

**AMENDMENT TO RULES COMM. PRINT 114-51**  
**OFFERED BY MR. PERRY OF PENNSYLVANIA**

At the end of subtitle E of title XII, add the following:

1 **SEC. 12xx. LIMITATION ON CONTRACTING WITH ENTITIES**  
2 **ACQUIRING GOODS OR SERVICES FROM PER-**  
3 **SONS LOCATED IN OR CONDUCTING A MA-**  
4 **JORITY OF THEIR BUSINESS IN COUNTRIES**  
5 **IN VIOLATION OF CERTAIN ARMS CONTROL**  
6 **TREATIES.**

7 (a) **LIMITATION.**—Except as otherwise provided in  
8 this section, the Secretary of Defense may not enter into  
9 a contract with an entity if the contract, or a subcontract  
10 at any tier under the contract, includes the acquisition of  
11 goods or services in an amount of \$5,000,000 or more  
12 from a person, or a person owned or controlled by the per-  
13 son, located in or conducting a majority of its business  
14 in a covered country.

15 (b) **EXCEPTION FOR MAJOR ROUTES OF SUPPLY.**—  
16 The limitation of subsection (a) shall not apply to any con-  
17 tract for services along a major route of supply to a zone  
18 of active combat or major contingency operation.

1 (c) WAIVER.—The Secretary of Defense may waive  
2 the limitation of subsection (a) if—

3 (1) the Secretary determines it is in the na-  
4 tional security interests of the United States to do  
5 so;

6 (2) the Secretary submits to the relevant con-  
7 gressional committees a plan to eliminate or mini-  
8 mize the need for the acquisition of products or serv-  
9 ices from the covered country as soon as practicable;  
10 and

11 (3) the Secretary submits to the relevant con-  
12 gressional committees a copy of the waiver not later  
13 than 7 days after the date of its issuance.

14 (d) DEFINITIONS.—In this section:

15 (1) COVERED COUNTRY.—The term “covered  
16 country” means a country that is in violation of its  
17 obligations of any of the following:

18 (A) The Treaty on Intermediate-Range  
19 Nuclear Forces.

20 (B) The Budapest Memorandum on Secu-  
21 rity Assurances.

22 (C) The Missile Technology Control Re-  
23 gime.

1           (2) RELEVANT CONGRESSIONAL COMMIT-  
2           TEES.—The term “relevant congressional commit-  
3           tees” means—

4                   (A) the Committee on Armed Services, the  
5                   Committee on Foreign Relations, and the Select  
6                   Committee on Intelligence of the Senate; and

7                   (B) the Committee on Armed Services, the  
8                   Committee on Foreign Affairs, and the Perma-  
9                   nent Select Committee on Intelligence of the  
10                  House of Representatives.

