

AMENDMENT TO RULES COMMITTEE PRINT 119–**8****OFFERED BY MR. MOOLENAAR OF MICHIGAN**

At the appropriate place in subtitle E of title VIII,
insert the following:

1 **SEC. 8____. PROHIBITION ON CONTRACTS WITH PERSONS**
2 **WITH LICENSING AGREEMENTS WITH CER-**
3 **TAIN CHINESE MILITARY COMPANIES.**

4 (a) PROHIBITION.—

5 (1) IN GENERAL.—The Secretary of Defense
6 may not enter into a contract with a person that has
7 a licensing agreement with a covered entity.

8 (2) APPLICABILITY.—The requirements of
9 paragraph (1) shall apply with respect to contracts
10 entered into on or after the date of the enactment
11 of this Act.

12 (3) WAIVER.—The Secretary of Defense may
13 provide a waiver of the requirements of this sub-
14 section based on counterintelligence or other na-
15 tional security concerns.

16 (b) CONTRACTS IN PROGRESS.—

17 (1) IN GENERAL.—A person performing a con-
18 tract with the Department of Defense may not, dur-

1 ing the term of such performance, enter into a li-
2 censing agreement with a covered entity.

3 (2) PENALTY.—The Secretary of Defense may
4 terminate a contract of a person that violates the re-
5 quirements of paragraph (1).

6 (c) DEFINITIONS.—In this Act:

7 (1) The term “covered entity” means an entity
8 that is included on the list of Chinese military com-
9 panies maintained by the Secretary of Defense
10 under section 1260H of the William M. (Mac)
11 Thornberry National Defense Authorization Act for
12 Fiscal Year 2021 (10 U.S.C. 113 note).

13 (2) The term “licensing agreement” means a
14 contract specifying the terms and conditions, under
15 which a licensee has the right to produce, sell or oth-
16 erwise use intellectual property owned by a licensor.

