

.....  
(Original Signature of Member)

116TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To require the Securities and Exchange Commission to assess whether the disclosure of information related to investments in certain entities is necessary or appropriate for the purposes of certain reports under the securities laws, to establish the Entities of the People's Republic of China that Threaten United States National Security List, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. RESCENTIALER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To require the Securities and Exchange Commission to assess whether the disclosure of information related to investments in certain entities is necessary or appropriate for the purposes of certain reports under the securities laws, to establish the Entities of the People's Republic of China that Threaten United States National Security List, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Protecting National  
3 Security in Financial Investments Act”.

4 **SEC. 2. ASSESSMENT OF INFORMATION WITH RESPECT TO**  
5 **INVESTMENTS IN CERTAIN ENTITIES.**

6 (a) IN GENERAL.—Not later than 360 days following  
7 the date of the enactment of this Act, the Securities and  
8 Exchange Commission, in consultation with the Secretary  
9 of the Treasury, shall submit to the Committee on Finan-  
10 cial Services of the House of Representatives and the  
11 Committee on Banking, Housing, and Urban Affairs of  
12 the Senate a report assessing whether disclosure of invest-  
13 ments in entities on the entity list by an issuer qualifies  
14 as necessary or appropriate for the purposes of section  
15 13(a) of the Securities Exchange Act of 1934.

16 (b) RULEMAKING.—Not later than 180 days fol-  
17 lowing submission of the report required under subsection  
18 (a), the Securities and Exchange Commission shall pre-  
19 scribe regulations requiring an issuer to disclose in any  
20 annual report required under section 13 of the Securities  
21 Exchange Act of 1934, and in any prospectus in connec-  
22 tion with an initial public offering, the information as-  
23 sessed by the Commission in such report to be necessary  
24 or appropriate for the purposes of subsection (a) of such  
25 section 13.

26 (c) DEFINITIONS.—In this section:

1           (1) ENTITY LIST.—The term “entity list”  
2 means the list maintained by the Bureau of Industry  
3 and Security of the Department of Commerce and  
4 set forth in Supplement No. 4 to part 744 of the  
5 Export Administration Regulations.

6           (2) EXPORT ADMINISTRATION REGULATIONS.—  
7 The term “Export Administration Regulations”  
8 means subchapter C of chapter VII of title 15, Code  
9 of Federal Regulations.

10 **SEC. 3. ENTITIES OF THE PEOPLE’S REPUBLIC OF CHINA**  
11                           **THAT THREATEN UNITED STATES NATIONAL**  
12                           **SECURITY LIST.**

13           (a) IN GENERAL.—Not later than one year after the  
14 date of the enactment of this Act, and annually thereafter,  
15 the Secretary of State, in consultation with the Director  
16 of National Intelligence, the Secretary of Defense, and the  
17 Secretary of Commerce, shall submit to the Congress a  
18 list of—

19           (1) each entity of the People’s Republic of  
20 China associated with the People’s Liberation Army,  
21 the Chinese People’s Armed Police Force, the Min-  
22 istry of State Security, or the China Coast Guard,  
23 including any entity that—

24                           (A) is a listed military supplier;

1 (B) is licensed to engage in military pro-  
2 duction;

3 (C) is carrying out a declared military-civil  
4 fusion business strategy;

5 (D) is a military factory representative, on-  
6 site;

7 (E) maintains an office in a military-civil  
8 fusion-linked industrial zone;

9 (F) is a defense contractor or is involved  
10 in a defense contractor partnership;

11 (G) is engaged in collaborative efforts with  
12 a defense research and development university;

13 (H) is a subsidiary of a defense university;  
14 or

15 (I) is a military-civil fusion funding pro-  
16 vider or recipient; and

17 (2) each entity of the People's Republic of  
18 China that is owned, controlled, or influenced by an  
19 entity on the entity list.

20 (b) REFERENCE.—The list required by subsection (a)  
21 may be referred to as the “Entities of the People's Repub-  
22 lic of China that Threaten United States National Secu-  
23 rity List”.

24 (c) PUBLIC AVAILABILITY.—The Secretary of State  
25 shall make each list submitted pursuant to subsection (a)

1 available to the public, including on a website of the De-  
2 partment of State, but shall remove any classified portions  
3 of such list.

4 (d) STATEMENT OF POLICY.—It is the policy of the  
5 United States that the Entities of the People’s Republic  
6 of China that Threaten United States National Security  
7 List should inform Federal Government policy.

8 (e) DEFINITIONS.—In this section:

9 (1) ENTITY LIST.—The term “entity list”  
10 means the list maintained by the Bureau of Industry  
11 and Security of the Department of Commerce and  
12 set forth in Supplement No. 4 to part 744 of the  
13 Export Administration Regulations.

14 (2) EXPORT ADMINISTRATION REGULATIONS.—  
15 The term “Export Administration Regulations”  
16 means subchapter C of chapter VII of title 15, Code  
17 of Federal Regulations.