

**AMENDMENT TO RULES COMMITTEE PRINT 117-**

**54**

**OFFERED BY MS. TENNEY OF NEW YORK**

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

1 **SEC. \_\_\_\_.** **RESTRICTION OF ENTITIES FROM USING FED-**  
2 **ERAL FUNDS FROM ENGAGING, ENTERING**  
3 **INTO, AND AWARDING PUBLIC WORKS CON-**  
4 **TRACTS.**

5 (a) **IN GENERAL.**—Chapter 33 of title 40, United  
6 States Code, is amended by adding at the end the fol-  
7 lowing:

8 **“§ 3320. Restriction of entities from using Federal**  
9 **funds to engage, enter into, and award**  
10 **public works contracts**

11 **“(a) IN GENERAL.**—Notwithstanding any other pro-  
12 vision of law, Federal funds may not be provided to any  
13 covered entity for any covered public works project.

14 **“(b) REQUIREMENTS.**—Any entity receiving funds  
15 for any covered public works project shall be free from  
16 any obligations, influences, or connections to any covered  
17 entity.

1       “(c) EXCEPTION.—This section shall only apply to  
2 projects that are located in the United States.

3       “(d) DEFINITIONS.—In this section:

4           “(1) COVERED ENTITY.—The term ‘covered en-  
5 tity’ means any entity that—

6               “(A) is headquartered in China;

7               “(B) is owned, directed, controlled, fi-  
8 nanced, or influenced directly or indirectly by  
9 the Government of the People’s Republic of  
10 China, the CCP, or the Chinese military, in-  
11 cluding any entity for which the Government of  
12 the People’s Republic of China, the CCP, or the  
13 Chinese military have the ability, through own-  
14 ership of a majority or a dominant minority of  
15 the total outstanding voting interest in an enti-  
16 ty, board representation, proxy voting, a special  
17 share, contractual arrangements, formal or in-  
18 formal arrangements to act in concert, or other  
19 means, to determine, direct, or decide for an  
20 entity in an important manner; or

21               “(C) is a parent, subsidiary, or affiliate of  
22 any entity described in subparagraph (B).

23           “(2) COVERED PUBLIC WORKS PROJECT.—The  
24 term ‘covered public works project’ means any  
25 project of the construction, repair, renovation, or

1 maintenance of public buildings, structures, sewers,  
2 water works, roads, bridges, docks, underpasses and  
3 viaducts, as well as any other improvement to be  
4 constructed, repaired or renovated or maintained on  
5 public property to be paid, in whole or in part, with  
6 public funds or with financing to be retired with  
7 public funds in the form of lease payments or other-  
8 wise.”.

9 (b) CLERICAL AMENDMENT.—The analysis for chap-  
10 ter 33 of title 40, United States Code, is amended by add-  
11 ing at the end the following:

“3320. Restriction of entities from using Federal funds to engage, enter into,  
and award public works contracts.”.

12 (c) NON-FEDERAL PUBLIC WORKS.—Chapter 35 of  
13 title 40, United States Code, is amended by adding at the  
14 end the following:

15 **“§ 3506. Restriction of States and local governments**  
16 **from using Federal funds to engage,**  
17 **enter into, and award public works con-**  
18 **tracts**

19 “(a) IN GENERAL.—A State or local government re-  
20 ceiving Federal funds may not provide such funds to any  
21 covered entity for any covered public works project.

22 “(b) REQUIREMENTS.—A State or local government  
23 shall verify that any entity receiving funds for any covered

1 public works project is free from any obligations, influ-  
2 ences, or connections to any covered entity.

3 “(c) EXCEPTION.—This section shall only apply to  
4 projects that are located in a State.

5 “(d) DEFINITIONS.—In this section:

6 “(1) COVERED ENTITY.—The term ‘covered en-  
7 tity’ means any entity that—

8 “(A) is headquartered in China;

9 “(B) is owned, directed, controlled, fi-  
10 nanced, or influenced directly or indirectly by  
11 the Government of the People’s Republic of  
12 China, the CCP, or the Chinese military, in-  
13 cluding any entity for which the Government of  
14 the People’s Republic of China, the CCP, or the  
15 Chinese military have the ability, through own-  
16 ership of a majority or a dominant minority of  
17 the total outstanding voting interest in an enti-  
18 ty, board representation, proxy voting, a special  
19 share, contractual arrangements, formal or in-  
20 formal arrangements to act in concert, or other  
21 means, to determine, direct, or decide for an  
22 entity in an important manner; or

23 “(C) is a parent, subsidiary, or affiliate of  
24 any entity described in subparagraph (B).

1           “(2) COVERED PUBLIC WORKS PROJECT.—The  
2           term ‘covered public works project’ means any  
3           project of the construction, repair, renovation, or  
4           maintenance of public buildings, structures, sewers,  
5           water works, roads, bridges, docks, underpasses and  
6           viaducts, as well as any other improvement to be  
7           constructed, repaired or renovated or maintained on  
8           public property to be paid, in whole or in part, with  
9           public funds or with financing to be retired with  
10          public funds in the form of lease payments or other-  
11          wise.”.

12          (d) CLERICAL AMENDMENT.—The analysis for chap-  
13          ter 35 of title 40, United States Code, is amended by add-  
14          ing at the end the following:

          “3506. Restriction of States and local governments from using Federal funds  
          to engage, enter into, and award public works contracts.”.

15          (e) UPDATING REGULATIONS.—The Federal Acquisi-  
16          tion Regulation and the Defense Federal Acquisition Reg-  
17          ulation shall be revised to implement the provisions of this  
18          Act.

19          (f) RULE OF APPLICABILITY.—The amendments  
20          made by this section shall take effect, and shall apply to  
21          projects beginning on or after, 180 days after the date  
22          of enactment of this Act.

