

116TH CONGRESS
1ST SESSION

H. R. 702

To amend title 28, United States Code, to provide for the jurisdiction of courts of the United States and of the States over certain foreign entities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 22, 2019

Mr. CONAWAY (for himself and Mr. RYAN) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 28, United States Code, to provide for the jurisdiction of courts of the United States and of the States over certain foreign entities, 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 “Stopping Foreign
5 Businesses Sanctuary Act of 2019”.

6 **SEC. 2. JURISDICTION OVER CERTAIN FOREIGN ENTITIES.**

7 Section 1605 of title 28, United States Code, is
8 amended by inserting after subsection (d) the following:

1 “(e) Notwithstanding any other provision of law, an
 2 entity is not immune from the jurisdiction of the courts
 3 of the United States or of the States if the entity—

4 “(1) is incorporated in a foreign state in which
 5 state-owned or state-controlled entities commonly en-
 6 gage in commercial activity; and

7 “(2) conducts commercial activity in the United
 8 States.”.

9 **SEC. 3. COMMERCIAL ACTIVITY OF AFFILIATE ENTITIES.**

10 Section 1603(d) of title 28, United States Code, is
 11 amended—

12 (1) by inserting “(1)” before “A”; and

13 (2) by adding at the end the following:

14 “(2) For purposes of this chapter, a commercial
 15 activity of an agency or instrumentality of a foreign
 16 state, or of an entity described in section 1605(e),
 17 shall be attributable to any corporate affiliate of the
 18 agency, instrumentality, or entity that—

19 “(A) directly or indirectly owns a majority
 20 of shares of the agency, instrumentality, or en-
 21 tity; and

22 “(B) is also an agency or instrumentality
 23 of a foreign state, or an entity described in sec-
 24 tion 1605(e).”.

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