



(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To establish the Manufacturing Sovereign Wealth Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. DELUZIO introduced the following bill; which was referred to the Committee on _____

A BILL

To establish the Manufacturing Sovereign Wealth Fund, 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 “Build America Fund
5 Act”.

6 **SEC. 2. MANUFACTURING SOVEREIGN WEALTH FUND.**

7 (a) ESTABLISHMENT.—There is established the Man-
8 ufacturing Sovereign Wealth Fund (in this Act referred
9 to as the “Fund”).

1 (b) OBJECTIVES.—The objectives of the Fund are as
2 follows:

3 (1) REBUILD INDUSTRIAL CAPACITY.—To re-
4 build industrial capacity, including by revitalizing
5 critical industries hollowed out by offshoring or
6 financialization (e.g., the areas described in the ini-
7 tial list of key technology focus areas under section
8 10387(c) of the CHIPS Act of 2022 (42 U.S.C.
9 19107(c))).

10 (2) PROMOTE ECONOMIC SOVEREIGNTY.—To
11 promote economic sovereignty, including by—

12 (A) reducing dependence on foreign supply
13 chains for essential goods and inputs; and

14 (B) ensuring domestic control over stra-
15 tegic production capabilities.

16 (3) CATALYZE INNOVATION AND ADVANCED
17 MANUFACTURING.—To catalyze innovation and ad-
18 vanced manufacturing, including by—

19 (A) investing in research, automation, ma-
20 terials science, and process innovation; and

21 (B) supporting commercialization of ad-
22 vanced manufacturing technologies.

23 (4) CREATE AND RETAIN HIGH-QUALITY
24 JOBS.—To create and retain high-quality jobs (as
25 such term is used in Executive Order 14126 (89

1 Fed. Reg. 73559; published September 11, 2024)),
2 including by—

3 (A) supporting projects that offer strong
4 wages, training, and labor standards; and

5 (B) partnering with workforce development
6 programs, technical education institutions, and
7 labor organizations.

8 (5) ENSURE LONG-TERM, SUSTAINABLE RE-
9 TURNS.—To ensure long-term, sustainable returns,
10 including by—

11 (A) operating on commercial principles
12 that take into account social and strategic out-
13 comes; and

14 (B) reinvesting profits into industrial,
15 technological, and local community develop-
16 ment.

17 (6) ENHANCE REGIONAL DEVELOPMENT.—To
18 enhance regional development, including by—

19 (A) investing in areas adversely affected by
20 deindustrialization and economic decline; and

21 (B) strengthening local manufacturing eco-
22 systems and small suppliers.

23 (c) BOARD OF GOVERNORS.—

24 (1) IN GENERAL.—The head of the Fund shall
25 be the Board of Governors, which shall consist of 13

1 members appointed by the President, by and with
2 the advice and consent of the Senate, from among
3 individuals who are citizens of the United States.

4 (2) REPRESENTATION.—In appointing members
5 under paragraph (1), the President shall appoint—

6 (A) at least 2 members representing labor;

7 (B) at least 2 members representing work-
8 force development;

9 (C) at least 2 members representing indus-
10 try and technology;

11 (D) at least 2 members representing re-
12 gional development;

13 (E) at least 2 members representing aca-
14 demia or science;

15 (F) at least 2 members representing fi-
16 nance and risk management; and

17 (G) at least 1 member representing the
18 Armed Forces of the United States.

19 (3) CHAIR.—The members of the Board of Gov-
20 ernors shall appoint one member as Chair of the
21 Board of Governors.

22 (4) TERM.—

23 (A) IN GENERAL.—The members of the
24 Board of Governors shall serve for a term of 6
25 years, except that—

1 (i) a member may continue to serve
2 after the expiration of the member's term
3 until a successor has been confirmed, but
4 not to exceed 1 year; and

5 (ii) subject to clause (i), a member ap-
6 pointed to fill in the remainder of another
7 member's term shall only serve for the re-
8 mainder of such term.

9 (B) STAGGERED INITIAL TERMS.—The ini-
10 tial members of the Board of Governors shall be
11 appointed to staggered terms as follows:

12 (i) 2 members shall be appointed for
13 terms of two years.

14 (ii) 2 members shall be appointed for
15 terms of three years.

16 (iii) 3 members shall be appointed for
17 terms of four years.

18 (iv) 3 members shall be appointed for
19 terms of five years.

20 (v) 3 members shall be appointed for
21 terms of six years.

22 (5) COMPENSATION.—The Chair of the Board
23 of Governors shall be compensated at Level I of the
24 Executive Schedule (5 U.S.C. 5312) and all other
25 members of the Board of Governors shall be com-

1 compensated at Level II of the Executive Schedule (5
2 U.S.C. 5313).

3 (6) DUTIES.—The Board of Governors shall—

4 (A) oversee the day-to-day management of
5 the Fund;

6 (B) approve the Fund’s strategic invest-
7 ment plan every year;

8 (C) ensure that the investments of the
9 Fund align with the manufacturing, labor, and
10 economic resilience goals of the United States,
11 as enumerated in the Industrial Sovereignty
12 Strategy described in section 7(b)(4);

13 (D) monitor performance metrics for the
14 Fund;

15 (E) review environmental, labor, and sup-
16 ply chain due diligence on all investments made
17 by the Fund;

18 (F) review and approve annual financial
19 statements, audits, and risk assessments;

20 (G) ensure community and worker rep-
21 resentation in the Fund’s decision making;

22 (H) coordinate with the Industrial Sov-
23 ereignty Council on long-term strategy; and

24 (I) review labor standards for supply
25 chains.

1 (7) OFFICES.—The Chair of the Board of Gov-
2 ernors may establish such offices within the Fund as
3 the Chair determines necessary or appropriate to ad-
4 dress specific issues or sectors.

5 (8) RULEMAKING AUTHORITY.—The Board of
6 Governors may issue such rules as may be necessary
7 or appropriate to carry out this Act.

8 (9) INFORMATION FROM INVESTMENT RECIPI-
9 ENTS.—The Board of Governors may request any
10 information from an entity requesting or receiving
11 investments from the Fund that the Board of Gov-
12 ernors determines necessary, and such entity shall
13 provide such information to the Board of Governors.

14 (d) INSPECTOR GENERAL.—Section 415(a)(1)(A)
15 title 5, United States Code, is amended by inserting “the
16 Manufacturing Sovereign Wealth Fund,” before “the Na-
17 tional Archives and Records Administration”.

18 **SEC. 3. INVESTMENTS.**

19 (a) IN GENERAL.—The Fund shall, in furtherance of
20 the objectives described in section 2(b), make investments,
21 either individually or in partnership with third parties, in
22 the form of—

- 23 (1) equity investments; and
24 (2) loans and loan guarantees.

25 (b) INVESTMENT AREAS.—

1 (1) IN GENERAL.—The Fund may only make
2 investments in the following sectors:

3 (A) STRATEGIC MANUFACTURING.—Stra-
4 tegic manufacturing sectors, including areas de-
5 scribed in the initial list of key technology focus
6 areas under section 10387(c) of the CHIPS Act
7 of 2022 (42 U.S.C. 19107(c)).

8 (B) TECHNOLOGY AND INNOVATION.—
9 Technology and innovation sectors, including
10 additive manufacturing, robotics, and industrial
11 data systems.

12 (C) SUPPLY CHAIN SECURITY.—Sectors re-
13 lated to supply chain security, including domes-
14 tic sourcing of critical inputs and reshoring of
15 key supply lines.

16 (D) WORKFORCE AND SME DEVELOP-
17 MENT.—Sectors related to workforce and small-
18 and medium-enterprise development, including
19 small- and medium-size manufacturers and reg-
20 istered apprenticeship and vocational programs.

21 (2) UPDATING BY THE BOARD.—The Board of
22 Governors shall periodically review the sectors de-
23 scribed in paragraph (1) and may add or subtract
24 sectors as the Board of Governors determines appro-
25 priate.

1 (c) APPLICATIONS.—A company may apply to the
2 Fund for an investment in such form and manner as the
3 Fund may determine appropriate, but such application
4 shall include the type of the requested investment and the
5 amount of the requested investment.

6 (d) GOLDEN SHARE REQUIREMENT FOR EQUITY IN-
7 VESTMENTS.—

8 (1) IN GENERAL.—The Fund may only make
9 an equity investment in a company if the investment
10 gives the Fund veto authority over the following
11 while the Fund holds the investment:

12 (A) LOCATION AND CAPACITY.—Any action
13 of the company to—

14 (i) engage in offshoring (as defined in
15 section 5(g)(3));

16 (ii) shut down strategic facilities;

17 (iii) otherwise transfer ownership of
18 any sensitive facilities; or

19 (iv) reduce capacity below a minimum
20 level determined by the Fund.

21 (B) OWNERSHIP AND CONTROL.—Any ac-
22 tion of the company to—

23 (i) sell the company to foreign persons
24 (as defined in section 800.224 of title 31,
25 Code of Federal Regulations);

1 (ii) acquire another company in a hos-
2 tile takeover; or

3 (iii) enter into a merger that would
4 result in the loss of domestic control over
5 the operations of the company.

6 (C) INTELLECTUAL PROPERTY.—Any ac-
7 tion of the company to—

8 (i) license any intellectual property of
9 the company to foreign companies or other
10 persons;

11 (ii) sell any patent or process trade
12 secrets;

13 (iii) otherwise transfer ownership of
14 any intellectual property; or

15 (iv) move research and development to
16 a foreign country.

17 (D) SUPPLY CHAIN INTEGRITY.—Any ac-
18 tion of the company to—

19 (i) end production of critical compo-
20 nents; or

21 (ii) change to foreign persons (as de-
22 fined in section 800.224 of title 31, Code
23 of Federal Regulations) for sensitive in-
24 puts.

1 (E) LOCKOUTS AND MASS LAYOFFS.—Any
2 lockout or mass layoff (as such term is defined
3 in section 2(a) of the Worker Adjustment and
4 Retraining Notification Act (29 U.S.C.
5 2101(a))).

6 (2) TREATMENT IN BANKRUPTCY.—Notwith-
7 standing any other provision of law, if the Fund
8 makes an equity investment described in paragraph
9 (1), the Fund's authorities described in paragraph
10 (1) shall continue during any bankruptcy proceeding
11 with respect to such a company.

12 (e) REQUIREMENTS FOR ALL INVESTMENTS.—

13 (1) IN GENERAL.—The Fund may only make
14 an investment in a company if the following require-
15 ments are met:

16 (A) LIMITATION ON MOVING OPERATIONS
17 OVERSEAS.—The company agrees not to move
18 any operations of the company from the United
19 States to a foreign country during the 50-year
20 period beginning on the date the investment is
21 made.

22 (B) LIMITATION ON EXPANDING OPER-
23 ATIONS OVERSEAS.—The company agrees not
24 to expand operations of the company in a for-

1 eign country during the 50-year period begin-
2 ning on the date the investment is made.

3 (C) DOMESTIC INVESTMENT REQUIRE-
4 MENT.—The company agrees that proceeds
5 from the investment will only be used for
6 projects in the United States.

7 (D) COMPANY LOCATED IN THE UNITED
8 STATES.—The company is—

9 (i) is headquartered in the United
10 States and the management and board of
11 directors of the company are based in the
12 United States; and

13 (ii) is not—

14 (I) owned, directed, controlled, fi-
15 nanced, or influenced, directly or indi-
16 rectly, by an entity of concern or a
17 foreign entity of concern (as such
18 terms are defined, respectively, for
19 purposes of subparagraph (F)); or

20 (II) owned or controlled by a
21 subsidiary or other affiliate of such an
22 entity of concern or foreign entity of
23 concern.

1 (E) APPLICATION REQUIREMENTS.—The
2 company submits a detailed application to the
3 Fund that demonstrates the following:

4 (i) ECONOMIC AND NATIONAL SECUR-
5 RITY ALIGNMENT.—The investment would
6 strengthen domestic supply chains and re-
7 duce foreign reliance.

8 (ii) COMMERCIAL VIABILITY AND FI-
9 NANCIAL STRENGTH.—Each project to be
10 funded with the proceeds of the investment
11 would succeed long-term and with the in-
12 vestment proceeds not serving as the sole
13 financing for the project.

14 (iii) TECHNICAL FEASIBILITY AND
15 READINESS.—For each project to be fund-
16 ed with the proceeds of the investment, re-
17 alistic plans, permits, construction
18 timelines, and milestones.

19 (iv) WORKFORCE DEVELOPMENT COM-
20 MITMENTS.—Plans for training and hiring,
21 and the extent to which such training and
22 hiring would be done in partnership with
23 community colleges, universities, or work-
24 force development entities, including joint
25 labor-management organizations.

1 (F) NATIONAL SECURITY RESTRICTIONS.—

2 The company agrees not to engage in joint re-
3 search or sensitive technology licensing with—

4 (i) an entity of concern (as defined in
5 section 10114(a) of the CHIPS Act of
6 2022 (42 U.S.C. 18912(a))); or

7 (ii) a foreign entity of concern (as de-
8 fined in section 9901 of title XCIX of divi-
9 sion H of the William M. (Mac) Thorn-
10 berry National Defense Authorization Act
11 for Fiscal Year 2021 (15 U.S.C. 4651)).

12 (G) FINANCIAL AND PERFORMANCE CON-
13 DITIONS.—The company agrees not to use pro-
14 ceeds from the investment to make stock
15 buybacks or pay dividends.

16 (H) LABOR AND COMPLIANCE.—The com-
17 pany agrees—

18 (i) that all laborers and mechanics
19 employed by contractors or subcontractors
20 in the performance of construction, alter-
21 ation, or repair work carried out, in whole
22 or in part, with assistance made available
23 under this Act shall be paid wages at rates
24 not less than those prevailing on projects
25 of a character similar in the locality, as de-

1 terminated by the Secretary of Labor in ac-
2 cordance with subchapter IV of chapter 31
3 of title 40, United States Code, provided
4 that the Secretary of Labor shall have the
5 authority and functions set forth in Reor-
6 ganization Plan Numbered 14 of 1950 (64
7 Stat. 1267; 5 U.S.C. App.) and section
8 3145 of title 40, United States Code; and

9 (ii) to remain neutral with respect to
10 any lawful effort by employees at a project
11 funded in whole or in part with assistance
12 made available under this Act to organize
13 or bargain collectively, including refraining
14 from—

15 (I) mandatory anti-union meet-
16 ings;

17 (II) retaliation or discrimination
18 based on protected organizing activity;

19 (III) expenditure of company re-
20 sources to oppose union representa-
21 tion; and

22 (IV) interference with employee
23 communications regarding organizing.

1 (2) VIOLATIONS.—With respect to a company
2 that receives an investment from the Fund and vio-
3 lates the requirements of this subsection—

4 (A) the Fund shall suspend, divest from,
5 or clawback such investment; and

6 (B) the company is ineligible for future in-
7 vestments from the Fund.

8 (f) AUTHORITY FOR PROFIT SHARING.—The Fund
9 may, as part of an investment in a company made under
10 this Act, enter into an agreement with the company to
11 share in the future profits of projects funded with the pro-
12 ceeds of the investment.

13 (g) BOARD APPROVAL REQUIRED FOR LARGE IN-
14 VESTMENTS.—The Fund may not make an investment in
15 an amount of more than \$250,000,000 without the prior
16 approval of the Board of Governors.

17 (h) TERMINATION OF EQUITY INVESTMENTS.—With
18 respect to each equity investment made by the Fund in
19 a company, the Fund shall sell such investment at a time
20 determined by the Chair as being in the best interest of
21 the Fund's revenue earning.

22 **SEC. 4. OVERSIGHT AND ACCOUNTABILITY.**

23 (a) REPORT TO CONGRESS.—The Board of Gov-
24 ernors shall issue an annual report to Congress detailing

1 the financial and strategic performance of the Fund, in-
2 cluding—

- 3 (1) the performance of the Fund’s investment
4 portfolio;
- 5 (2) strategic impact outcomes; and
- 6 (3) governance and ethics disclosures.

7 (b) INSPECTOR GENERAL AUDIT.—The Inspector
8 General of the Fund shall carry out an annual audit of
9 the Fund and provide a report on such audit to the Board
10 of Governors and the Congress.

11 (c) GAO AUDIT.—The Comptroller General of the
12 United States shall carry out an annual audit of the Fund
13 and provide a report on such audit to the Board of Gov-
14 ernors and the Congress.

15 (d) PUBLIC TRANSPARENCY PORTAL.—The Board of
16 Governors shall maintain a public transparency portal list-
17 ing all investments of the Fund and the outcomes of those
18 investments, but may exclude any investments due to na-
19 tional security concerns.

20 (e) ETHICS.—The Board of Governors shall adopt a
21 code of ethics and conflict-of-interest disclosure policies
22 for the directors and employees of the Fund, which shall
23 include prohibiting revolving-door influence, including—

- 24 (1) prohibiting governors and employees of the
25 Fund (and their spouses and dependents) from hold-

1 ing any ownership of a company being invested in by
2 the Fund;

3 (2) prohibiting governors and employees of the
4 Fund from receiving deferred compensation tied to
5 past industry roles;

6 (3) requiring governors of the Fund to recuse
7 themselves from any matter involving former em-
8 ployers or other entities where impartiality could
9 reasonably be questioned;

10 (4) during the 5-year period beginning on the
11 date an individual ceases to be a governor of the
12 Fund, prohibiting the individual from—

13 (A) accepting employment, board roles, or
14 compensation from any company that was in-
15 vested in by the Fund and with which the indi-
16 vidual interacted while a governor of the Fund;

17 (B) providing consulting, advisory, or stra-
18 tegic services to any such company; and

19 (C) engaging in lobbying or influence activ-
20 ity related to the Fund or its portfolio.

21 (f) WHISTLEBLOWER PROTECTIONS.—The Board of
22 Governors shall develop and adopt a whistleblower protec-
23 tion mechanism.

24 **SEC. 5. FUNDING.**

25 (a) INITIAL FUNDING.—

1 (1) IN GENERAL.—There is appropriated to the
2 Fund, out of any funds in the Treasury not other-
3 wise appropriated, to remain available until ex-
4 pended—

5 (A) on the date of enactment of this Act,
6 \$100,000,000,000;

7 (B) for the first fiscal year beginning after
8 the date of enactment of this Act,
9 \$65,000,000,000;

10 (C) for the second fiscal year beginning
11 after the date of enactment of this Act,
12 \$40,000,000,000;

13 (D) for the third fiscal year beginning
14 after the date of enactment of this Act,
15 \$35,000,000,000;

16 (E) for the fourth fiscal year beginning
17 after the date of enactment of this Act,
18 \$20,000,000,000;

19 (F) for the fifth fiscal year beginning after
20 the date of enactment of this Act,
21 \$15,000,000,000;

22 (G) for the sixth fiscal year beginning after
23 the date of enactment of this Act,
24 \$12,000,000,000;

1 (H) for the seventh fiscal year beginning
2 after the date of enactment of this Act,
3 \$10,000,000,000;

4 (I) for the eighth fiscal year beginning
5 after the date of enactment of this Act,
6 \$8,000,000,000; and

7 (J) for the ninth fiscal year beginning
8 after the date of enactment of this Act,
9 \$5,000,000,000.

10 (2) DECREASE IN APPROPRIATIONS OVER
11 TIME.—

12 (A) CERTIFICATION.—At the end of each
13 2-fiscal year period beginning with the first fis-
14 cal year beginning after the date of enactment
15 of this Act, the Chair of the Board of Gov-
16 ernors shall certify to the Congress whether or
17 not the Fund is earning revenues that equal or
18 exceed the amount of appropriations received by
19 the Fund during the previous fiscal year and
20 whether or not such revenues can sustain the
21 operations of the Fund.

22 (B) DECREASE.—Notwithstanding para-
23 graph (1), each time the Chair of the Board of
24 Governors certifies under subparagraph (A)
25 that the Fund is earning revenues that equal or

1 exceed the amount of appropriations received by
2 the Fund during the previous fiscal year and
3 that such revenues can sustain the operations
4 of the Fund, the amount specified under para-
5 graph (1) applicable to each following fiscal
6 year shall be reduced by 20 percent.

7 (b) USE OF INVESTMENT PROCEEDS.—Except as
8 provided in section 6, all proceeds from Fund investments,
9 including interest, dividends, and proceeds from the sale
10 of investments, shall be retained by the Fund and used,
11 without further appropriation, to carry out this Act.

12 (c) FUNDING FROM AUTOMOBILE TARIFFS AND
13 ANTIDUMPING AND COUNTERVAILING DUTIES.—Begin-
14 ning with the first fiscal year beginning after the date of
15 enactment of this Act—

16 (1) all duties collected pursuant to an investiga-
17 tion under section 232 of the Trade Expansion Act
18 of 1964 (19 U.S.C. 1862) or section 301 of the
19 Trade Act of 1974 (19 U.S.C. 2411) with respect to
20 automobiles shall be transferred to the Fund and
21 made available without further appropriation to
22 carry out this Act; and

23 (2) all duties collected pursuant to an anti-
24 dumping order or countervailing duty order under
25 title VII of the Tariff Act of 1930 (19 U.S.C. 1671

1 et seq.) shall be transferred to the Fund and made
2 available without further appropriation to carry out
3 this Act.

4 (d) MERGERS AND ACQUISITIONS FEE.—

5 (1) IN GENERAL.—With respect to any covered
6 transaction with a transaction value of over
7 \$1,000,000,000, the person making the acquisition
8 shall pay a fee to the Fund in an amount equal to
9 1 percent of the transaction value and such amount
10 shall be made available without further appropria-
11 tion, to carry out this Act. In the event that a cov-
12 ered transaction does not have a single party making
13 an acquisition, the Fund shall determine which par-
14 ties to the transaction are subject to this paragraph
15 and, if more than one, how the fee required under
16 this paragraph is divided among the parties. The
17 Board of Governors of the Fund shall assess the im-
18 pact of covered transactions on workers in the appli-
19 cable industry, and ensure covered transactions ad-
20 vance the Fund’s objective to create and retain high-
21 quality jobs.

22 (2) DEFINITIONS.—In this subsection:

23 (A) COVERED TRANSACTION.—

24 (i) IN GENERAL.—The term “covered
25 transaction”—

1 (I) means any acquisition, di-
2 rectly or indirectly, by any person
3 of—

4 (aa) voting securities of an
5 issuer;

6 (bb) non-corporate interests
7 in any unincorporated entity, in-
8 cluding partnerships, limited li-
9 ability companies, or similar enti-
10 ties; and

11 (cc) assets of any person;
12 and

13 (II) includes—

14 (aa) any merger, consolida-
15 tion, tender offer, or similar busi-
16 ness combination;

17 (bb) any acquisition of a
18 controlling or non-controlling in-
19 terest;

20 (cc) the formation of a joint
21 venture or other combination of
22 assets or businesses; and

23 (dd) any series of trans-
24 actions that are part of a com-
25 mon plan or arrangement.

1 (ii) AGGREGATION AND ANTI-AVOID-
2 ANCE.—In this subparagraph, transactions
3 shall be aggregated and treated as a single
4 covered transaction if the transactions—

5 (I) are between the same or re-
6 lated persons; and

7 (II) occur within a 24-month pe-
8 riod, or as part of a common plan.

9 (iii) COMMON PLAN DOCTRINE.—In
10 this subparagraph, transactions shall be
11 treated as part of a common plan where
12 they are—

13 (I) commercially interdependent;

14 (II) negotiated in connection with
15 one another; or

16 (III) structured to avoid the ap-
17 plication of this Act.

18 (B) TRANSACTION VALUE.—

19 (i) IN GENERAL.—The term “trans-
20 action value” means the total value of all
21 consideration paid or payable, directly or
22 indirectly, in connection with a covered
23 transaction, including—

24 (I) cash and cash equivalents;

1 (II) the fair market value of vot-
2 ing securities, non-corporate interests,
3 or other ownership interests trans-
4 ferred;

5 (III) the fair market value of as-
6 sets transferred;

7 (IV) liabilities assumed, including
8 indebtedness; and

9 (V) contingent, deferred, or
10 earnout payments.

11 (ii) DETERMINATION.—A transaction
12 value shall be determined based on—

13 (I) the fair market value of the
14 consideration as of the date of closing;
15 or

16 (II) if greater, the total consider-
17 ation agreed to by the parties.

18 (iii) SPECIAL RULES.—For purposes
19 of determining a transaction value of a
20 covered transaction, the Board of Gov-
21 ernors shall issue rules for—

22 (I) valuing contingent or deferred
23 consideration;

24 (II) valuing partial acquisitions;
25 and

1 (III) determining value in asset
2 transactions.

3 (e) STOCK TRADING FEE ON HIGH-VOLUME TRAD-
4 ERS.—The Securities and Exchange Commission shall—

5 (1) issue rules to require each person who sells
6 an equity security, if the person has already sold
7 more than \$1,000,000 worth of equity securities in
8 the same calendar year, to pay a fee to the Commis-
9 sion in an amount equal to 0.1 percent of the value
10 of the sale; and

11 (2) transfer such amounts to the Fund to be
12 used, without further appropriation, to carry out
13 this Act.

14 (f) STOCK BUYBACK FEE.—The Securities and Ex-
15 change Commission shall—

16 (1) issue rules to require each issuer that pur-
17 chases an equity security issued by such issuer to
18 pay a fee of \$100 to the Commission for each such
19 purchase; and

20 (2) transfer such amounts to the Fund to be
21 used, without further appropriation, to carry out
22 this Act.

23 (g) PRODUCTION OFFSHORING FEE.—

24 (1) IN GENERAL.—Any company that carries
25 out manufacturing in the sectors described in section

1 3(b)(1), as such sectors may have been modified
2 pursuant to section 3(b)(2), with annual revenue of
3 more than \$250,000,000 shall pay a fee to the Fund
4 any time the company carries out offshoring.

5 (2) FEE CALCULATION.—

6 (A) IN GENERAL.—The Board of Gov-
7 ernors shall determine the amount of a fee
8 under paragraph (1) by calculating the sum
9 of—

10 (i) the labor cost differential between
11 United States and offshore production
12 multiplied by the number of units that
13 have been offshored; and

14 (ii) the sum of past Federal tax cred-
15 its, subsidies, and grants provided to the
16 company prior to offshoring operations.

17 (B) TIERED RATE STRUCTURE.—The
18 Board of Governors shall determine a tiered
19 rate structure for purposes of carrying out this
20 subsection, using determinants such as non-
21 market economy status, foreign entity of con-
22 cern status, labor and child-labor abuses, emis-
23 sion rates, and others.

24 (3) OFFSHORING DEFINED.—The term
25 “offshoring” means—

1 (A) the closure or downsizing of a domestic
2 production facility where there is reason to be-
3 lieve such closure or downsizing may correlate
4 to increasing reliance on imported goods in-
5 stead;

6 (B) the shift of production capacity abroad
7 by a company that continues selling into the
8 United States; and

9 (C) contracting with foreign manufacturers
10 to produce goods when the firm previously pro-
11 duced such goods domestically.

12 (h) FUNDING FROM CORPORATE TAXES.—

13 (1) IN GENERAL.—Section 11(b) of the Internal
14 Revenue Code of 1986 is amended by striking “21
15 percent” and inserting “22 percent”.

16 (2) USE OF FUNDS.—All tax imposed by reason
17 of the amendment made by paragraph (1) shall be
18 transferred to the Fund to be used, without further
19 appropriation, to carry out this Act.

20 (3) EFFECTIVE DATE.—The amendment made
21 by this subsection shall apply to taxable years begin-
22 ning after December 31, 2026.

23 (i) COORDINATION WITH OTHER AGENCIES.—The
24 Securities and Exchange Commission, the Secretary of the
25 Treasury, and such other Federal agencies as the Board

1 of Governors determines appropriate, shall provide assist-
2 ance to the Fund in carrying out this subsection.

3 (j) SECURITIES DEFINITIONS.—In this section, the
4 terms “issuer” and “security” have the meaning given
5 those terms, respectively, in section 3 of the Securities Ex-
6 change Act of 1934.

7 **SECTION 6. BUILD AMERICA DIVIDEND.**

8 (a) IN GENERAL.—Subpart C of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of
10 1986 is amended by inserting after section 36B the fol-
11 lowing new section:

12 **“SEC. 36C. BUILD AMERICA DIVIDEND.**

13 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
14 gible individual, there shall be allowed as a credit against
15 the tax imposed by this subtitle an amount equal to the
16 applicable amount.

17 “(b) ELIGIBLE INDIVIDUAL.—For purposes of this
18 section, the term ‘eligible individual’ means an individual
19 who is not—

20 “(1) a nonresident alien individual,

21 “(2) an individual with respect to whom a de-
22 duction under section 151 is allowable to another
23 taxpayer for a taxable year beginning in the cal-
24 endar year in which the individual’s taxable year be-
25 gins, or

1 “(3) an estate or trust.

2 “(c) APPLICABLE AMOUNT.—The Board of Gov-
3 ernors established under section 2(c) of the ‘Build Amer-
4 ica Fund Act’ shall determine the applicable amount for
5 purposes of subsection (a), which shall—

6 “(1) taken in aggregate with all credits allowed
7 under subsection (a) during an fiscal year, equal the
8 amount which is 25 percent of the average annual
9 proceeds of the Manufacturing Sovereign Wealth
10 Fund established in section 2(a) of the Build Amer-
11 ica fund Act in the 5 preceding fiscal years, and

12 “(2) be determined subject to an income-based
13 phaseout structure which decreases the amount of
14 the credit for higher-income individuals.

15 “(d) TIMING OF PAYMENT.—In the case of any over-
16 payment of tax attributable to a credit allowed under sub-
17 section (a), the Secretary shall refund such overpayment
18 to the taxpayer on the later of—

19 “(1) the first Friday which occurs in October in
20 the year in which the return of tax is filed, or

21 “(2) the date on which the Secretary would
22 issue such refund determined without regard to this
23 subsection.

24 “(e) IDENTIFICATION NUMBER REQUIREMENT.—No
25 credit shall be allowed under subsection (a) to any indi-

1 vidual if such individual does not include a valid identifica-
2 tion number (as defined in section 24(h)(7)) of such tax-
3 payer (or, in the case of a joint return, the valid identifica-
4 tion number (as so defined) of at least 1 spouse) on the
5 return of tax for the taxable year.”.

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 6211(b)(4)(A) of the Internal Rev-
8 enue Code of 1986 is amended by inserting “, 36C”
9 after “36B”.

10 (2) Section 1324(b)(2) of title 31, United
11 States Code, is amended by inserting “, 36C” after
12 “, 36B”.

13 (3) The table of sections for subpart C of part
14 IV of subchapter A of chapter 1 of the Internal Rev-
15 enue Code of 1986 is amended by inserting after the
16 item relating to section 36B the following new item:

“Sec. 36C. Build America dividend.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years beginning after
19 September 30, 2032.

20 **SEC. 7. INDUSTRIAL SOVEREIGNTY COUNCIL.**

21 (a) ESTABLISHMENT.—There is established within
22 the executive office of the President the Industrial Sov-
23 ereignty Council (hereinafter in this Act referred to as the
24 “Council”), which shall be composed of—

1 (1) the Secretary of Commerce and the Sec-
2 retary of the Treasury, who shall serve as co-Chairs
3 of the Council;

4 (2) the Director of the National Economic
5 Council, who shall serve as vice-Chair of the Council;

6 (3) a representative from the Departments of
7 Defense, Energy, Labor, and State; and

8 (4) the Chair of the Board of Governors of the
9 Fund.

10 (b) DUTIES.—The Council shall—

11 (1) integrate the manufacturing investment de-
12 cisions of the Fund with broader U.S. economic, na-
13 tional security, energy, and labor strategies;

14 (2) advise on national priorities for the indus-
15 trial policy of the Fund;

16 (3) review investments of the Fund for align-
17 ment with—

18 (A) supply chain security;

19 (B) climate and energy strategy; and

20 (C) workforce and regional equity goals;

21 (4) develop a 5-year policy roadmap, to be
22 known as the “Industrial Sovereignty Strategy”,
23 that identifies—

1 (A) critical and emerging industries (e.g.,
2 semiconductors, batteries, defense supply
3 chains, precision tools, robotics);

4 (B) workforce and training needs;

5 (C) regional manufacturing hubs for tar-
6 geted growth; and

7 (D) domestic content, sustainability, and
8 energy standards;

9 (5) ensure that the Fund's portfolio aligns with
10 the Industrial Sovereignty Strategy;

11 (6) review all major Fund investment plans for
12 strategic consistency (but shall not review the ap-
13 proval of individual investments);

14 (7) coordinate between the Departments of
15 Commerce, Defense, Energy, Labor, and the Treas-
16 ury and the Office of the United States Trade Rep-
17 resentative on overlapping industrial policies;

18 (8) prevent duplicate or contradictory industrial
19 policy programs across agencies;

20 (9) evaluate investments made by the Fund and
21 partnerships entered into by the Fund for national
22 security implications, including supply chain vulner-
23 ability, foreign dependency, and dual-use tech-
24 nologies;

1 (10) coordinate with the National Security
2 Council and the Committee on Foreign Investment
3 in the United States to ensure industrial invest-
4 ments of the United States enhance sovereignty and
5 not foreign leverage;

6 (11) advise the Board of Governors of the Fund
7 on strategic risks, including geopolitical concentra-
8 tion (e.g., China-dependent sectors);

9 (12) recommend new industrial standards, pro-
10 curement rules, and trade policies to complement the
11 Fund's investments;

12 (13) ensure consistent environmental, labor,
13 and wage standards across Federal programs;

14 (14) advise Congress on legislative needs re-
15 lated to domestic manufacturing, technology trans-
16 fer, or export controls;

17 (15) publish an annual report, to be known as
18 the "Industrial Sovereignty Report", summarizing—

19 (A) sectoral investment patterns;

20 (B) supply chain dependencies;

21 (C) regional manufacturing health; and

22 (D) policy recommendations for the next
23 fiscal cycle; and

24 (16) brief Congress and the President on indus-
25 trial progress, risks, and opportunities.

1 **SEC. 8. TERMINATION DATE OF THE FUND'S FUNCTIONS;**
2 **EXCEPTIONS; LIQUIDATION.**

3 (a) IN GENERAL.—The Fund shall continue to exer-
4 cise its functions in connection with and in furtherance
5 of its object and purposes until the close of business on
6 the date that is 10 years after the date of enactment of
7 this Act, but the provisions of this section shall not be
8 construed as preventing the Fund from acquiring obliga-
9 tions prior to such date which mature subsequent to such
10 date or from assuming prior to such date liability as guar-
11 antor, endorser, or acceptor of obligations which mature
12 subsequent to such date, or from continuing as a corporate
13 agency of the United States and exercising any of its func-
14 tions subsequent to such date for purposes of orderly liq-
15 uidation, including the administration of its assets and the
16 collection of any obligations held by the Fund.

17 (b) FUNDING.—

18 (1) IN GENERAL.—After the date described in
19 subsection (a)—

20 (A) the Board of Governors of the Fund
21 shall transfer any funds not needed to carry out
22 the functions described in subsection (a) to the
23 Secretary of Commerce; and

24 (B) the Secretary of Commerce shall use
25 all such funds for programs carried out by the
26 Department of Commerce to assist American

1 manufacturing, including manufacturing grant
2 programs.

3 (2) OTHER REQUIREMENTS.—All laborers and
4 mechanics employed by contractors or subcontractors in the performance of construction, alteration,
5 or repair work carried out, in whole or in part, with
6 assistance made available under paragraph (1)(B)
7 shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title
8 40, United States Code. With respect to such labor
9 standards, the Secretary of Labor shall have the authority and functions set forth in Reorganization
10 Plan Numbered 14 of 1950 (64 Stat. 1267; 5
11 U.S.C. App.) and section 3145 of title 40, United
12 States Code.

13 (c) SENSE OF CONGRESS ON REAUTHORIZATION.—
14 It is the sense of Congress that the Fund should be reau-
15 thorized in the future.
16
17
18
19
20