

AMENDMENT TO
RULES COMMITTEE PRINT 118–10
OFFERED BY MR. SHERMAN OF CALIFORNIA

At the end of subtitle C of title XVIII, add the following:

1 **SEC. ____ . ADDITIONAL LABELING REQUIREMENTS FOR**
2 **ARTICLES OF ORIGIN OF THE PEOPLE’S RE-**
3 **PUBLIC OF CHINA.**

4 (a) **DETERMINATION.**—Whenever persuasive infor-
5 mation becomes available to the executive branch indi-
6 cating the substantial possibility that the Government of
7 the People’s Republic of China has sold, transferred, or
8 facilitated the sale or transfer of defense articles or de-
9 fense services to the Russian Federation at any time on
10 or after February 24, 2022, the President shall prompt-
11 ly—

12 (1) make a determination of whether or not
13 such sale, transfer, or facilitation of the sale or
14 transfer has occurred; and

15 (2) submit the determination to Congress.

16 (b) **REPORT AND RELATED PROVISIONS.**—

17 (1) **IN GENERAL.**—Not later than 30 days after
18 the date on which a determination is submitted to

1 Congress pursuant to subsection (a)(2), the Presi-
2 dent shall submit to the Chair of the Committee on
3 Foreign Affairs of the House of Representatives and
4 the Chair of the Committee on Foreign Relations of
5 the Senate a written report on the information in
6 the possession of the executive branch that is perti-
7 nent to the issue of whether the People's Republic
8 of China has sold, transferred, or facilitated the sale
9 or transfer of defense articles or defense services to
10 the Russian Federation as described in subsection
11 (a). Such report shall be submitted in unclassified
12 form but may include a classified annex.

13 (2) REQUEST.—The Chair of the Committee on
14 Foreign Affairs of the House of Representatives
15 (upon consultation with the ranking minority mem-
16 ber of such committee) or the Chair of the Com-
17 mittee on Foreign Relations of the Senate (upon
18 consultation with the ranking minority member of
19 such committee) may at any time request the Presi-
20 dent to consider whether the People's Republic of
21 China has sold, transferred, or facilitated the sale or
22 transfer of defense articles or services to the Russian
23 Federation as described in subsection (a).

24 (3) RESPONSE TO REQUEST.—Not later than
25 30 days after receiving a request under paragraph

1 (2), the President shall provide to the Chair of the
2 Committee on Foreign Affairs of the House of Rep-
3 resentatives and the Chair of the Committee on For-
4 eign Relations of the Senate a written report on the
5 information in the possession of the executive branch
6 that is pertinent to the issue of whether the People's
7 Republic of China has sold, transferred, or facili-
8 tated the sale or transfer of defense articles or de-
9 fense services to the Russian Federation as de-
10 scribed in subsection (a). Such report shall be sub-
11 mitted in unclassified form but may include a classi-
12 fied annex.

13 (c) LABELING REQUIRED AT TIME OF IMPORTA-
14 TION.—

15 (1) IN GENERAL.—Beginning 90 days after the
16 date on which the President submits to Congress an
17 affirmative determination under subsection (a),
18 every article of origin of the People's Republic of
19 China that is imported into the United States shall,
20 in addition to meeting the requirements of section
21 304 of the Tariff Act of 1930 (19 U.S.C. 1304), in-
22 clude an English-language label that meets the fol-
23 lowing requirements:

1 (A) The label shall state: “Warning: Pur-
2 chase of this product may facilitate war crimes
3 against the people of Ukraine.”.

4 (B) If the article is sold within a package,
5 the label shall be three inches by five inches. If
6 the packaging contains no sides that are three
7 by five inches, then the label shall be the size
8 of the smallest side of the package.

9 (C) If the article is not sold within a pack-
10 age, the label shall be of a size that is not less
11 than 20 percent of the area of the exterior of
12 the article.

13 (2) CERTAIN EXCEPTIONS INAPPLICABLE.—The
14 exceptions provided for in subparagraphs (C), (D),
15 (H), and (K) of paragraph (3) of section 304(a) of
16 the Tariff Act of 1930 shall not apply with respect
17 to the requirements of—

18 (A) marking of an article of origin of the
19 People’s Republic of China under section
20 304(a) of such Act; and

21 (B) including a label on an article of origin
22 of the People’s Republic of China under para-
23 graph (1).

24 (3) PUBLIC NOTICE.—Upon submitting to Con-
25 gress an affirmative determination under subsection

1 (a), the President shall direct the Commissioner of
2 U.S. Customs and Border Protection to publicize on
3 the website of U.S. Customs and Border Protection
4 and at United States ports of entry that such an af-
5 firmative determination has been made and the la-
6 beling required by paragraph (1) will be effective be-
7 ginning 90 days after such date of submission.

8 (4) REGULATIONS.—Not later than 180 days
9 after the date of the enactment of this Act, the
10 Commissioner of U.S. Customs and Border Protec-
11 tion shall issue such regulations as may be necessary
12 to carry out this subsection, including labeling re-
13 quirements, as appropriate, such as those relating
14 to—

15 (A) the method of the marking;

16 (B) the placement of the marking; and

17 (C) efforts to limit deceptive practices with
18 respect to the marking.

19 (d) LABELING REQUIRED AT TIME OF SALE OR
20 OFFER FOR SALE ONLINE.—

21 (1) IN GENERAL.—It shall be unlawful for the
22 operator of a covered platform to sell or offer for
23 sale on such platform, to a consumer in the United
24 States, an article that is required under subsection
25 (c) to include the label described in paragraph

1 (1)(A) of such subsection, unless, on the page or
2 window on such platform on which such article is of-
3 fered for sale, such label is placed immediately next
4 to the title or heading relating to such article, in a
5 font size equal to the larger of the font size of such
6 title or heading or the font size of any other descrip-
7 tion of such article on such page.

8 (2) REGULATIONS.—The Federal Trade Com-
9 mission shall issue, under section 553 of title 5,
10 United States Code, such regulations as may be nec-
11 essary to carry out this subsection not later than
12 180 days after the date of the enactment of this Act.

13 (3) ENFORCEMENT BY FEDERAL TRADE COM-
14 MISSION.—

15 (A) UNFAIR OR DECEPTIVE ACTS OR PRAC-
16 TICES.—A violation of this subsection or a reg-
17 ulation issued under this subsection shall be
18 treated as a violation of a regulation under sec-
19 tion 18(a)(1)(B) of the Federal Trade Commis-
20 sion Act (15 U.S.C. 57a(a)(1)(B)) regarding
21 unfair or deceptive acts or practices.

22 (B) POWERS OF COMMISSION.—The Fed-
23 eral Trade Commission shall enforce this sub-
24 section and the regulations issued under this
25 subsection in the same manner, by the same

1 means, and with the same jurisdiction, powers,
2 and duties as though all applicable terms and
3 provisions of the Federal Trade Commission
4 Act (15 U.S.C. 41 et seq.) were incorporated
5 into and made a part of this subsection. Any
6 person who violates this subsection or a regula-
7 tion issued under this subsection shall be sub-
8 ject to the penalties and entitled to the privi-
9 leges and immunities provided in the Federal
10 Trade Commission Act.

11 (4) COVERED PLATFORM DEFINED.—In this
12 subsection, the term “covered platform” means any
13 internet website, mobile application, or similar plat-
14 form on which articles are sold to consumers in
15 transactions effected on the internet.

16 (e) PENALTIES.—Any person who violates subsection
17 (c) (or regulations issued to carry out subsection (c)) or
18 subsection (d) (or regulations issued to carry out sub-
19 section (d)) shall—

20 (1) upon conviction for the first violation of
21 such subsection, be fined not more than \$200,000,
22 or imprisoned for not more than 2 years, or both;
23 and

24 (2) upon conviction for the second or any subse-
25 quent violation of such subsection, be fined not more

1 than \$500,000, or imprisoned for not more than 2
2 years, or both.

3 (f) EFFECTIVE DATE AND SUNSET.—This section—

4 (1) takes effect on the date that is 30 days
5 after the date of the enactment of this Act; and

6 (2) terminates on the date that the President
7 determines and certifies to Congress—

8 (A) that, after the end of the 12-month pe-
9 riod beginning on the date on which the label-
10 ing required pursuant to subsections (c) and (d)
11 is first imposed, the People’s Republic of
12 China—

13 (i) has provided reliable assurances
14 that it will not sell, transfer, or facilitate
15 the sale or transfer of defense articles or
16 services to the Russian Federation; and

17 (ii) has not sold, transferred, or facili-
18 tated the sale or transfer of defense arti-
19 cles or services to the Russian Federation
20 within the 12-month period following the
21 President’s affirmative determination
22 under subsection (a); or

23 (B) there is a cessation of hostilities in the
24 armed conflict between Russia and Ukraine

1 which began on February 24, 2022, that has
2 lasted for a 12-month period.

3 (g) DEFENSE ARTICLES AND DEFENSE SERVICES
4 DEFINED.—In this section—

5 (1) the term “defense articles” includes any
6 battle tanks, armored combat vehicles, large caliber
7 artillery systems, combat aircraft, attack helicopters,
8 warships, missiles or missile systems, as defined for
9 the purpose of the United Nations Register of Con-
10 ventional Arms, or related materiel, including spare
11 parts; and

12 (2) the term “defense services” includes tech-
13 nical training, financial resources or services, advice,
14 other services or assistance related to the supply,
15 sale, transfer, manufacture, maintenance, or use of
16 arms and related materiel described in paragraph
17 (1).

