

116TH CONGRESS
2D SESSION

H. R. 8197

To require the Securities and Exchange Commission to assess whether certain information related to support from the Government of China is necessary or appropriate for the purposes of certain reports under the securities laws, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 2020

Mr. BARR introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the Securities and Exchange Commission to assess whether certain information related to support from the Government of China is necessary or appropriate for the purposes of certain reports under the securities laws, 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 “Transparency in Chi-
5 nese Government Investment Act of 2020”.

1 **SEC. 2. ASSESSMENT OF INFORMATION WITH RESPECT TO**
2 **SUPPORT FROM THE GOVERNMENT OF**
3 **CHINA.**

4 Not later than 360 days following the date of the en-
5 actment of this Act, the Securities and Exchange Commis-
6 sion, in consultation with the Secretary of the Treasury,
7 shall submit to the Committee on Financial Services of
8 the House of Representatives and the Committee on
9 Banking, Housing, and Urban Affairs of the Senate a re-
10 port assessing whether disclosure of any of the following
11 by an issuer organized under the laws of the People's Re-
12 public of China qualifies as necessary or appropriate for
13 the purposes of section 13(a) of the Securities Exchange
14 Act of 1934:

15 (1) Material financial support by an issuer for
16 the following industrial policies or development plans
17 of the Government of China:

18 (A) Made in China 2025.

19 (B) Military-Civil Fusion.

20 (C) Internet Plus.

21 (D) Guidelines to Promote the National
22 Integrated Circuit Foundry Development Plan.

23 (E) The China Integrated Circuit Invest-
24 ment Industry Fund (or any similar fund at the
25 provincial or local level).

1 (F) Strategic Emerging Industries Initia-
2 tive.

3 (G) New Generation Artificial Intelligence
4 Development plan.

5 (2) Material financial support an issuer receives
6 from the Government of China in connection with
7 the support described in paragraph (1), including—

8 (A) direct subsidies, grants, loans, or loan
9 guarantees;

10 (B) reduction of taxes or tax exemptions;

11 (C) preferential treatment under the Gov-
12 ernment of China procurement policies;

13 (D) access to research and development;
14 and

15 (E) reduced prices for key inputs, includ-
16 ing land, power, and water.

17 (3) Positions held by any individual as an offi-
18 cer or director of an issuer, if the individual occupies
19 a position with—

20 (A) the Chinese Communist Party;

21 (B) the Government of China;

22 (C) the Central Committee of the Com-
23 munist Party of China;

24 (D) the Central Military Commission of
25 China;

1 (E) the Chinese People's Political Consult-
2 ative Conference;

3 (F) the National People's Congress of
4 China; or

5 (G) a State Council in China.

6 **SEC. 3. DISCLOSURE REQUIREMENT.**

7 Not later than 180 days following submission of the
8 report required under section 2, the Securities and Ex-
9 change Commission shall prescribe regulations requiring
10 an issuer to disclose in any annual report required under
11 section 13 of the Securities Exchange Act of 1934, and
12 in any prospectus in connection with an initial public of-
13 fering, the information assessed by the Commission in
14 such report to be necessary or appropriate for the pur-
15 poses of subsection (a) of such section 13.

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