AMENDMENT TO
RULES COMMITTEE PRINT 118–10
OFFERED BY MR. GALLAGHER OF WISCONSIN

At the end of subtitle A of title XVIII, add the following new section:

SEC. 18. IMPOSITION OF EXPORT CONTROLS ON SUBSIDIARIES OF CERTAIN ENTITIES.

(a) In General.—Section 1754 of the Export Control Reform Act of 2018 (50 U.S.C. 4813) is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

“(d) Anti-diversion Relating to Subsidiaries of Listed Entities.—

“(1) Applicability to Subsidiaries.—Any requirement for a license or other authorization for an export, reexport, or in-country transfer applied to an entity by reason of the inclusion of that entity on the Entity List maintained by the Bureau of Industry and Security of the Department of Commerce and set forth in Supplement No. 4 to part 744 of
title 15, Code of Federal Regulations, shall also apply to any covered subsidiary of that entity.

“(2) DEFINITIONS.—In this subsection:

“(A) The term ‘control’ has the meaning given that term in section 800.208 of title 31, Code of Federal Regulations, or any successor regulation.

“(B) The term ‘covered subsidiary’, with respect to an entity, means any entity subject to the control of that entity.”.

(b) REGULATIONS.—

(1) ISSUANCE.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of Defense, the Secretary of State, and the Secretary of Energy, shall issue such regulations as may be necessary to carry out this section and the amendments made by this section.

(2) REQUIRED CERTIFICATION.—Such regulations shall include a requirement that any person seeking a license or other authorization for the export, reexport, or in-country transfer of an item certify that the end user of such item is not a covered subsidiary (as such term is defined in section 1754(d) of the Export Control Reform Act of 2018,
as amended by subsection (a)) of an entity included
on the Entity List maintained by the Bureau of In-
dustry and Security of the Department of Commerce
and set forth in Supplement No. 4 to part 744 of