

**AMENDMENT TO THE RULES COMMITTEE PRINT**

**118-10**

**OFFERED BY MS. WEXTON OF VIRGINIA**

In subtitle C of title XVIII of division A, add at the end the following:

1 **SEC. 1859. SECURITIES AND EXCHANGE COMMISSION**  
2 **UYGHUR FORCED LABOR DISCLOSURES.**

3 (a) CERTIFICATION OF CERTAIN ACTIVITIES RELAT-  
4 ING TO THE XINJIANG UYGHUR AUTONOMOUS REGION AS  
5 PROCEDURE FOR REGISTRATION OF SECURITIES ON AN  
6 EXCHANGE.—

7 (1) IN GENERAL.—Section 12 of the Securities  
8 Exchange Act of 1934 (15 U.S.C. 78l) is amended  
9 by adding at the end the following:

10 “(m) REPORTING OF CERTAIN ACTIVITIES RELAT-  
11 ING TO THE XINJIANG UYGHUR AUTONOMOUS REGION.—

12 “(1) IN GENERAL.—Not later than the end of  
13 the 180-day period beginning on the date of enact-  
14 ment of this subsection, the Commission shall issue  
15 rules—

16 “(A) to require an issuer filing an applica-  
17 tion to register a security with a national secu-  
18 rities exchange to—

1 “(i) include in such application the  
2 documentation described under paragraph  
3 (2); and

4 “(ii) to file the application and docu-  
5 mentation with the Commission;

6 “(B) to require an issuer to file a report  
7 with the Commission containing the documenta-  
8 tion described under paragraph (2) if the issuer  
9 is not listed on an exchange and merges with  
10 another issuer that is listed on the exchange;  
11 and

12 “(C) to require an issuer filing a registra-  
13 tion statement under subsection (g) to include  
14 with such statement the documentation de-  
15 scribed under paragraph (2).

16 “(2) DOCUMENTATION REQUIRED.—With re-  
17 spect to an issuer, the documentation described  
18 under this paragraph is documentation showing  
19 whether the issuer or any affiliate of the issuer, di-  
20 rectly or indirectly, contains within its supply or pro-  
21 duction chain—

22 “(A) goods, wares, articles, or merchandise  
23 sourced from or through the XUAR, or mined,  
24 produced, or manufactured wholly or in part by  
25 forced labor identified by mandate of section

1           2(d)(2)(B)(iv) of Public Law 117-78, includ-  
2           ing—

3                   “(i) the industries contained on the  
4                   ‘Illustrative List of Industries in Xinjiang  
5                   in which Public Reporting has indicated  
6                   Labor Abuses may be Taking Place’ in  
7                   Annex 2 of the ‘Xinjiang Supply Chain  
8                   Business Advisory’ (published July 13,  
9                   2021) and any successor list; and

10                   “(ii) all products listed within ‘high-  
11                   priority sectors for enforcement’ by the  
12                   Forced Labor Enforcement Task Force  
13                   pursuant to Public Law 117-78; or

14                   “(B) goods, wares, articles, or merchandise  
15                   that are mined, produced, or manufactured by  
16                   an entity engaged in labor transfers from the  
17                   XUAR or forced labor.

18                   “(3) TRANSPARENT DOCUMENTATION OF SUP-  
19                   PLY CHAIN LINKS.—In issuing rules under para-  
20                   graph (1), the Commission shall require an issuer to  
21                   list the name (in English and in the most commonly-  
22                   spoken language of the country in which the issuer  
23                   is incorporated, if other than English), address, and  
24                   sourcing quantities from each smelter, refinery,  
25                   farm, or manufacturing facility (as appropriate) of

1 each person mining, producing, or manufacturing a  
2 good, ware, article, or merchandise described under  
3 paragraph (2).

4 “(4) INDEPENDENT VERIFICATION OF DOCU-  
5 MENTATION.—In issuing rules under paragraph (1),  
6 the Commission shall require an issuer—

7 “(A) to obtain independent verification of  
8 the documentation described under paragraph  
9 (2), by a third-party auditor approved by the  
10 Commission, before the filing of an application,  
11 report, or registration statement containing  
12 such documentation;

13 “(B) to maintain the confidentiality of the  
14 identity of such third-party auditor, unless the  
15 auditor proactively waives confidentiality; and

16 “(C) to establish policies to respond to any  
17 reprisals against the third-party auditor.

18 “(5) PUBLIC AVAILABILITY OF DOCUMENTA-  
19 TION.—The Commission shall make all documenta-  
20 tion received under this subsection available to the  
21 public.

22 “(6) ADDITIONAL PENALTIES FOR CERTAIN  
23 VIOLATIONS.—In addition to other penalties pro-  
24 vided under this Act, with respect to an application  
25 described under paragraph (1)(A), if an issuer fails

1 to comply with the requirements of this subsection  
2 (including any misrepresentation of the information  
3 described under paragraph (3))—

4 “(A) the applicable national securities ex-  
5 change may not approve such application; and

6 “(B) the issuer may not re-file the applica-  
7 tion for 1 year.

8 “(8) DEFINITIONS.—In this subsection:

9 “(A) FORCED LABOR.—The term ‘forced  
10 labor’ means—

11 “(i) any labor carried out by the  
12 Uyghur, Kazakh, Kyrgyz, or another op-  
13 pressed ethnic group in the People’s Re-  
14 public of China under any state-sponsored  
15 labor program, including any program as-  
16 sociated with ‘surplus labor transfer’, ‘pov-  
17 erty alleviation’, ‘mutual aid’, ‘Xinjiang  
18 Aid’, and re-education programs targeting  
19 minoritized citizens of the XUAR, whether  
20 inside or outside;

21 “(ii) any labor carried out in the  
22 XUAR unless the specific labor has been  
23 identified by the United States authorities  
24 under existing forced labor and the Uyghur

1 protection laws as not involving the use of  
2 forced labor; and

3 “(iii) any use of convict labor, forced  
4 labor, or indentured labor described under  
5 section 307 of the Tariff Act of 1930 (19  
6 U.S.C. 1307).

7 “(B) XUAR.—The term ‘XUAR’ means  
8 the Xinjiang Uyghur Autonomous Region.”.

9 (2) REPEAL.—The amendment made by this  
10 section shall be repealed on the earlier of—

11 (A) the date that is 8 years after the date  
12 of the enactment of this section; or

13 (B) the date on which the President sub-  
14 mits to Congress (including the Office of the  
15 Law Revision Council) a determination that the  
16 Government of the People’s Republic of China  
17 has ended mass internment, forced labor, and  
18 any other gross violations of human rights ex-  
19 perience by Uyghurs, Kazakhs, Kyrgyz, and  
20 members of other persecuted groups in the  
21 Xinjiang Uyghur Autonomous Region.

22 (b) DISCLOSURE OF CERTAIN ACTIVITIES RELATING  
23 TO THE XINJIANG UYGHUR AUTONOMOUS REGION.—

1           (1) IN GENERAL.—Section 13 of the Securities  
2           Exchange Act of 1934 (15 U.S.C. 78m) is amended  
3           by adding at the end the following:

4           “(t) DISCLOSURE OF CERTAIN ACTIVITIES RELAT-  
5           ING TO THE XINJIANG UYGHUR AUTONOMOUS REGION.—

6           “(1) IN GENERAL.—Not later than the end of  
7           the 180-day period beginning on the date of enact-  
8           ment of this subsection, the Commission shall issue  
9           rules to require each issuer required to file an an-  
10          nual report under this section or section 15(d) or a  
11          proxy statement under section 14 to disclose in each  
12          such report or proxy statement whether, during the  
13          period covered by the report or proxy statement—

14                 “(A) the issuer or any affiliate of the  
15                 issuer, directly or indirectly, engaged with an  
16                 entity or the affiliate of an entity to use or  
17                 source goods, wares, articles, or merchandise  
18                 sourced from or through the XUAR, or mined,  
19                 produced, or manufactured wholly or in part by  
20                 forced labor identified by mandate of section  
21                 2(d)(2)(B)(iv) of Public Law 117-78, includ-  
22                 ing—

23                         “(i) the industries contained on the  
24                         ‘Illustrative List of Industries in Xinjiang  
25                         in which Public Reporting has indicated

1 Labor Abuses may be Taking Place’ in  
2 Annex 2 of the ‘Xinjiang Supply Chain  
3 Business Advisory’ (published July 13,  
4 2021) and any successor list;

5 “(ii) all products listed as ‘high-pri-  
6 ority sectors for enforcement’ by the  
7 Forced Labor Enforcement Task Force  
8 pursuant to Public Law 117-78; and

9 “(iii) all products exported from the  
10 People’s Republic of China into the United  
11 States that are listed by mandate of sec-  
12 tion 2(d)(2)(B)(iv) of Public Law 117-78  
13 that are sourced from or through the  
14 XUAR; or

15 “(B) with respect to any goods, wares, ar-  
16 ticles, or merchandise described under subpara-  
17 graph (A), whether the goods, wares, articles,  
18 or merchandise have supply chain links to facili-  
19 ties that employ forced labor;

20 “(C) with respect to each good, ware, arti-  
21 cle, and merchandise described under subpara-  
22 graph (A)—

23 “(i) the nature and extent of the com-  
24 mercial activity related to the good, ware,  
25 article, or merchandise;



1           “(ii) the gross revenue and net prof-  
2           its, if any, attributable to the good, ware,  
3           article, or merchandise;

4           “(iii) the alternative sourcing options  
5           for the good, ware, article, or merchandise,  
6           while protecting proprietary information of  
7           the issuer and any other cited business;

8           “(iv) a description of the measures  
9           taken by the issuer to exercise due dili-  
10          gence on the source and chain of custody  
11          of the good, ware, article, or merchandise;  
12          and

13          “(v) other entities and facilities affili-  
14          ated with the facility employing forced  
15          labor, including the physical location of  
16          such facilities and of the supplier entity’s  
17          headquarters; and

18          “(D) the issuer or any affiliate of the  
19          issuer, directly or indirectly, was involved in the  
20          development or provision of surveillance goods,  
21          services, or technologies (including tele-  
22          communications, information security, and sen-  
23          sors) used to facilitate gross human rights  
24          abuses.

1           “(2) AVAILABILITY OF INFORMATION.—The  
2 Commission shall make all information disclosed  
3 pursuant to this subsection available to the public on  
4 the website of the Commission.

5           “(3) DEFINITIONS.—In this subsection, the  
6 terms ‘forced labor’ and ‘XUAR’ have the meaning  
7 given those terms, respectively, under section  
8 12(m)(8).”.

9           (2) REPEAL.—The amendment made by this  
10 section shall be repealed on the earlier of—

11           (A) the date that is 8 years after the date  
12 of the enactment of this section; or

13           (B) the date on which the President sub-  
14 mits to Congress (including the Office of the  
15 Law Revision Council) a determination that the  
16 Government of the People’s Republic of China  
17 has ended mass internment, forced labor, and  
18 any other gross violations of human rights ex-  
19 perience by Uyghurs, Kazakhs, Kyrgyz, and  
20 members of other persecuted groups in the  
21 Xinjiang Uyghur Autonomous Region.

22 (c) REPORTS.—

23           (1) SECURITIES AND EXCHANGE COMMISSION  
24 ANNUAL REPORT TO CONGRESS.—The Securities  
25 and Exchange Commission shall—

1 (A) conduct an annual assessment of the  
2 compliance of issuers with the requirements of  
3 section 12(m) of the Securities Exchange Act of  
4 1934 on—

5 (i) issuers described under paragraph  
6 (1)(A) of such section 12(m);

7 (ii) issuers described under paragraph  
8 (1)(B) of such section 12(m); and

9 (iii) issuers described under para-  
10 graph (1)(C) of such section 12(m);

11 (B) conduct an annual assessment of the  
12 compliance of issuers with the requirements of  
13 section 13(t) of the Securities Exchange Act of  
14 1934; and

15 (C) issue a report to Congress containing  
16 the results of the assessments under subpara-  
17 graphs (A) and (B).

18 (2) GAO REPORT.—The Comptroller General of  
19 the United States shall periodically evaluate and re-  
20 port to Congress on the effectiveness of the oversight  
21 by the Commission of the certification requirements  
22 under section 12(m) and section 13(t) of the Securi-  
23 ties Exchange Act of 1934.

