AMENDMENT TO RULES COMMITTEE PRINT 117–54

OFFERED BY MR. PERRY OF PENNSYLVANIA

At the end of subtitle A of title XIII of division A, add the following:

SEC. 1314. COUNTERING CCP HUMAN RIGHTS ABUSERS ACT.

(a) Prohibitions on CCP Companies Listed in Both the Section 1237 List and the Section 1260H List.—

(1) Prohibition on purchase or sale of certain securities.—Except as provided in paragraph (5) or paragraph (8)(B), a United States person is prohibited from purchasing or selling any—

(A) publicly-traded security issued by a covered entity;

(B) publicly-traded security that is derivative of a publicly-traded security issued by a covered entity; and

(C) security that is designed to provide investment exposure to a publicly-traded security issued by a covered entity.
(2) COVERED ENTITIES.—The term “covered entity” includes the following:

(A) Any person that is a Communist Chinese military company and included on the list maintained by the Department of Defense in accordance with section 1237(b) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (50 U.S.C. 1701 note).

(B) Any person that is a Chinese military company or a military-civil fusion contributor and included on the list maintained by the Department of Defense in accordance with section 1260H(b) of the National Defense Authorization Act for Fiscal Year 2021 (10 U.S.C. 113 note).

(3) APPLICABILITY.—

(A) INITIAL APPLICABILITY.—If a person qualifies as covered entity on the date of the enactment of this Act, the prohibitions under this section shall apply to any purchase or sale that occurs at or after 12:01 am eastern daylight time on the date that is 60 days after the date of the enactment of this Act.

(B) FUTURE ADDITIONS.—If a person qualifies as covered entity after the date of the
enactment of this Act, the prohibitions under this section shall apply to any purchase or sale that occurs at or after 12:01 a.m. eastern daylight time on the date that is 60 days after the date on which the person qualifies as a covered entity.

(4) Rule of Application.—The prohibitions under this subsection shall apply except to the extent provided by statutes, or in any regulation, order, directives, or license that may be issued pursuant to this Act, and notwithstanding any contract entered into or any license granted before the date of enactment of this Act.

(5) Exception with Respect to Divestment.—Notwithstanding paragraph (1), the purchase or sale of publicly-traded securities otherwise prohibited by such paragraph that is made solely to affect the divestment, in whole or in part, of such securities by a United States person shall be permitted until—

(A) 12:01 am eastern daylight time on June 3, 2022, with respect to any person that qualifies as a covered entity on the date of the enactment of this Act; or
(B) 12:01am eastern daylight time on the date that is 1 year after the date on which a person qualifies as a covered entity after the date of the enactment of this Act.

(6) MAINTENANCE OF LISTS.—The Secretary of Defense is authorized to make additions or deletions to the lists described in paragraph (2) on an ongoing basis based on the latest information available. The Secretary of Defense shall, concurrently with the publication of the such lists in accordance with the applicable provisions of law, transmit a copy of such lists to the Secretary of State, the Secretary of the Treasury, and the Director of National Intelligence.

(7) EVASION OF PROHIBITION.—The following acts are prohibited:

(A) Any transactions by a United States person or within the United States that evade or avoid, or have the purpose of evading or avoiding, cause a violation of, or attempt to violate the prohibitions set forth in this section.

(B) Any conspiracy formed to violate any of the prohibition set forth in this Act.

(8) AUTHORIZATION FOR REGULATIONS AND PENALTIES.—
(A) IN GENERAL.—The Secretary of the Treasury, after consultation with the Secretary of State, the Secretary of Defense, the Director of National Intelligence, and the heads of other executive departments and agencies as deemed appropriate by the Secretary of the Treasury, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by the International Emergency Economic Powers Act, to carry out the purposes of this Act.

(B) REGULATIONS.—Rules and regulations issued pursuant to this section may, among other things, establish procedures to license transactions otherwise prohibited pursuant to this section if, prior to issuing any license under this section, the Secretary of the Treasury shall consult with the Secretary of State, the Secretary of Defense, and the Director of National Intelligence.

(C) PENALTIES.—The penalties provided for in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) with respect to a person
that knowingly violates, attempts to violate, conspires to violate, or causes a violation of regulations promulgated under this paragraph or commits any acts described in paragraph (6) to the same extent that such penalties apply to a person that knowingly commits an unlawful act described in section 206(a) of that Act.

(b) Limitation on Judicial Review.—

(1) Decisions by Secretary of Defense.—
The decision of the Secretary of Defense as to any question regarding the inclusion of a Communist Chinese military company, a Chinese military company, or a military-civil fusion contributor on either of the lists described in subsection (a)(2) may not be reviewed by any official or by any court, whether by action in the nature of mandamus or otherwise.

(2) Rules and Regulations Promulgated by the Secretary of the Treasury.—The rules and regulations promulgated by the Secretary of the Treasury under subsection (a)(8) shall be final and not subject to any further agency review or to judicial review by any court (including under chapter 7 of title 5, United States Code).