

1 **SEC. 1206. COUNTERFEIT PARTS.**

2 (a) IN GENERAL.—The Administrator shall plan, de-
3 velop, and implement a program, in coordination with
4 other Federal agencies, to detect, track, catalog, and re-
5 duce the number of counterfeit electronic parts in the
6 NASA supply chain.

7 (b) REQUIREMENTS.—In carrying out the program,
8 the Administrator shall establish—

9 (1) counterfeit part identification training for
10 all employees that procure, process, distribute, and
11 install electronic parts that will—

12 (A) teach employees how to identify coun-
13 terfeit parts;

14 (B) educate employees on procedures to
15 follow if they suspect a part is counterfeit;

16 (C) regularly update employees on new
17 threats, identification techniques, and reporting
18 requirements; and

19 (D) integrate industry associations, manu-
20 facturers, suppliers, and other Federal agencies,
21 as appropriate;

22 (2) an internal database to track all suspected
23 and confirmed counterfeit electronic parts that will
24 maintain, at a minimum—

25 (A) companies and individuals known and
26 suspected of selling counterfeit parts;

(B) parts known and suspected of being counterfeit, including lot and date codes, part numbers, and part images;

(C) countries of origin;

(D) sources of reporting;

(E) United States Customs seizures; and

(F) Government-Industry Data Exchange Program reports and other public or private sector database notifications; and

(3) a mechanism to report all information on suspected and confirmed counterfeit electronic parts to law enforcement agencies, industry associations, and other databases, and to issue bulletins to industry on counterfeit electronic parts and related counterfeit activity.

(c) REVIEW OF PROCUREMENT AND ACQUISITION POLICY.—

(1) IN GENERAL.—In establishing the program, the Administrator shall amend existing acquisition and procurement policy to purchase electronic parts from trusted or approved manufacturers. To determine trusted or approved manufacturers, the Administrator shall establish a list, assessed and adjusted at least annually, and create criteria for manufacturers to meet in order to be placed onto the list.

1 (2) CRITERIA.—The criteria may include—

2 (A) authentication or encryption codes;

3 (B) embedded security markings in parts;

4 (C) unique, harder to copy labels and
5 markings;

6 (D) identifying distinct lot and serial codes
7 on external packaging;

8 (E) radio frequency identification embed-
9 ded into high-value parts;

10 (F) physical destruction of all defective,
11 damaged, and sub-standard parts that are by-
12 products of the manufacturing process;

13 (G) testing certifications;

14 (H) maintenance of procedures for han-
15 dling any counterfeit parts that slip through;

16 (I) maintenance of secure facilities to pre-
17 vent unauthorized access to proprietary infor-
18 mation; and

19 (J) maintenance of product return, buy
20 back, and inventory control practices that limit
21 counterfeiting.

22 (d) REPORT TO CONGRESS.—Within one year after
23 the date of enactment of this Act, the Administrator shall
24 report on the progress of implementing this section to the
25 appropriate committees of Congress.