

118TH CONGRESS
1ST SESSION

H. R. 6306

To amend the State Department Basic Authorities Act of 1956 to prohibit the acquisition or lease of a consular or diplomatic post built or owned by an entity beneficially owned by the People’s Republic of China, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 8, 2023

Mr. MILLS introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To amend the State Department Basic Authorities Act of 1956 to prohibit the acquisition or lease of a consular or diplomatic post built or owned by an entity beneficially owned by the People’s Republic of China, 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 “Embassy Construction
5 Integrity Act of 2023”.

1 **SEC. 2. PROHIBITIONS RELATING TO CONSULAR AND DIP-**
 2 **LOMATIC POSTS BUILT OR OWNED BY CER-**
 3 **TAIN ENTITIES.**

4 (a) PROHIBITIONS.—Title I of the State Department
 5 Basic Authorities Act of 1956 (22 U.S.C. 2651a et seq.)
 6 is amended by adding at the end the following:

7 **“SEC. 64. PROHIBITIONS RELATING TO CONSULAR AND**
 8 **DIPLOMATIC POSTS BUILT OR OWNED BY**
 9 **CERTAIN ENTITIES.**

10 “(a) PROHIBITIONS.—The Secretary of State (in this
 11 section referred to as the ‘Secretary’) may not—

12 “(1) acquire or lease a covered building—

13 “(A) with respect to which a covered entity
 14 performed covered construction on or after Jan-
 15 uary 1, 1949; or

16 “(B) in which a covered entity has an own-
 17 ership interest; or

18 “(2) authorize a covered entity to perform cov-
 19 ered construction with respect to a covered building,
 20 including pursuant to a contract or other agreement.

21 “(b) NOTIFICATION OF VIOLATIONS.—Not later than
 22 7 days after becoming aware of a violation of subsection
 23 (a), the Secretary shall notify the Committee on Foreign
 24 Affairs of the House of Representatives and the Com-
 25 mittee on Foreign Relations of the Senate of such viola-
 26 tion.

1 “(c) DEFINITIONS.—In this section:

2 “(1) BENEFICIAL OWNER.—The term ‘bene-
3 ficial owner’—

4 “(A) means, with respect to an entity, an
5 entity that, directly or indirectly, through any
6 contract, arrangement, understanding, relation-
7 ship, or otherwise—

8 “(i) exercises substantial control over
9 the entity; or

10 “(ii) owns or controls not less than 25
11 percent of the ownership interest of an en-
12 tity; and

13 “(B) does not include—

14 “(i) a minor child, as defined as a
15 natural person under the age of 18;

16 “(ii) an individual acting as a nomi-
17 nee, intermediary, custodian, or agent on
18 behalf of another individual;

19 “(iii) an individual acting solely as an
20 employee of a corporation, limited liability
21 company, or other similar entity and whose
22 control over or economic benefits from
23 such entity is derived solely from the em-
24 ployment status of the person; or

1 “(iv) an individual whose only interest
2 in a corporation, limited liability company,
3 or other similar entity is through a right of
4 inheritance, and who does not exercise sub-
5 stantial control or effective control over the
6 entity.

7 “(2) COVERED BUILDING.—The term ‘covered
8 building’ means a building that is used or intended
9 to be used by personnel, or for a function, of a con-
10 sular or diplomatic post located outside of the
11 United States.

12 “(3) COVERED CONSTRUCTION.—The term
13 ‘covered construction’—

14 “(A) means any construction, development,
15 conversion, extension, alteration, repair, or
16 maintenance performed with respect to a build-
17 ing; and

18 “(B) includes the installation or mainte-
19 nance of electrical, plumbing, heating, ventila-
20 tion, air conditioning, communication, fire pro-
21 tection, and energy management systems with
22 respect to such building.

23 “(4) COVERED ENTITY.—The term ‘covered en-
24 tity’ means an entity of which the government of the
25 People’s Republic of China, or an agent or instru-

1 mentality of the government of the People’s Republic
2 of China, is a beneficial owner.”.

3 (b) APPLICABILITY.—

4 (1) IN GENERAL.—Section 64 of the State De-
5 partment Basic Authorities Act of 1956, as added
6 by subsection (a), shall apply with respect to the fol-
7 lowing:

8 (A) Acquisitions of covered buildings oc-
9 curring on or after the date of enactment of
10 this Act.

11 (B) Leases of covered buildings entered
12 into on or after such date of enactment.

13 (C) Authorizations for the performance of
14 covered construction made on or after such date
15 of enactment.

16 (2) DEFINITIONS.—In this subsection, the
17 terms “covered building” and “covered construction”
18 have the meanings given such terms in subsection
19 (c) of such section 64.

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