

119TH CONGRESS
1ST SESSION

H. R. 2551

To amend title 10, United States Code, to establish requirements relating to long-term concessions agreements between the Secretary of Defense and certain retailers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2025

Mr. HARRIGAN introduced the following bill; which was referred to the
Committee on Armed Services

A BILL

To amend title 10, United States Code, to establish requirements relating to long-term concessions agreements between the Secretary of Defense and certain retailers, 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 “Military Installation
5 Retail Security Act of 2025”.

1 **SEC. 2. REQUIREMENTS RELATING TO LONG-TERM CON-**
2 **CESSIONS AGREEMENTS WITH CERTAIN RE-**
3 **TAILERS.**

4 (a) IN GENERAL.—Chapter 363 of title 10, United
5 States Code, is amended by adding at the end the fol-
6 lowing new section:

7 **“§ 4664. Requirements relating to long-term conces-**
8 **sions agreements with certain retailers**

9 “(a) PROHIBITION ON CONTRACTING WITH CERTAIN
10 RETAILERS.—

11 “(1) IN GENERAL.—The Secretary of Defense
12 may not renew, extend, or enter into a long-term
13 concessions agreement with a retailer that is con-
14 trolled by a covered nation to permit such retailer to
15 operate or conduct business through a physical loca-
16 tion on a covered military installation.

17 “(2) WAIVER.—The Secretary may waive the
18 requirements of paragraph (1) if the Secretary de-
19 termines that—

20 “(A) the goods or services to be provided
21 by the retailer are vital for the welfare and mo-
22 rale of members of the Armed Forces and no
23 reasonable alternatives exist; and

24 “(B) the Secretary has implemented ade-
25 quate measures to mitigate any potential na-
26 tional security risks of the retailer.

1 “(3) REPORT.—Not later than 30 days after
2 each use of the waiver authority under paragraph
3 (2), the Secretary shall submit to the Committees on
4 Armed Services of the House of Representatives and
5 Senate a report including a justification for the use
6 of such authority and a description of any risk miti-
7 gation strategies described in paragraph (2)(B).

8 “(4) TERMINATION.—With respect to a retailer
9 that has misrepresented the ownership and control
10 of such retailer for the award of a long-term conces-
11 sions agreement, the Secretary of Defense may ter-
12 minate such agreement.

13 “(5) APPLICABILITY.—Paragraph (1) shall
14 apply with respect to a long-term concessions agree-
15 ment entered into on or after the date of the enact-
16 ment of this section.

17 “(b) COVERED RETAILERS.—

18 “(1) IN GENERAL.—The Secretary of Defense
19 may not permit a covered retailer controlled by a
20 covered nation to operate or conduct business
21 through a physical location on a covered military in-
22 stallation, unless such covered retailer has received
23 an approval determination under paragraph (4).

1 “(2) NOTICE.—Not later than 30 days after the
2 date of the enactment of this section, a covered re-
3 tailer—

4 “(A) shall submit to the Committee on
5 Foreign Investment in the United States (in
6 this section referred to as the ‘Committee’) a
7 notice that includes any direct or indirect rela-
8 tionships between the covered retailer (including
9 any subsidiaries or parent companies of such
10 covered retailer) and any covered nation; and

11 “(B) may not operate or conduct business
12 through a physical location on a covered mili-
13 tary installation unless the Committee submits
14 a determination approving such notice in ac-
15 cordance with paragraph (3).

16 “(3) INVESTIGATION.—The Committee shall
17 conduct an investigation of the effects of a notice
18 submitted under paragraph (2) on the national secu-
19 rity of the United States, including an assessment of
20 any direct or indirect relationships between the cov-
21 ered retailer (including any subsidiaries or parent
22 companies of such covered retailer) and any covered
23 nation.

24 “(4) DETERMINATION.—Not later than 180
25 days after completing an investigation under para-

graph (3), the Committee shall submit to the Secretary of Defense a determination approving or disapproving the notice submitted under paragraph (2).

“(5) COMPLIANCE.—

“(A) IN GENERAL.—A covered retailer that receives an approval under paragraph (4) shall submit annually to the Committee disclosures regarding any change in the ownership structure that may affect whether or not the covered retailer is controlled by a covered nation.

“(B) FAILURE TO COMPLY.—The Secretary of Defense shall immediately terminate a long-term concession agreement with a covered retailer if the Secretary determines such covered retailer has failed to comply with the requirements of this subsection.

“(c) ASSESSMENT OF COVERED RETAILERS.—

“(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this section, the Secretary of Defense shall review each long-term concessions agreement with a covered retailer that permits the covered retailer to operate or conduct business through a physical location on a covered military installation to assess any direct or indirect relationships between the retailer (including any sub-

1 subsidiaries or parent companies of such covered re-
2 tailer) and any covered nation.

3 “(2) TERMINATION.—Not later than 30 days
4 after making a determination that a covered retailer
5 is controlled by a covered nation based on an assess-
6 ment described in subsection (a) or a determination
7 made under subsection (b), the Secretary of Defense
8 shall terminate any long-term concessions agreement
9 with the covered retailer.

10 “(d) DEFINITIONS.—In this section:

11 “(1) The term ‘controlled by a covered nation’
12 means, with respect to a retailer—

13 “(A) that the retailer is organized under
14 the laws of a covered nation or any jurisdiction
15 within a covered nation;

16 “(B) that a covered nation owns 20 per-
17 cent or more of the shares of the retailer; or

18 “(C) that the retailer is subject to the di-
19 rect or control of a covered nation.

20 “(2) The term ‘covered military installation’
21 means a military installation (as defined in section
22 2801 of this title) located in the United States.

23 “(3) The term ‘covered nation’ has the meaning
24 given in section 4872 of this title.

1 “(4) The term ‘covered retailer’ means a re-
2 tailer that is performing a long-term concessions
3 agreement on or before the date of the enactment of
4 this Act.

5 “(5) The term ‘long-term concessions agree-
6 ment’ means a contract, subcontract (at any tier), or
7 other agreement, including a lease agreement or li-
8 censing agreement, to operate a business through a
9 physical location on a covered military installation
10 entered into by—

11 “(A) the Secretary of Defense or a Sec-
12 retary of a military department and a person,
13 including a nonappropriated fund instrumen-
14 tality; or

15 “(B) a person and a nonappropriated fund
16 instrumentality.

17 “(6) The term ‘retailer’ means—

18 “(A) a nonappropriated fund instrumen-
19 tality that operates or seeks to operate a busi-
20 ness through a physical location on a covered
21 military installation; and

22 “(B) any other person that operates or
23 seeks to operate a business on a covered mili-
24 tary installation under a contract, subcontract

1 (at any tier), or other agreement, including a
2 lease agreement or licensing agreement, with—

3 “(i) a nonappropriated fund instru-
4 mentality;

5 “(ii) the Secretary of Defense; or

6 “(iii) a Secretary of a military depart-
7 ment.”.

8 (b) ASSESSMENT OF COVERED RETAILERS.—

9 (1) IN GENERAL.—Not later than 180 days
10 after the date of the enactment of this Act, the Sec-
11 retary of Defense shall review each long-term con-
12 cessions agreement with a covered retailer that per-
13 mits the covered retailer to operate or conduct busi-
14 ness through a physical location on a covered mili-
15 tary installation to assess any direct or indirect rela-
16 tionships between the retailer (including any subsidi-
17 aries or parent companies of such covered retailer)
18 and any covered nation.

19 (2) TERMINATION.—Not later than one year
20 after making a determination that a covered retailer
21 is controlled by a covered nation based on an assess-
22 ment described in subsection (a), the Secretary of
23 Defense shall terminate any long-term concessions
24 agreement with the covered retailer.

1 (3) DEFINITIONS.—In this section, the terms
2 “covered nation”, “covered retailer”, and “long-term
3 concessions agreement” have the meanings given in
4 section 4664 of title 10, United States Code, as
5 added by this section.

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