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(Original Signature of Member)

117TH CONGRESS
2D SESSION

H. R.

To counter the military-civil fusion strategy of the Chinese Communist Party and prevent United States contributions to the development of dual-use technology in China.

IN THE HOUSE OF REPRESENTATIVES

Mr. BANKS introduced the following bill; which was referred to the Committee on _____

A BILL

To counter the military-civil fusion strategy of the Chinese Communist Party and prevent United States contributions to the development of dual-use technology in China.

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 “Preventing PLA Ac-
5 quisition of United States Technology Act of 2022”.

6 **SEC. 2. COUNTERING THE MILITARY-CIVIL FUSION STRAT-**
7 **EGY OF THE CHINESE COMMUNIST PARTY.**

8 (a) DEFINITIONS.—In this section:

1 (1) CHINESE ENTITY OF CONCERN.—The term
2 “Chinese entity of concern” means—

3 (A) any college or university in the Peo-
4 ple’s Republic of China that is determined by
5 the Secretary of Defense to be involved in the
6 implementation of the military-civil fusion strat-
7 egy, including—

8 (i) any college or university known as
9 the “Seven Sons of National Defense”;

10 (ii) any college or university that re-
11 ceives funding from—

12 (I) the People’s Liberation Army;

13 or

14 (II) the Equipment Development
15 Department, or the Science and Tech-
16 nology Commission, of the Central
17 Military Commission;

18 (iii) any college or university in the
19 People’s Republic of China involved in
20 military training and education, including
21 any such college or university in partner-
22 ship with the People’s Liberation Army;

23 (iv) any college or university in the
24 People’s Republic of China that conducts
25 military research or hosts dedicated mili-

1 tary initiatives or laboratories, including
2 such a college or university designated
3 under the “double first-class university
4 plan”;

5 (v) any college or university in the
6 People’s Republic of China that is des-
7 ignated by the State Administration for
8 Science, Technology, and Industry for the
9 National Defense to host “joint construc-
10 tion” programs;

11 (vi) any college or university in the
12 People’s Republic of China that has
13 launched a platform for military-civil fu-
14 sion or created national defense labora-
15 tories; and

16 (vii) any college or university in the
17 People’s Republic of China that conducts
18 research or hosts dedicated initiatives or
19 laboratories for any other related security
20 entity beyond the People’s Liberation
21 Army, including the People’s Armed Po-
22 lice, the Ministry of Public Security, and
23 the Ministry of State Security;

24 (B) any enterprise for which the majority
25 shareholder or ultimate parent entity is the

1 Government of the People's Republic of China
2 at any level of that government;

3 (C) any privately owned company in the
4 People's Republic of China—

5 (i) that has received a military pro-
6 duction license, such as the Weapons and
7 Equipment Research and Production Cer-
8 tificate, the Equipment Manufacturing
9 Unit Qualification, the Weapons and
10 Equipment Quality Management System
11 Certificate, or the Weapons and Equip-
12 ment Research and Production Unit Clas-
13 sified Qualification Permit;

14 (ii) that is otherwise known to have
15 set up mechanisms for engaging in activity
16 in support of military initiatives;

17 (iii) that has a history of subcon-
18 tracting for the People's Liberation Army
19 or its affiliates;

20 (iv) that is participating in, or receiv-
21 ing benefits under, a military-civil fusion
22 demonstration base; or

23 (v) that has an owner, director, or a
24 senior management official who has served
25 as a delegate to the National People's Con-

1 gress, a member of the Chinese People’s
2 Political Consultative Conference, or a
3 member of the Central Committee of the
4 Chinese Communist Party; and

5 (D) any entity that—

6 (i) is identified by the Secretary of
7 Defense under section 1260H(a) of the
8 William M. (Mac) Thornberry National
9 Defense Authorization Act for Fiscal Year
10 2021 (10 U.S.C. 113 note) as a Chinese
11 military company; and

12 (ii) is included in the Non-SDN Chi-
13 nese Military-Industrial Complex Compa-
14 nies List published by the Department of
15 the Treasury.

16 (2) COVERED ENTITY.—The term “covered en-
17 tity” means—

18 (A) any Federal agency that engages in re-
19 search or provides funding for research, includ-
20 ing the National Science Foundation and the
21 National Institutes of Health;

22 (B) any institution of higher education, or
23 any other private research institution, that re-
24 ceives any Federal financial assistance; and

1 (C) any private company headquartered in
2 the United States that receives Federal finan-
3 cial assistance.

4 (3) FEDERAL FINANCIAL ASSISTANCE.—The
5 term “Federal financial assistance” has the meaning
6 given the term in section 200.1 of title 2, Code of
7 Federal Regulations (or successor regulations).

8 (4) MILITARY-CIVIL FUSION STRATEGY.—The
9 term “military-civil fusion strategy” means the
10 strategy of the Chinese Communist Party aiming to
11 mobilize non-military resources and expertise for
12 military application, including the development of
13 technology, improvements in logistics, and other uses
14 by the People’s Liberation Army.

15 (b) PROHIBITIONS.—

16 (1) IN GENERAL.—No covered entity may en-
17 gage with a Chinese entity of concern in any sci-
18 entific research or technical exchange that has a di-
19 rect bearing on, or the potential for dual use in, the
20 development of technologies that the Chinese Com-
21 munist Party has identified as a priority of its na-
22 tional strategy of military-civil fusion and that are
23 listed on the website under subsection (c)(1)(A).

24 (2) PRIVATE PARTNERSHIPS.—No covered enti-
25 ty described in subsection (a)(2)(C) may form a

1 partnership or joint venture with another such cov-
2 ered entity for the purpose of engaging in any sci-
3 entific research or technical exchange described in
4 paragraph (1).

5 (c) WEBSITE.—

6 (1) IN GENERAL.—The Secretary of Defense, in
7 consultation with the Secretary of State, the Direc-
8 tor of National Intelligence, the Director of the Fed-
9 eral Bureau of Investigation, the Secretary of En-
10 ergy, the Secretary of Education, the Secretary of
11 the Treasury, and the Secretary of Commerce, shall
12 establish, and periodically update not less than twice
13 a year, a website that includes—

14 (A) a list of the specific areas of scientific
15 research or technical exchange for which the
16 prohibitions under subsection (b) apply, which
17 shall initially include some or all aspects of the
18 fields of quantum computing, photonics and la-
19 sers, robotics, big data analytics, semiconduc-
20 tors, new and advanced materials, biotechnology
21 (including synthetic biology and genetic engi-
22 neering), 5G and all future generations of tele-
23 communications, advanced nuclear technology
24 (including nuclear power and energy storage),

1 aerospace technology, and artificial intelligence;
2 and

3 (B) to the extent practicable, a list of all
4 Chinese entities of concern.

5 (2) LIST OF SPECIFIC AREAS.—In developing
6 the list under paragraph (1)(A), the Secretary of
7 Defense shall monitor and consider the fields identi-
8 fied by the State Administration for Science, Tech-
9 nology, and Industry for the National Defense of the
10 People’s Republic of China as defense-relevant and
11 consider, including the more than 280 fields of study
12 designated as of the date of enactment of this Act,
13 and any others designated thereafter, as disciplines
14 with national defense characteristics that have the
15 potential to support military-civil fusion.

16 (3) RESOURCES.—In establishing the website
17 under paragraph (1), the Secretary of Defense may
18 use as a model any existing resources, such as the
19 China Defense Universities Tracker maintained by
20 the Australian Strategic Policy Institute, subject to
21 any other laws applicable to such resources.

22 (d) EXCEPTION.—The prohibitions under subsection
23 (b) shall not apply to any collaborative study or research
24 project in fields involving information that would not con-
25 tribute substantially to the goals of the military-civil fu-

1 sion strategy, as determined by regulations issued by the
2 Secretary of Defense.

3 (e) ANNUAL REPORTING REQUIREMENTS.—

4 (1) IN GENERAL.—Not later than 180 days
5 after the date of enactment of this Act, and Decem-
6 ber 31 of each year thereafter, each covered entity
7 shall submit to the Secretary of Defense a report
8 that discloses—

9 (A) any research relationships the covered
10 entity has with a Chinese entity of concern or
11 has had during the previous year;

12 (B) any research relationships the covered
13 entity has considered with a Chinese entity of
14 concern during the previous year and declined;
15 and

16 (C) any research relationships the covered
17 entity has terminated with a Chinese entity of
18 concern during the previous year because the
19 relationship violates subsection (b) or as a re-
20 sult of related concerns.

21 (2) AUDIT.—The Secretary of Defense may
22 enter into a contract with an independent entity to
23 conduct an audit of any report submitted under
24 paragraph (1) to ensure compliance with the re-
25 quirements of such paragraph.

1 (f) ENFORCEMENT.—

2 (1) IN GENERAL.—Notwithstanding any other
3 provision of law, a covered entity described in sub-
4 paragraph (B) or (C) of subsection (a)(2) that vio-
5 lates a prohibition under subsection (b), or violates
6 subsection (e), on or after the date of enactment of
7 this Act shall be precluded from receiving any Fed-
8 eral financial assistance on or after the date of such
9 violation.

10 (2) REGULATIONS.—The Secretary of Defense,
11 in consultation with the Secretary of State, the Di-
12 rector of National Intelligence, the Director of the
13 Federal Bureau of Investigation, the Secretary of
14 Energy, the Secretary of Education, the Secretary of
15 the Treasury, and the Secretary of Commerce,
16 shall—

17 (A) promulgate regulations to enforce the
18 prohibitions under subsection (b), the auditing
19 requirements under subsection (e), and the re-
20 quirement under paragraph (1); and

21 (B) coordinate with the heads of other
22 Federal agencies to ensure the enforcement of
23 such prohibitions and requirements.