

**AMENDMENT TO RULES COMMITTEE**

**PRINT 117-31**

**OFFERED BY MRS. MCCLAIN OF MICHIGAN**

Add at the end the following:

1 **DIVISION M—OTHER MATTERS**

2 **SEC. 120001. PROHIBITION ON CONTRACTING WITH CHINA-**  
3 **BASED COMPANIES.**

4 (a) PROHIBITION.—The head of a covered entity may  
5 not award a contract to an entity that is a China-based  
6 company using any funds authorized by this Act.

7 (b) WAIVER.—The head of a covered entity may  
8 waive the restriction under subsection (a) on a case by  
9 case basis if, not later than seven days after such head  
10 issues the waiver, such head submits to Congress a written  
11 certification that such waiver is in the national security  
12 interests of the United States.

13 (c) DEFINITIONS.—In this section:

14 (1) CHINA-BASED COMPANY.—The term  
15 “China-based company” means—

16 (A) an entity—

17 (i) organized under the laws of the  
18 People’s Republic of China; and

1 (ii) for which the headquarters and  
2 principal place of business are located in  
3 the People’s Republic of China;

4 (B) an entity that is under the control of  
5 an entity described in subparagraph (A);

6 (C) an entity that is owned or controlled  
7 by the Government of the People’s Republic of  
8 China; or

9 (D) an entity owned or controlled by one  
10 or more officials of the Chinese Communist  
11 Party.

12 (2) COVERED ENTITY.—The term “covered en-  
13 tity” means any Federal department or agency to  
14 which funds are authorized to be appropriated under  
15 this Act.

16 (3) PEOPLE’S REPUBLIC OF CHINA.—The term  
17 “People’s Republic of China” does not include Hong  
18 Kong or the Republic of China (Taiwan).

