

116TH CONGRESS  
2D SESSION

# H. R. 6152

To require the Committee on Foreign Investment in the United States to consider whether a foreign person that is a party to a transaction undergoing review by the Committee is connected to a foreign country that has installed information and communications technology designed, developed, manufactured, or supplied by persons owned or controlled by, or subject to the jurisdiction or direction of, a foreign adversary, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2020

Mr. GALLAGHER (for himself, Mr. TURNER, Ms. CHENEY, Mr. McCAUL, Mr. BANKS, Mr. PERRY, and Mr. TIMMONS) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Foreign Affairs, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To require the Committee on Foreign Investment in the United States to consider whether a foreign person that is a party to a transaction undergoing review by the Committee is connected to a foreign country that has installed information and communications technology designed, developed, manufactured, or supplied by persons owned or controlled by, or subject to the jurisdiction or direction of, a foreign adversary, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Protecting America  
5 From Foreign Investors Compromised by the Chinese  
6 Communist Party Act of 2020”.

7       **SEC. 2. SENSE OF CONGRESS.**

8       It is the sense of Congress that—

9               (1) foreign investment provides substantial eco-  
10       nomic benefits to the United States, including the  
11       promotion of economic growth, productivity, com-  
12       petitiveness, and job creation, thereby enhancing na-  
13       tional security;

14              (2) maintaining the commitment of the United  
15       States to an open investment policy encourages  
16       other countries to reciprocate and helps open new  
17       foreign markets for United States businesses;

18              (3) it should continue to be the policy of the  
19       United States to enthusiastically welcome and sup-  
20       port foreign investment, consistent with the protec-  
21       tion of national security;

22              (4) at the same time, the national security land-  
23       scape has shifted in recent years, and so has the na-  
24       ture of the investments that pose the greatest poten-  
25       tial risk to national security; and

1           (5) those shifts warranted the modernization of  
 2           the authorities of the Committee on Foreign Invest-  
 3           ment in the United States under the Foreign Invest-  
 4           ment Risk Review Modernization Act of 2018 (sub-  
 5           title A of title XVII of Public Law 115–232; 132  
 6           Stat. 2173).

7   **SEC. 3. MODIFICATION OF REQUIREMENT FOR REGULA-**  
 8                           **TIONS DEFINING “FOREIGN PERSON” FOR**  
 9                           **PURPOSES OF COVERED TRANSACTIONS.**

10       (a) IN GENERAL.—Section 721(a)(4)(E) of the De-  
 11       fense Production Act of 1950 (50 U.S.C. 4565(a)(4)(E))  
 12       is amended by striking the third sentence and inserting  
 13       the following: “Such criteria shall take into consider-  
 14       ation—

15                           “(i) how a foreign person is connected  
 16                           to a foreign country or foreign government;

17                           “(ii) whether that foreign country or  
 18                           foreign government has installed, or al-  
 19                           lowed others to install, within its territory  
 20                           information and communications tech-  
 21                           nology (including fifth-generation, or fu-  
 22                           ture-generation, mobile telecommunications  
 23                           infrastructure) that is designed, developed,  
 24                           manufactured, or supplied by persons  
 25                           owned or controlled by, or subject to the

jurisdiction or direction of, a foreign adversary (as defined in Executive Order 13873 (50 U.S.C. 1701 note; relating to securing the information and communications technology and services supply chain));

“(iii) whether the connection described in clause (i) may affect the national security of the United States; and

“(iv) how the installation described in clause (ii) may affect the national security of the United States.”.

(b) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Committee on Foreign Investment in the United States shall prescribe regulations to carry out the amendment made by subsection (a).

**SEC. 4. UPDATE TO LIST OF EXCEPTED FOREIGN STATES.**

At least annually, the Committee on Foreign Investment in the United States shall review and update foreign states included in the definition of “excepted foreign states” as defined under section 800.218 of title 31, Code of Federal Regulations.

1 **SEC. 5. REPORT ON ALTERNATIVES TO FUTURE-GENERA-**  
2 **TION MOBILE TELECOMMUNICATIONS INFRA-**  
3 **STRUCTURE SUPPORTED BY THE GOVERN-**  
4 **MENT OF THE PEOPLE’S REPUBLIC OF**  
5 **CHINA.**

6 (a) IN GENERAL.—Not later than 180 days after the  
7 date of the enactment of this Act, the President shall sub-  
8 mit to the appropriate congressional committees a report  
9 describing whether and how the United States Govern-  
10 ment is coordinating with close trade and investment part-  
11 ners of the United States to develop alternatives to fifth-  
12 generation, or future-generation, mobile telecommuni-  
13 cations infrastructure supported by the Government of the  
14 People’s Republic of China.

15 (b) APPROPRIATE CONGRESSIONAL COMMITTEES  
16 DEFINED.—In this section, the term “appropriate con-  
17 gressional committees” means—

18 (1) the Committee on Commerce, Science, and  
19 Transportation, the Committee on Banking, Hous-  
20 ing, and Urban Affairs, and the Committee on For-  
21 eign Relations of the Senate; and

22 (2) the Committee on Energy and Commerce,  
23 the Committee on Financial Services, and the Com-  
24 mittee on Foreign Affairs of the House of Rep-  
25 resentatives.