

**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:

1 **SEC. 18\_\_ . IMPOSITION OF EXPORT CONTROLS ON SUB-**  
2 **SIDIARIES OF CERTAIN ENTITIES.**

3 (a) IN GENERAL.—Section 1754 of the Export Con-  
4 trol Reform Act of 2018 (50 U.S.C. 4813) is amended—

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

7 (2) by inserting after subsection (c) the fol-  
8 lowing new subsection:

9 “(d) ANTI-DIVERSION RELATING TO SUBSIDIARIES  
10 OF LISTED ENTITIES.—

11 “(1) APPLICABILITY TO SUBSIDIARIES.—Any  
12 requirement for a license or other authorization for  
13 an export, reexport, or in-country transfer applied to  
14 an entity by reason of the inclusion of that entity on  
15 the Entity List maintained by the Bureau of Indus-  
16 try and Security of the Department of Commerce  
17 and set forth in Supplement No. 4 to part 744 of

1 title 15, Code of Federal Regulations, shall also  
2 apply to any covered subsidiary of that entity.

3 “(2) DEFINITIONS.—In this subsection:

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

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

11 (b) REGULATIONS.—

12 (1) ISSUANCE.—Not later than 120 days after  
13 the date of the enactment of this Act, the Secretary  
14 of Commerce, in consultation with the Secretary of  
15 Defense, the Secretary of State, and the Secretary  
16 of Energy, shall issue such regulations as may be  
17 necessary to carry out this section and the amend-  
18 ments made by this section.

19 (2) REQUIRED CERTIFICATION.—Such regula-  
20 tions shall include a requirement that any person  
21 seeking a license or other authorization for the ex-  
22 port, reexport, or in-country transfer of an item cer-  
23 tify that the end user of such item is not a covered  
24 subsidiary (as such term is defined in section  
25 1754(d) of the Export Control Reform Act of 2018,

1 as amended by subsection (a)) of an entity included  
2 on the Entity List maintained by the Bureau of In-  
3 dustry and Security of the Department of Commerce  
4 and set forth in Supplement No. 4 to part 744 of  
5 title 15, Code of Federal Regulations.

