

AMENDMENT TO THE RULES COMMITTEE PRINT

117-54

OFFERED BY MR. WALTZ OF FLORIDA

At the end of subtitle F of title VIII, insert the following:

1 **SEC. 8___ . PROHIBITION ON CONTRACTING WITH PERSONS**
2 **THAT HAVE BUSINESS OPERATIONS WITH**
3 **THE GOVERNMENT OF THE RUSSIAN FED-**
4 **ERATION OR THE RUSSIAN ENERGY SECTOR.**

5 (a) PROHIBITION.—Except as provided in subsection
6 (b), the Secretary of Defense may not enter into a contract
7 for the procurement of goods or services with any person
8 that has business operations with—

9 (1) an authority of the Government of the Rus-
10 sian Federation; or

11 (2) with a fossil fuel company that operates in
12 the Russian Federation, except if the fossil fuel com-
13 pany transports oil or gas—

14 (A) through the Russian Federation for
15 sale outside of the Russian Federation; and

16 (B) that was extracted from a country
17 other than the Russian Federation with respect
18 to the energy sector of which the President has

1 not imposed sanctions as of the date on which
2 the contract is awarded.

3 (b) EXCEPTIONS.—

4 (1) IN GENERAL.—The prohibition under sub-
5 section (a) does not apply to a contract that the Sec-
6 retary of Defense and the Secretary of State jointly
7 determine—

8 (A) is necessary—

9 (i) for the benefit, either directly or
10 through the efforts of regional allies, of the
11 country of Ukraine;

12 (ii) for purposes of providing humani-
13 tarian assistance, including to serve hu-
14 manitarian purposes to meet basic human
15 needs, including through a hospital, school,
16 or nonprofit organization;

17 (iii) for purposes of providing disaster
18 relief and other urgent life-saving meas-
19 ures;

20 (iv) for providing products or services
21 for compliance with legal, reporting, or
22 other requirements of the laws or stand-
23 ards of countries other than the Russian
24 Federation, including to comply with sanc-
25 tions related to the Russian Federation; or

1 (v) for engaging in journalistic activi-
2 ties , news reporting, or the gathering and
3 dissemination of information, information
4 materials, related services, or transactions
5 ordinarily incident to journalistic activities;
6 or

7 (B) is vital to the national security inter-
8 ests of the United States.

9 (2) NOTIFICATION REQUIREMENT.—The Sec-
10 retary of Defense shall notify the congressional de-
11 fense committees, the Committee on Foreign Affairs
12 of the House of Representatives, and the Committee
13 on Foreign Relations of the Senate of any contract
14 entered into on the basis of an exception provided
15 for under paragraph (1).

16 (3) OFFICE OF FOREIGN ASSETS CONTROL LI-
17 CENSES.—The prohibition in subsection (a) shall not
18 apply to a person or entity that has a valid license
19 to operate in Russia issued by the Office of Foreign
20 Assets Control of the Department of the Treasury or
21 is otherwise authorized to operate notwithstanding
22 the imposition of sanctions.

23 (4) AMERICAN DIPLOMATIC MISSION IN RUS-
24 SIA.—The prohibition in subsection (a) shall not
25 apply to contracts related to the operation and main-

1 tenance of the United States Government’s consular
2 offices and diplomatic posts in Russia.

3 (c) APPLICABILITY.—This section shall take effect on
4 the date of the enactment of this Act and apply with re-
5 spect to any contract entered into on or after such effec-
6 tive date.

7 (d) SUNSET.—This section shall terminate on the
8 date on which the President submits to the Congress a
9 certification in writing that contains a determination of
10 the President that the Russian Federation—

11 (1) has reached an agreement relating to the
12 withdrawal of Russian forces and cessation of mili-
13 tary hostilities that is accepted by the free and inde-
14 pendent government of Ukraine;

15 (2) poses no immediate military threat of ag-
16 gression to any North Atlantic Treaty Organization
17 member; and

18 (3) recognizes the right of the people of
19 Ukraine to independently and freely choose their
20 own government.

21 (e) DEFINITIONS.—In this section:

22 (1) The term “business operations” means en-
23 gaging in commerce in any form, including acquir-
24 ing, developing, leasing, or operating equipment, fa-
25 cilities, personnel, products, services, personal prop-

1 erty, real property, or any other apparatus of busi-
2 ness or commerce.

3 (2) The term “fossil fuel company” means a
4 person that—

5 (A) carries out oil, gas, or coal exploration,
6 development, or production activities;

7 (B) processes or refines oil, gas, or coal; or

8 (C) transports, or constructs facilities for
9 the transportation of, Russian oil, gas, or coal.

10 (3) The term “Government of the Russian Fed-
11 eration” includes the government of any political
12 subdivision of Russia, and any agency or instrumen-
13 tality of the Government of the Russian Federation.
14 For purposes of this paragraph, the term “agency or
15 instrumentality of the Government of the Russian
16 Federation” means an agency or instrumentality of
17 a foreign state as defined in section 1603(b) of title
18 28, United States Code, with each reference in such
19 section to “a foreign state” deemed to be a reference
20 to “Russia”.

21 (4) The term “person” means—

22 (A) a natural person, corporation, com-
23 pany, business association, partnership, society,
24 trust, or any other nongovernmental entity, or-
25 ganization, or group;

1 (B) any governmental entity or instrumen-
2 tality of a government, including a multilateral
3 development institution (as defined in section
4 1701(c)(3) of the International Financial Insti-
5 tutions Act (22 U.S.C. 262r(e)(3))); and

6 (C) any successor, subunit, parent entity,
7 or subsidiary of, or any entity under common
8 ownership or control with, any entity described
9 in subparagraph (A) or (B).

