

117TH CONGRESS
2D SESSION

S. 3801

To establish limitations on the amount of debt issued by the United States which may be held by foreign governments, entities, and individuals.

IN THE SENATE OF THE UNITED STATES

MARCH 10 (legislative day, MARCH 7), 2022

Ms. ERNST (for herself, Mr. BRAUN, and Mr. CASSIDY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish limitations on the amount of debt issued by the United States which may be held by foreign governments, entities, and individuals.

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 “National Debt is Na-
5 tional Security Act”.

6 **SEC. 2. LIMIT ON PUBLIC DEBT HELD BY FOREIGN GOV-**
7 **ERNMENTS, ENTITIES, AND INDIVIDUALS.**

8 (a) IN GENERAL.—Subchapter I of chapter 31 of title
9 31, United States Code, is amended by inserting after sec-
10 tion 3113 the following:

1 **“§ 3114. Limit on public debt held by foreign govern-**
2 **ments, entities, and individuals**

3 “(a) IN GENERAL.—

4 “(1) CUMULATIVE LIMIT.—Notwithstanding
5 any other provision of this chapter, the amount of
6 the national debt which is cumulatively held by for-
7 eign governments, entities organized or incorporated
8 under the laws of a foreign country, and citizens of
9 foreign countries shall not exceed an amount equal
10 to one-third of the national debt.

11 “(2) COUNTRY-SPECIFIC LIMIT.—Notwith-
12 standing any other provision of this chapter, with re-
13 spect to any foreign country, the amount of the na-
14 tional debt which is cumulatively held by the govern-
15 ment of such country, entities organized or incor-
16 porated under the laws of such country, and citizens
17 of such country shall not exceed an amount equal to
18 5 percent of the national debt.

19 “(b) DETERMINATION.—The Secretary of the Treas-
20 ury, in coordination with the Director of the Office of
21 Management and Budget, shall issue guidance regarding
22 implementation of this section, including calculation of the
23 amount of the national debt held by foreign governments,
24 entities organized or incorporated under the laws of a for-
25 eign country, and citizens of foreign countries.

26 “(c) PRESIDENTIAL WAIVER.—

1 “(1) IN GENERAL.—The President may waive
 2 the application of paragraph (1) or (2) of subsection
 3 (a) if the President determines and, pursuant to
 4 paragraph (2), so reports that the important na-
 5 tional interest of the United States requires the ex-
 6 ercise of such waiver authority.

7 “(2) CONGRESSIONAL NOTIFICATION.—Not
 8 later than the date of the exercise of a waiver under
 9 paragraph (1), the President shall notify the Com-
 10 mittee on Ways and Means of the House of Rep-
 11 resentatives and the Committee on Finance of the
 12 Senate of the waiver or the intention to exercise the
 13 waiver, together with a detailed justification thereof.

14 “(d) NATIONAL DEBT.—For purposes of this section,
 15 the term ‘national debt’ means the face amount of obliga-
 16 tions issued under this chapter and the face amount of
 17 obligations whose principal and interest are guaranteed by
 18 the United States Government (except guaranteed obliga-
 19 tions held by the Secretary of the Treasury).”.

20 (b) CLERICAL AMENDMENT.—The table of sections
 21 of subchapter I of chapter 31 of title 31, United States
 22 Code, is amended by inserting after the item relating to
 23 section 3113 the following:

“3114. Limit on public debt held by foreign governments, entities, and individ-
 uals.”.

