AMENDMENT TO RULES COMMITTEE PRINT 118-10

OFFERED BY MR. GALLAGHER OF WISCONSIN

At the appropriate place in subtitle A of title VIII, insert the following:


(a) Prohibition on Use or Procurement.—

(1) In general.—Except as provided under subsection (d)(1), the Secretary may not—

(A) enter into, renew, or extend a contract for the procurement of goods, services, or technology with an entity described in paragraph (2); or

(B) enter into, renew, or extend a contract for the procurement of goods, services, or technology that include goods, services, or tech-
nology produced or developed by an entity de-
scribed in paragraph (2).

(2) ENTITIES DESCRIBED.—An entity described
in this paragraph is—

(A) an entity that is identified in the an-

nual list the Department of Defense publishes
of Chinese military companies operating in the
United States in pursuant to section 1260H of
the William M. (Mac) Thornberry National De-
defense Authorization Act for Fiscal Year 2021
(10 U.S.C. 113 note);

(B) any entity subject to the control of an
entity described in subparagraph (A); or

(C) any individual working for or on behalf
of an entity described in subparagraph (A) or
(B).

(3) LIMITATION ON APPLICABILITY.—Nothing
in paragraph (1) shall prohibit the Secretary from
entering into, renewing, or extending a contract for
the procurement of goods, services, or technology to
provide a service that connects to the facilities of a
third-party, including backhaul, roaming, or inter-
connection arrangements.

(4) GUIDANCE.—
(A) ENTITY PROHIBITION.—Not later than 180 days after the enactment of this Act, the Secretary shall issue procurement policies and other guidance for implementation of the prohibitions in paragraph (1)(A) for the Department of Defense.

(B) GOODS, SERVICES, AND TECHNOLOGY PROHIBITION.—Not later than 545 days after the enactment of this Act, the Secretary shall issue procurement policies and other guidance for the implementation of the prohibitions in paragraph (1)(B) for the Department of Defense, including—

(i) best practices to avoid being subject to the prohibitions described in paragraph (1)(B); and

(ii) technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to comply with this section, including the creation of a supply chain mapping tool software made available without cost to affected entities.

(b) EFFECTIVE DATES.—The prohibition under subsection (a)(1)(A) shall take effect one year after the date
of the enactment of this Act, and the prohibitions under subsections (a)(1)(B) shall take effect two years after the date of the enactment of this Act.

(c) Waiver Authority.—

(1) In general.—The Secretary may waive the requirements under subsection (a) with respect to an entity that requests such a waiver if the entity seeking the waiver—

(A) provides to the Secretary a compelling justification for the additional time to implement the requirements under such subsection, as determined by the Secretary of Defense; and

(B) provides to the Secretary a phase-out plan to eliminate goods, services, or technology produced or developed by an entity described in subsection (a)(2) from the systems of the entity.

(2) Duration.—A waiver granted under paragraph (1) may be for a period of not more than two years after the effective dates described in subsection (c).

(d) Exception.—The President shall not be required to apply or maintain the prohibition under subsection (a) for activities subject to the reporting requirements under title V of the National Security Act of 1947.
(50 U.S.C. 3091 et seq.), or to any authorized intelligence activities of the United States.

(c) DEFINITIONS.—In this section:

(1) CONTROL.—The term “control” has the meaning given that term in part 800.208 of title 31, Code of Federal Regulations or any successor regulations.

(2) SECRETARY.—The term “Secretary” means the Secretary of Defense.