2032.

(d) DELAYED IMPLEMENTATION FOR CONNECTED VEHICLES BY EXISTING UNITED STATES MANUFACTURERS AND OPERATORS.—

(1) IN GENERAL.—Subject to paragraph (2), the prohibition under section 4(a)(1) shall not apply with respect to a connected vehicle of a model year before model year 2030 that is manufactured, purchased pursuant to a master services agreement or other similar contract executed before the date of the enactment of this Act, or operated in a commercial fleet, by an entity that—

(A) is selling passenger vehicles or operating a commercial fleet of passenger vehicles in the United States as of the date of the enactment of this Act; and

(B) has been manufacturing passenger vehicles or operating a commercial fleet of passenger vehicles in the United States for not less than five years before such date of enactment.

1 (2) COMPLIANCE REPORTING.—Any entity ben-
2 effitting from the delayed implementation of section
3 4(a)(1) pursuant to this subsection shall submit to
4 the Secretary, not less frequently than annually until
5 the entity is in compliance with that section, a re-
6 port outlining the plan of the entity to come into
7 compliance by 2030. The Secretary shall protect any
8 report submitted under this paragraph as confiden-
9 tial business information, except as otherwise re-
10 quired by law.

11 (e) TREATMENT OF PRIOR EXCLUSIONS.—

12 (1) IN GENERAL.—Subject to paragraph (2),
13 any exclusion or exception to a prohibition or defini-
14 tion under subpart D of part 791 of title 15, Code
15 of Federal Regulations, as in effect on the day be-
16 fore the date of the enactment of this Act, shall re-
17 main valid and shall apply to the prohibitions under
18 section 4(a).

19 (2) RULEMAKING.—Beginning January 1,
20 2030, the Secretary shall conduct a rulemaking to
21 determine whether exclusions or exceptions described
22 in paragraph (1) should be continued, modified, or
23 terminated for the purposes of this Act.

24 (f) ADMINISTRATIVE PROCEDURE.—Except as other-
25 wise provided in this Act, the functions exercised under

1 this Act shall not be subject to sections 551, 553 through
2 559, and 701 through 706 of title 5, United States Code.