AMENDMENT

TO RULES COMMITTEE PRINT 115–23

OFFERED BY MR. DESANTIS OF FLORIDA

At the end of title VIII (page 323, after line 4), add the following new section:

SEC. 871. ASSESSMENT AND AUTHORITY TO TERMINATE OR PROHIBIT CONTRACTS FOR PROCUREMENT FROM CHINESE COMPANIES PROVIDING SUPPORT TO THE DEMOCRATIC PEOPLE’S REPUBLIC OF KOREA.

(a) ASSESSMENT REQUIRED.—

(1) IN GENERAL.—The Secretary of Defense, in consultation with the Secretary of State, the Secretary of the Treasury, and the Director of National Intelligence, shall conduct an assessment of trade between the People’s Republic of China and the Democratic People’s Republic of Korea, including elements deemed to be important to United States national security and defense.

(2) ELEMENTS.—The assessment required by paragraph (1) shall—

(A) assess the composition of all trade between China and the Democratic People’s Re-
public of Korea, including trade in goods and services;

(B) identify whether any Chinese commercial entities that are engaged in such trade materially support illicit activities on the part of North Korea;

(C) evaluate the extent to which the United States Government procures goods or services from any commercial entity identified under subparagraph (B);

(D) provide a list of commercial entities identified under subparagraph (B) that provide defense goods or services for the Department of Defense; and

(E) evaluate the ramifications to United States national security, including any impacts to the defense industrial base, Department of Defense acquisition programs, and Department of Defense logistics or supply chains, of prohibiting procurements from commercial entities listed under subparagraph (D).

(3) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the assessment required by paragraph (1). The report
shall be submitted in unclassified form, but may contain a classified annex.

(b) AUTHORITY.—The Secretary of Defense may terminate existing contracts or prohibit the award of contracts for the procurement of goods or services for the Department of Defense from a Chinese commercial entity listed under subsection (a)(2)(D) based on a determination informed by the assessment required under subsection (a).

(c) NOTIFICATION.—The Secretary of Defense shall submit to the appropriate committees of Congress a notification of, and detailed justification for, any exercise of the authority in subsection (b) not less than 30 days before the date on which the authority is exercised.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Armed Services and the Committee on Foreign Relations of the Senate; and

(2) the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives.