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(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To prohibit Members of Congress from conducting certain financial transactions involving a foreign adversary of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. KEAN of New Jersey introduced the following bill; which was referred to the Committee on _____

A BILL

To prohibit Members of Congress from conducting certain financial transactions involving a foreign adversary of the United States, 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 “Foreign Adversary In-
5 vestment Prohibition Act”.

1 **SEC. 2. PROHIBITION WITH RESPECT TO CERTAIN TRANS-**
2 **ACTIONS BY MEMBERS OF CONGRESS WITH A**
3 **FOREIGN ADVERSARY.**

4 (a) IN GENERAL.—A Member of Congress may not,
5 during the term of service of the Member of Congress,
6 conduct any covered financial transaction that benefits, di-
7 rectly or indirectly, a foreign adversary or an entity owned
8 or operated by a foreign adversary.

9 (b) CIVIL ENFORCEMENT.—

10 (1) IN GENERAL.—The Attorney General may
11 bring a civil action in an appropriate district court
12 of the United States against any person who vio-
13 lates, or whom the Attorney General has reason to
14 believe is engaging in conduct that violates, sub-
15 section (a).

16 (2) CIVIL PENALTY.—If the court finds by a
17 preponderance of the evidence that a person violated
18 subsection (a), the court shall impose a civil penalty
19 of not more than—

20 (A) in the case of a first violation of sub-
21 section (a), \$5,000;

22 (B) in the case of a second violation of
23 subsection (a), \$10,000; and

24 (C) in the case of each violation of sub-
25 section (a) after a second violation under sub-
26 paragraph (B), \$15,000.

1 (c) DEFINITIONS.—In this section:

2 (1) COVERED FINANCIAL TRANSACTION.—

3 (A) IN GENERAL.—The term “covered fi-
4 nancial transaction” includes—

5 (i) any gift, subscription, loan, ad-
6 vance, or deposit of money or anything of
7 value;

8 (ii) any investment in—

9 (I) a security (as defined in sec-
10 tion 3(a) of Securities Exchange Act
11 of 1934 (15 U.S.C. 78c(a)));

12 (II) a security future (as defined
13 in that section); or

14 (III) a commodity (as defined in
15 section 1a of the Commodity Ex-
16 change Act (7 U.S.C. 1a)); and

17 (iii) any economic interest comparable
18 to an interest described in clause (i) that
19 is acquired through synthetic means, such
20 as the use of a derivative, including an op-
21 tion, warrant, or other similar means.

22 (2) FOREIGN ADVERSARY.—The term “foreign
23 adversary” means—

1 (A) the People’s Republic of China, includ-
2 ing the Hong Kong Special Administrative Re-
3 gions;

4 (B) the Republic of Cuba;

5 (C) the Islamic Republic of Iran;

6 (D) the Democratic People’s Republic of
7 Korea;

8 (E) the Russian Federation; and

9 (F) the Bolivarian Republic of Venezuela
10 under the regime of Nicolás Maduro Moros.

11 (3) MEMBER OF CONGRESS.—The term “Mem-
12 ber of Congress” means a Senator or Representative
13 in, or Delegate or Resident Commissioner to, the
14 Congress.