

117TH CONGRESS
1ST SESSION

S. 1048

To require disclosure by Federal contractors of contracts with Chinese entities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 2021

Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To require disclosure by Federal contractors of contracts with Chinese 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 “Federal Acquisition
5 and Contracting Transparency Act of 2021” or “FACT
6 Act”.

1 **SEC. 2. REQUIREMENT TO DISCLOSE CONTRACTS AND TIES**
2 **WITH PEOPLE'S REPUBLIC OF CHINA ENTI-**
3 **TIES.**

4 Not later than 180 days after the date of the enact-
5 ment of this Act, the Federal Acquisition Regulatory
6 Council shall amend the Federal Acquisition Regulation
7 to require that a contractor shall, as a condition for being
8 awarded a contract for the procurement of goods or serv-
9 ices, disclose covered information related to any contracts
10 or other relevant commercial ties the contractor, first tier
11 subcontractor, or any related entity has that are in effect
12 at the time of contract award, or has had within the pre-
13 vious three years that are no longer in effect, with a cov-
14 ered entity. The contractor shall update such disclosure
15 not later than 30 days after the contractor, first tier sub-
16 contractor, or any related entity enters into or renews a
17 contract or other relevant commercial ties with a covered
18 entity.

19 **SEC. 3. DATABASE OF FEDERAL CONTRACTOR CONTRACTS**
20 **WITH CHINESE ENTITIES.**

21 Not later than 180 days after the date of the enact-
22 ment of this Act, the Administrator of General Services
23 shall establish and maintain a public database containing
24 the information about contracts with covered entities dis-
25 closed pursuant to section 2.

1 **SEC. 4. DEFINITIONS.**

2 In this Act:

3 (1) COVERED ENTITY.—The term “covered en-
4 tity” means—

5 (A) the Government of the People’s Repub-
6 lic of China;

7 (B) the Chinese Communist Party (CCP);

8 (C) the Chinese military;

9 (D) an entity owned, directed, controlled,
10 financed, or influenced directly or indirectly by
11 the Government of the People’s Republic of
12 China, the CCP, or the Chinese military, in-
13 cluding any entity for which the Government of
14 the People’s Republic of China, the CCP, or the
15 Chinese military has the ability, through owner-
16 ship of a majority or a dominant minority of
17 the total outstanding voting interest in an enti-
18 ty, board representation, proxy voting, a special
19 share, contractual arrangements, formal or in-
20 formal arrangements to act in concert, or other
21 means, to determine, direct, or decide for an
22 entity an important matter;

23 (E) a parent, subsidiary, or affiliate of an
24 entity described in subparagraph (D); and

25 (F) an entity substantively involved in Peo-
26 ple’s Republic of China economic and industrial

1 policies or military-civil fusion, including by ac-
 2 cepting funding, performing services, or receiv-
 3 ing subsidies, or with responsibilities for over-
 4 seeing economic development projects, including
 5 Made in China 2025 and the Belt and Road
 6 Initiative.

7 (2) COVERED INFORMATION.—The term “cov-
 8 ered information” means—

9 (A) the name of the covered entity;

10 (B) the relationship of the covered entity
 11 to the Government of the People’s Republic of
 12 China, the Chinese Communist Party, or the
 13 Chinese military;

14 (C) the general terms of the contract;

15 (D) the date the contract was entered into;

16 and

17 (E) the duration of the contract.

18 (3) RELATED ENTITY.—The term “related enti-
 19 ty” means, with respect to a contractor or first tier
 20 subcontractor, a parent, subsidiary, affiliate, or
 21 other entity controlled by the contractor or first tier
 22 subcontractor.

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