

AMENDMENT TO
RULES COMMITTEE PRINT 117-54
OFFERED BY MRS. CAROLYN B. MALONEY OF
NEW YORK

At the end of division E, insert the following:

1 **SEC. 5806. FEDERAL CONTRACTING FOR PEACE AND SECUR-**
2 **RITY.**

3 (a) **PURPOSE.**—It is the policy of the Federal Govern-
4 ment not to conduct business with companies that under-
5 mine United States national security interests by con-
6 tinuing to operate in the Russian Federation during its
7 ongoing war of aggression against Ukraine.

8 (b) **CONTRACTING PROHIBITION.**—

9 (1) **PROHIBITION.**—The head of an executive
10 agency may not enter into, extend, or renew a cov-
11 ered contract with a company that continues to con-
12 duct business operations in territory internationally
13 recognized as the Russian Federation during the
14 covered period.

15 (2) **EXCEPTIONS.**—

16 (A) **GOOD FAITH EXEMPTION.**—The Office
17 of Management and Budget, in consultation
18 with the General Services Administration, may

1 exempt a contractor from the prohibition in
2 paragraph (1) if the contractor has—

3 (i) pursued and continues to pursue
4 all reasonable steps in demonstrating a
5 good faith effort to comply with the re-
6 quirements of this Act; and

7 (ii) provided to the executive agency a
8 reasonable, written plan to achieve compli-
9 ance with such requirements.

10 (B) PERMISSIBLE OPERATIONS.—The pro-
11 hibition in paragraph (1) shall not apply to
12 business operations in Russia authorized by a
13 license issued by the Office of Foreign Assets
14 Control or the Bureau of Industry and Security
15 or is otherwise allowed to operate notwith-
16 standing the imposition of sanctions.

17 (C) AMERICAN DIPLOMATIC MISSION IN
18 RUSSIA.—The prohibition in paragraph (1)
19 shall not apply to contracts related to the oper-
20 ation and maintenance of the United States
21 Government’s consular offices and diplomatic
22 posts in Russia.

23 (D) INDIVIDUAL CONTRACTS.—The prohi-
24 bition under paragraph (1) shall not apply to
25 any contract that is any of the following:

1 (i) For the benefit, either directly or
2 through the efforts of regional allies, of the
3 country of Ukraine.

4 (ii) For humanitarian purposes to
5 meet basic human needs.

6 (3) NATIONAL SECURITY AND PUBLIC INTER-
7 EST WAIVERS.—

8 (A) IN GENERAL.—The head of an execu-
9 tive agency is authorized to waive the prohibi-
10 tion under paragraph (1) with respect to a cov-
11 ered contract if the head of the agency certifies
12 in writing to the President that such waiver is
13 for the national security of the United States or
14 in the public interest of the United States, and
15 includes in such certification a justification for
16 the waiver and description of the contract to
17 which the waiver applies. The authority in this
18 subparagraph may not be delegated below the
19 level of the senior procurement executive of the
20 agency.

21 (B) CONGRESSIONAL NOTIFICATION.—The
22 head of an executive agency shall, not later
23 than 7 days before issuing a waiver described in
24 subparagraph (A), submit to the appropriate

1 congressional committees the certification de-
2 scribed in such subparagraph.

3 (4) EMERGENCY RULEMAKING AUTHORITY.—

4 Not later than 60 days after the date of the enact-
5 ment of this Act, the Director of the Office of Man-
6 agement and Budget, in consultation with the Ad-
7 ministrator of General Services and the Secretary of
8 Defense, shall promulgate regulations for agency im-
9 plementation of this Act using emergency rule-
10 making procedures while considering public comment
11 to the greatest extent practicable, that includes the
12 following:

13 (A) A list of equipment, facilities, per-
14 sonnel, products, services, or other items or ac-
15 tivities, the engagement with which would be
16 considered business operations, subject to the
17 prohibition under paragraph (1).

18 (B) A requirement for a contractor or of-
19 feror to represent whether such contractor or
20 offeror uses any of the items on the list de-
21 scribed in subparagraph (A).

22 (C) A description of the process for deter-
23 mining a good faith exemption described under
24 paragraph (2).

25 (5) DEFINITIONS.—In this section:

1 (A) APPROPRIATE CONGRESSIONAL COM-
2 MITTEES.—The term “appropriate congress-
3 sional committees” means the Committee on
4 Homeland Security and Governmental Affairs
5 of the Senate and the Committee on Oversight
6 and Reform of the House of Representatives.

7 (B) BUSINESS OPERATIONS.—

8 (i) IN GENERAL.—Except as provided
9 in clauses (ii) and (iii), the term “business
10 operations” means engaging in commerce
11 in any form, including acquiring, devel-
12 oping, selling, leasing, or operating equip-
13 ment, facilities, personnel, products, serv-
14 ices, personal property, real property, or
15 any other apparatus of business or com-
16 merce.

17 (ii) EXCEPTIONS.—The term “busi-
18 ness operations” does not include any of
19 the following:

20 (I) Action taken for the benefit
21 of the country of Ukraine.

22 (II) Action serving humanitarian
23 purposes to meet basic human needs,
24 including through a hospital, school,
25 or non-profit organization.

1 (III) The provision of products or
2 services for compliance with legal, re-
3 porting, or other requirements of the
4 laws or standards of countries other
5 than the Russian Federation.

6 (IV) Journalistic and publishing
7 activities, news reporting, or the gath-
8 ering and dissemination of informa-
9 tion, informational materials, related
10 services, or transactions ordinarily in-
11 cident to journalistic and publishing
12 activities.

13 (iii) EXCEPTION FOR SUSPENSION OR
14 TERMINATION ACTIONS.—The term “busi-
15 ness operations” does not include action
16 taken to support the suspension or termi-
17 nation of business operations (as described
18 in clause (i)) for the duration of the cov-
19 ered period, including—

20 (I) an action to secure or divest
21 from facilities, property, or equip-
22 ment;

23 (II) the provision of products or
24 services provided to reduce or elimi-
25 nate operations in territory inter-

1 nationally recognized as the Russian
2 Federation or to comply with sanc-
3 tions relating to the Russian Federa-
4 tion; and

5 (III) activities that are incident
6 to liquidating, dissolving, or winding
7 down a subsidiary or legal entity in
8 Russia through which operations had
9 been conducted.

10 (C) COVERED CONTRACT.—The term “cov-
11 ered contract” means a prime contract entered
12 into by an executive agency with a company
13 conducting business operations in territory
14 internationally recognized as the Russian Fed-
15 eration during the covered period.

16 (D) COVERED PERIOD.—The term “cov-
17 ered period” means the period of time begin-
18 ning 90 days after the date of the enactment of
19 this Act and ending on a date that is deter-
20 mined by the Secretary of State based on steps
21 taken by the Russian Federation to restore the
22 safety, sovereignty, and condition of the country
23 of Ukraine, or 10 years after the date of the
24 enactment of this Act, whichever is sooner.

1 (E) EXECUTIVE AGENCY.—The term “ex-
2 ecutive agency” has the meaning given the term
3 in section 133 of title 41, United States Code.

