

STOP CHINESE FENTANYL ACT OF 2025

MARCH 21, 2025.—Ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services,
submitted the following

R E P O R T

[To accompany H.R. 747]

The Committee on Financial Services, to whom was referred the bill (H.R. 747) to impose sanctions with respect to Chinese producers of synthetic opioids and opioid precursors, to hold Chinese officials accountable for the spread of illicit fentanyl, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Stop Chinese Fentanyl Act of 2025”.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that the Government of the People's Republic of China should—

- (1) work with the United States Government to identify a list of unregulated chemicals used to create precursor chemicals that bear increased scrutiny;
- (2) require the proper labeling of chemical and equipment shipments in accordance with international rules;
- (3) immediately implement “know-your-customer” procedures for chemical shipments; and
- (4) direct all relevant departments and agencies, including the National Narcotics Control Commission, the Ministry of Public Security, the General Administration of Customs, and the National Medical Products Administration of the Government of the People's Republic of China to establish new rules to crack down on precursor trafficking and enforce such rules swiftly.

SEC. 3. AMENDMENTS TO THE FENTANYL SANCTIONS ACT.

(a) **DEFINITIONS.**—Section 7203(5) of the Fentanyl Sanctions Act (21 U.S.C. 2302(5)) is amended—

- (1) by striking “The term ‘foreign opioid trafficker’ means any foreign person” and inserting the following: “The term ‘foreign opioid trafficker’—

“(A) means any foreign person”;

- (2) by striking the period at the end and inserting “; and”; and

- (3) by adding at the end the following:

“(B) includes—

“(i) any entity of the People's Republic of China that the President determines—

“(I) produces, manufactures, distributes, sells, or knowingly finances or transports any goods described in clause (i) or (ii) of paragraph (8)(A); and

“(II) fails to take credible steps, including through implementation of appropriate know-your-customer procedures or through cooperation with United States counternarcotics efforts, to detect or prevent opioid trafficking; and

“(ii) any senior official of the Government of the People's Republic of China or other Chinese political official that—

“(I) has significant regulatory or law enforcement responsibilities with respect to the activities of an entity described in clause (i); and

“(II) aids and abets, including through intentional inaction, opioid trafficking.”.

(b) **IDENTIFICATION OF FOREIGN OPIOID TRAFFICKERS.**—Section 7211 of the Fentanyl Sanctions Act (21 U.S.C. 2311) is amended—

- (1) in subsection (a)(1)(A), by adding at the end before the semicolon the following: “, including whether the heads of the National Narcotics Control Commission, the Ministry of Public Security, the General Administration of Customs, and the National Medical Products Administration of the Government of the People's Republic of China are foreign opioid traffickers”; and
- (2) in subsection (c), by striking “5 years” and inserting “10 years”.

SEC. 4. AMENDMENTS TO THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT AND THE TRADING WITH THE ENEMY ACT.

(a) **PERIODIC EVALUATION.**—Section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702) is amended by adding at the end the following:

“(d) **PERIODIC EVALUATION.**—

“(1) **IN GENERAL.**—If the authority granted to the President under this section is exercised with respect to a covered national emergency, the President shall transmit to the appropriate congressional committees, not less frequently than annually, a periodic evaluation in writing that—

“(A) assesses the effectiveness of the exercise of such authority in resolving the covered national emergency;

“(B) considers the views of public- and private-sector stakeholders; and

“(C) discusses any potential changes to the exercise of the authority for the purpose of more effectively resolving the covered national emergency.

“(2) **DEFINITIONS.**—In this subsection—

“(A) the term ‘appropriate congressional committees’ means—

“(i) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Oversight and Accountability of the House of Representatives; and

“(ii) the Committee on Homeland Security and Governmental Affairs, the Committee on Foreign Relations, and the Committee on Banking, Housing, and Urban Affairs of the Senate; and
 “(B) the term ‘covered national emergency’ means a national emergency that—

“(i) the President has declared, within the preceding 5-year period, with respect to any national emergency regarding international drug trafficking; and
 “(ii) has not terminated.”.

(b) CONSULTATION AND REPORTS.—Section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703) is amended—

(1) by striking “the Congress” each place it appears and inserting “the appropriate congressional committees”; and

(2) by adding at the end the following:

“(e) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term ‘appropriate congressional committees’ has the meaning given that term in section 203(d)(2).”.

(c) AUTHORITY TO ISSUE REGULATIONS.—Section 205 of the International Emergency Economic Powers Act (50 U.S.C. 1704) is amended—

(1) by striking “The President” and inserting “(a) The President”; and

(2) by adding at the end the following:

“(b) In issuing regulations under subsection (a) pursuant to a covered national emergency (as defined in section 203), the President shall—

“(1) consider the costs and benefits of available statutory and regulatory alternatives;

“(2) evaluate the costs and benefits for the purpose of expeditiously resolving the applicable national emergency;

“(3) establish criteria for the eventual termination of the applicable national emergency; and

“(4) include in the basis and purpose incorporated in the regulations—

“(A) an explanation of how the regulations will resolve the applicable national emergency; and

“(B) a discussion of the costs and benefits.”.

SEC. 5. EXCEPTION RELATING TO IMPORTATION OF GOODS.

(a) IN GENERAL.—A requirement to block and prohibit all transactions in all property and interests in property pursuant to this Act or any amendment made by this Act shall not include the authority or a requirement to impose sanctions on the importation of goods.

(b) GOOD DEFINED.—In this section, the term “good” means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data.

PURPOSE AND SUMMARY

Introduced on January 28, 2025, by Representative Andy Barr, H.R. 747, the *Stop Chinese Fentanyl Act of 2025*, would amend the definition of “foreign opioid trafficker” to specify the term includes certain Chinese entities and government officials who fail to take steps to prevent opioid trafficking, subjecting them to sanctions. The bill would also require the President to determine whether certain Chinese government officials qualify as foreign opioid traffickers, and it would extend the applicability of the *Fentanyl Sanctions Act*.

BACKGROUND AND NEED FOR LEGISLATION

Per the Drug Enforcement Agency, drug overdoses have officially become the leading cause of death of Americans aged 18–45, with fentanyl responsible for nearly 70% of the total overdoses.¹ Illicit fentanyl is typically supplied and trafficked to the U.S. by Mexican-

¹DEA *Operation Engage*, <https://www.dea.gov/engage/operation-engage-spokane> (last visited Feb. 13, 2025).

based transnational criminal organizations,² with China serving as the primary source for the financing and trafficking services of fentanyl and fentanyl-related substances (such as precursors).³ Mexican drug cartels such as the Cartel Jalisco Nueva Generacion (CJNG) and the Sinaloa Cartel are primarily responsible for the supply of fentanyl into the U.S. through the porous southwestern border. Chinese labs serve as the illicit manufacturer of “fentanyl analogs and precursor chemicals used to make fentanyl . . . [that are] then sold on the Darknet and shipped in bulk to the U.S. and Mexico.”⁴ Generally, the two ways fentanyl is trafficked into the U.S. by China are:

1. U.S. individuals directly purchase fentanyl from China for personal use or domestic distribution (via Darknet), or
2. Fentanyl and/or other fentanyl-laced drugs are cross-border trafficked into the U.S. by Mexican-based transnational criminal organizations or other smaller networks that have received the drug from China.⁵

This bill ensures that Chinese entities and government officials are held accountable by the U.S. if they take part in the manufacturing, financing, or distribution of fentanyl. Expanding the definition “foreign opioid trafficker” to include these Chinese entities and officials allows for a more targeted approach at dismantling Chinese money laundering networks, given their prominent role in facilitating the fentanyl crisis in American communities.

COMMITTEE CONSIDERATION

119TH CONGRESS

On January 28, 2025, Representative Andy Barr (R-KY) introduced H.R. 747, the *Stop Chinese Fentanyl Act of 2025*, with Representatives Zach Nunn (R-IA) and Gregory Murphy (R-NC) as original cosponsors. Representative Mike Lawler (R-NY) was added subsequently as a cosponsor. The bill was referred to the Committee on Foreign Affairs and in addition to the Committees on Financial Services, Oversight and Government Reform, and the Judiciary.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearing was used to develop H.R. 747:

The Full Committee held a hearing on February 25, 2025, titled “Examining Policies to Counter China. The following witnesses testified: John Miller, Senior Vice President of Policy, Trust, Data, and Technology, and General Counsel, Information Technology Industry Council; Nicholas McMurray, Managing Director of Inter-

²Press Release, Dep’t of the Treasury, Treasury Targets Fentanyl Traffickers and Other Key Contributors to U.S. Opioid Crisis (Nov. 19, 2024), <https://home.treasury.gov/news/press-releases/jy2719>.

³DRUG ENFORCEMENT AGENCY, DEA-DCT-DIR-008-20, FENTANYL FLOW TO THE UNITED STATES (2020).

⁴*Follow the Money: The CCP’s Business Model Fueling the Fentanyl Crisis: Hearing Before H. Comm. on Financial Serv.*, 118th Cong. 6 (2023) (written testimony of Celina B. Realuyo, Adjunct Professor, The George Washington University Elliot School of International Affairs) [hereinafter 2023 Realuyo Fentanyl Testimony].

⁵*Id.* at 8.

national and Nuclear Policy, ClearPath; John Cassara, retired United States Treasury Department Special Agent; Martin Muhleisen, Nonresident Senior Fellow at the GAO Economic Center at the Atlantic Council; and Dr. Rush Doshi, C.V. Starr Senior Fellow for Asian Studies, and Director of the China Strategy Initiative at the Council on Foreign Relations, and an assistant professor at Georgetown University. Among the discussion regarding the Chinese government role in purveying fentanyl, Mr. Cassara testified that the “Chinese are becoming the money launderers of choice” for fentanyl trafficking.

The Committee on Financial Services met in open session on March 5, 2025 to consider, among others, H.R. 747.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include for each record vote on a motion to report the measure or matter and on any amendments offered to the measure or matter the total number of votes for and against and the names of the Members voting for and against.

On March 5, 2025, the Committee ordered H.R. 747, as amended, to be reported favorably to the House by a recorded vote of 49 yeas and 0 nays, a quorum being present. (Record Vote No. FC–018).

Before the question to report was called, the Committee adopted an amendment in the nature of a substitute offered by Mr. Barr making technical changes by voice vote.

Committee on Financial Services

Markup 1

March 5, 2025

Bill H.R. 747

Motion To report favorably

Amendment H.R. 747 (as amended)

Record Vote No.

FC-018

Disposition

Adopted (49-0)

Member	Yes	Nay	Not Voting	Member	Yes	Nay	Not Voting
Chairman Hill	X			Ranking Members Waters	X		
Mr. Lucas	X			Ms. Velázquez			X
Mr. Sessions	X			Mr. Sherman	X		
Mr. Huizenga	X			Mr. Meeks			X
Mrs. Wagner	X			Mr. Scott	X		
Mr. Barr	X			Mr. Lynch	X		
Mr. Williams (TX)	X			Mr. Green (TX)			X
Mr. Emmer	X			Mr. Cleaver	X		
Mr. Loudermilk	X			Mr. Himes	X		
Mr. Davidson	X			Mr. Foster	X		
Mr. Rose	X			Mrs. Beatty	X		
Mr. Steil	X			Mr. Vargas	X		
Mr. Timmons	X			Mr. Gottheimer	X		
Mr. Stutzman	X			Mr. Gonzalez	X		
Mr. Norman	X			Mr. Casten	X		
Mr. Meuser	X			Ms. Pressley			X
Mrs. Kim	X			Ms. Tlaib	X		
Mr. Donalds	X			Mr. Torres (NY)	X		
Mr. Garbarino	X			Ms. Garcia (TX)	X		
Mr. Fitzgerald	X			Ms. Williams of GA	X		
Mr. Flood	X			Ms. Pettersen			X
Mr. Lawler	X			Mr. Fields	X		
Ms. De La Cruz	X			Ms. Bynum	X		
Mr. Ogles	X			Mr. Liccardo	X		
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar	X						
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	30	0	0		19	0	5

Committee Totals:

49	0	5
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Yes Nays Not Voting

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives, are incorporated in the descriptive portions of this report.

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal H.R. 747 is to include certain Chinese entities and government officials who fail to take steps to prevent opioid trafficking in the definition of foreign opioid trafficker, subjecting them to sanctions.

COMMITTEE COST ESTIMATE

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 747.

The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of rule XIII of the House of Representatives, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

UNFUNDED MANDATES STATEMENT

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Committee will adopt the estimate once it has been prepared by the Director.

EARMARK STATEMENT

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the resolution and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

FEDERAL ADVISORY COMMITTEE ACT STATEMENT

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act*.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

The following is a section-by-section analysis of H.R. 747, the *Stop Chinese Fentanyl Act of 2025*:

Section 1. Short title

Section 1 provides that the short title is the Stop Chinese Fentanyl Act of 2025.

Section 2. Sense of Congress

Section 2 provides it is the Sense of Congress that the Government of the People’s Republic of China should (1) work with the United States Government to identify a list of unregulated chemicals used to create precursor chemicals that bear increased scrutiny; (2) require the proper labeling of chemical and equipment shipments in accordance with international rules; (3) immediately implement know-your-customer procedures for chemical shipments; and (4) direct all relevant departments and agencies, including the National Narcotics Control Commission, the Ministry of Public Security, the General Administration of Customs, and the National Medical Products Administration of the Government of the People’s Republic of China to establish new rules to crack down on precursor trafficking and enforce such rules swiftly.

Section 3. Amendments to the Fentanyl Sanctions Act

This section amends the Fentanyl Sanctions Act to include certain Chinese entities and government officials who fail to take steps to prevent opioid trafficking in the definition of foreign opioid trafficker.

Section 4. Amendments to the International Emergency Economic Powers Act and the Trading with the Enemy Act

This section requires the President to report to congressional committees of jurisdiction, with respect to a covered national emer-

gency, an assessment of the effectiveness in resolving the fentanyl national emergency.

Section 5. Exception relating to importation of goods

This section exempts from the prohibition of transactions sanctions on the importation of goods.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FENTANYL SANCTIONS ACT

TITLE LXXII—SANCTIONS WITH RESPECT TO FOREIGN TRAFFICKERS OF ILLICIT SYNTHETIC OPIOIDS

* * * * *

SEC. 7203. DEFINITIONS.

In this title:

(1) **ALIEN; NATIONAL; NATIONAL OF THE UNITED STATES.**—The terms “alien”, “national”, and “national of the United States” have the meanings given those terms in section 101 of the Immigration and Nationality Act (8 U.S.C. 1101).

(2) **APPROPRIATE CONGRESSIONAL COMMITTEES AND LEADERSHIP.**—The term “appropriate congressional committees and leadership” means—

(A) the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, the Select Committee on Intelligence, and the majority leader and the minority leader of the Senate; and

(B) the Committee on Appropriations, the Committee on Armed Services, the Committee on Financial Services, the Committee on Foreign Affairs, the Committee on Homeland Security, the Committee on the Judiciary, the Committee on Oversight and Reform, the Permanent Select Committee on Intelligence, and the Speaker and the minority leader of the House of Representatives.

(3) **CONTROLLED SUBSTANCE; LISTED CHEMICAL.**—The terms “controlled substance”, “listed chemical”, “narcotic drug”, and “opioid” have the meanings given those terms in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(4) **ENTITY.**—The term “entity” means a partnership, joint venture, association, corporation, organization, network, group, or subgroup, or any form of business collaboration.

(5) FOREIGN OPIOID TRAFFICKER.—**[The term “foreign opioid trafficker” means any foreign person]** *The term “foreign opioid trafficker”*—

(A) *means any foreign person that the President determines plays a significant role in opioid trafficking***[.]; and**

(B) *includes—*

(i) *any entity of the People’s Republic of China that the President determines—*

(I) *produces, manufactures, distributes, sells, or knowingly finances or transports any goods described in clause (i) or (ii) of paragraph (8)(A); and*

(II) *fails to take credible steps, including through implementation of appropriate know-your-customer procedures or through cooperation with United States counternarcotics efforts, to detect or prevent opioid trafficking; and*

(ii) *any senior official of the Government of the People’s Republic of China or other Chinese political official that—*

(I) *has significant regulatory or law enforcement responsibilities with respect to the activities of an entity described in clause (i); and*

(II) *aids and abets, including through intentional inaction, opioid trafficking.*

(6) FOREIGN PERSON.—The term “foreign person”—

(A) *means—*

(i) *any citizen or national of a foreign country; or*

(ii) *any entity not organized under the laws of the United States or a jurisdiction within the United States; and*

(B) *does not include the government of a foreign country.*

(7) KNOWINGLY.—The term “knowingly”, with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result.

(8) OPIOID TRAFFICKING.—The term “opioid trafficking” means any illicit activity—

(A) *to produce, manufacture, distribute, sell, or knowingly finance or transport—*

(i) *synthetic opioids, including controlled substances that are synthetic opioids and listed chemicals that are synthetic opioids; or*

(ii) *active pharmaceutical ingredients or chemicals that are used in the production of controlled substances that are synthetic opioids;*

(B) *to attempt to carry out an activity described in subparagraph (A); or*

(C) *to assist, abet, conspire, or collude with other persons to carry out such an activity.*

(9) PERSON.—The term “person” means an individual or entity.

(10) UNITED STATES PERSON.—The term “United States person” means—

(A) *any citizen or national of the United States;*

- (B) any alien lawfully admitted for permanent residence in the United States;
- (C) any entity organized under the laws of the United States or any jurisdiction within the United States (including a foreign branch of such an entity); or
- (D) any person located in the United States.

Subtitle A—Sanctions With Respect to Foreign Opioid Traffickers

SEC. 7211. IDENTIFICATION OF FOREIGN OPIOID TRAFFICKERS.

(a) PUBLIC REPORT.—

(1) **IN GENERAL.**—The President shall submit to the appropriate congressional committees and leadership, in accordance with subsection (c), a report—

(A) identifying the foreign persons that the President determines are foreign opioid traffickers, *including whether the heads of the National Narcotics Control Commission, the Ministry of Public Security, the General Administration of Customs, and the National Medical Products Administration of the Government of the People’s Republic of China are foreign opioid traffickers*;

(B) detailing progress the President has made in implementing this subtitle; and

(C) providing an update on cooperative efforts with the governments of Mexico, the People’s Republic of China, and other countries of concern with respect to combating foreign opioid traffickers.

(2) **IDENTIFICATION OF ADDITIONAL PERSONS.**—If, at any time after submitting a report required by paragraph (1) and before the submission of the next such report, the President determines that a foreign person not identified in the report is a foreign opioid trafficker, the President shall submit to the appropriate congressional committees and leadership an additional report containing the information required by paragraph (1) with respect to the foreign person.

(3) **EXCLUSION.**—The President shall not be required to include in a report under paragraph (1) or (2) any persons with respect to which the United States has imposed sanctions before the date of the report under this subtitle or any other provision of law with respect to opioid trafficking.

(4) FORM OF REPORT.—

(A) **IN GENERAL.**—Each report required by paragraph (1) or (2) shall be submitted in unclassified form but may include a classified annex.

(B) **AVAILABILITY TO PUBLIC.**—The unclassified portion of a report required by paragraph (1) or (2) shall be made available to the public.

(b) CLASSIFIED REPORT.—

(1) **IN GENERAL.**—The President shall submit to the appropriate congressional committees and leadership, in accordance with subsection (c), a report, in classified form—

(A) describing in detail the status of sanctions imposed under this subtitle, including the personnel and resources

directed toward the imposition of such sanctions during the preceding fiscal year;

(B) providing background information with respect to persons newly identified as foreign opioid traffickers and their illicit activities;

(C) describing actions the President intends to undertake or has undertaken to implement this subtitle; and

(D) providing a strategy for identifying additional foreign opioid traffickers.

(2) EFFECT ON OTHER REPORTING REQUIREMENTS.—The report required by paragraph (1) is in addition to, and in no way delimits or restricts, the obligations of the President to keep Congress fully and currently informed pursuant to the provisions of the National Security Act of 1947 (50 U.S.C. 3001 et seq.).

(c) SUBMISSION OF REPORTS.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter until the date that is ~~5 years~~ 10 years after such date of enactment, the President shall submit the reports required by subsections (a) and (b) to the appropriate congressional committees and leadership.

(d) EXCLUSION OF CERTAIN INFORMATION.—

(1) INTELLIGENCE.—Notwithstanding any other provision of this section, a report required by subsection (a) or (b) shall not disclose the identity of any person if the Director of National Intelligence determines that such disclosure could compromise an intelligence operation, activity, source, or method of the United States.

(2) LAW ENFORCEMENT.—Notwithstanding any other provision of this section, a report required by subsection (a) or (b) shall not disclose the identity of any person if the Attorney General, in coordination, as appropriate, with the Director of the Federal Bureau of Investigation, the Administrator of the Drug Enforcement Administration, the Secretary of the Treasury, the Secretary of State, and the head of any other appropriate Federal law enforcement agency, determines that such disclosure could reasonably be expected—

(A) to compromise the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution that furnished information on a confidential basis;

(B) to jeopardize the integrity or success of an ongoing criminal investigation or prosecution;

(C) to endanger the life or physical safety of any person; or

(D) to cause substantial harm to physical property.

(3) NOTIFICATION REQUIRED.—If the Director of National Intelligence makes a determination under paragraph (1) or the Attorney General makes a determination under paragraph (2), the Director or the Attorney General, as the case may be, shall notify the appropriate congressional committees and leadership of the determination and the reasons for the determination.

(4) RULE OF CONSTRUCTION.—Nothing in this section may be construed to authorize or compel the disclosure of information determined by the President to be law enforcement information, classified information, national security information, or

other information the disclosure of which is prohibited by any other provision of law.

(e) PROVISION OF INFORMATION REQUIRED FOR REPORTS.—The Secretary of the Treasury, the Attorney General, the Secretary of Defense, the Secretary of State, the Secretary of Homeland Security, and the Director of National Intelligence shall consult among themselves and provide to the President and the Director of the Office of National Drug Control Policy the appropriate and necessary information to enable the President to submit the reports required by subsection (a).

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INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT

TITLE II—INTERNATIONAL EMERGENCY ECONOMIC POWERS

* * * * *

GRANTS OF AUTHORITIES

SEC. 203. (a)(1) At the times and to the extent specified in section 202, the President may, under such regulations as he may prescribe, by means of instructions, licenses, or otherwise—

(A) investigate, regulate, or prohibit—

(i) any transactions in foreign exchange,

(ii) transfer of credit or payments between, by, through, or to any banking institution, to the extent that such transfers or payments involve any interest of any foreign country or a national thereof,

(iii) the importing or exporting of currency or securities, by any person, or with respect to any property, subject to the jurisdiction of the United States;

(B) investigate, block during the pendency of an investigation, regulate, direct and compel, nullify, void, prevent or prohibit, any acquisition, holding, withholding, use, transfer, withdrawal, transportation, importation or exportation of, or dealing in, or exercising any right, power, or privilege with respect to, or transactions involving, any property in which any foreign country or a national thereof has any interest by any person, or with respect to any property, subject to the jurisdiction of the United States; and.

(C) when the United States is engaged in armed hostilities or has been attacked by a foreign country or foreign nationals, confiscate any property, subject to the jurisdiction of the United States, of any foreign person, foreign organization, or foreign country that he determines has planned, authorized, aided, or engaged in such hostilities or attacks against the United States; and all right, title, and interest in any property so confiscated shall vest, when, as, and upon the terms directed by the President, in such agency or person as the President may designate from time to time, and upon such terms and conditions as the President may prescribe, such interest, or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit

of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment or furtherance of these purposes.

(2) In exercising the authorities granted by paragraph (1), the President may require any person to keep a full record of, and to furnish under oath, in the form of reports or otherwise, complete information relative to any act or transaction referred to in paragraph (1) either before, during, or after the completion thereof, or relative to any interest in foreign property, or relative to any property in which any foreign country or any national thereof has or has had any interest, or as may be otherwise necessary to enforce the provisions of such paragraph. In any case in which a report by a person could be required under this paragraph, the President may require the production of any books of account, records, contracts, letters, memorandums, or other papers, in the custody or control of such person.

(3) Compliance with any regulation, instruction, or direction issued under this title shall to the extent thereof be a full acquittance and discharge for all purposes of the obligations of the person making the same. No person shall be held liable in any court for or with respect to anything done or omitted in good faith in connection with the administration of, or pursuant to and in reliance on, this title, or any regulation, instruction, or direction issued under this title.

(b) The authority granted to the President by this section does not include the authority to regulate or prohibit, directly or indirectly—

(1) any postal, telegraphic, telephonic, or other personal communication, which does not involve a transfer of anything of value;

(2) donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering, except to the extent that the President determines that such donations (A) would seriously impair his ability to deal with any national emergency, declared under section 202 of this title, (B) or in response to coercion against the proposed recipient or donor, or (C) would endanger Armed Forces of the United States which are engaged in hostilities or are in a situation where imminent involvement in hostilities is clearly indicated by the circumstances.

(3) the importation from any country, or the exportation to any country, whether commercial or otherwise, regardless of format or medium of transmission, of any information or informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds. The exports exempted from regulation or prohibition by this paragraph do not include those which are otherwise controlled for export under section 5 of the Export Administration Act of 1979, or under section 6 of such Act to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States, or with respect to which acts are prohibited by chapter 37 of title 18, United States Code; or

(4) any transactions ordinarily incident to travel to or from any country, including importation of accompanied baggage for personal use, maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and arrangement or facilitation of such travel including nonscheduled air, sea, or land voyages.

(c) CLASSIFIED INFORMATION.—In any judicial review of a determination made under this section, if the determination was based on classified information (as defined in section 1(a) of the Classified Information Procedures Act) such information may be submitted to the reviewing court *ex parte* and *in camera*. This subsection does not confer or imply any right to judicial review.

(d) PERIODIC EVALUATION.—

(1) IN GENERAL.—*If the authority granted to the President under this section is exercised with respect to a covered national emergency, the President shall transmit to the appropriate congressional committees, not less frequently than annually, a periodic evaluation in writing that—*

(A) *assesses the effectiveness of the exercise of such authority in resolving the covered national emergency;*

(B) *considers the views of public- and private-sector stakeholders; and*

(C) *discusses any potential changes to the exercise of the authority for the purpose of more effectively resolving the covered national emergency.*

(2) DEFINITIONS.—*In this subsection—*

(A) *the term “appropriate congressional committees” means—*

(i) *the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Oversight and Accountability of the House of Representatives; and*

(ii) *the Committee on Homeland Security and Governmental Affairs, the Committee on Foreign Relations, and the Committee on Banking, Housing, and Urban Affairs of the Senate; and*

(B) *the term “covered national emergency” means a national emergency that—*

(i) *the President has declared, within the preceding 5-year period, with respect to any national emergency regarding international drug trafficking; and*

(ii) *has not terminated.*

CONSULTATION AND REPORTS

SEC. 204. (a) The President, in every possible instance, shall consult with [the Congress] *the appropriate congressional committees* before exercising any of the authorities granted by this title and shall consult regularly with [the Congress] *the appropriate congressional committees* so long as such authorities are exercised.

(b) Whenever the President exercises any of the authorities granted by this title, he shall immediately transmit to [the Congress] *the appropriate congressional committees* a report specifying—

(1) the circumstances which necessitate such exercise of authority;

(2) why the President believes those circumstances constitute an unusual and extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States;

(3) the authorities to be exercised and the actions to be taken in the exercise of those authorities to deal with those circumstances;

(4) why the President believes such actions are necessary to deal with those circumstances; and

(5) any foreign countries with respect to which such actions are to be taken and why such actions are to be taken with respect to those countries.

(c) At least once during each succeeding six-month period after transmitting a report pursuant to subsection (b) with respect to an exercise of authorities under this title, the President shall report to [the Congress] *the appropriate congressional committees* with respect to the actions taken, since the last such report, in the exercise of such authorities, and with respect to any changes which have occurred concerning any information previously furnished pursuant to paragraphs (1) through (5) of subsection (b).

(d) The requirements of this section are supplemental to those contained in title IV of the National Emergencies Act.

(e) *APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.*—*In this section, the term “appropriate congressional committees” has the meaning given that term in section 203(d)(2).*

AUTHORITY TO ISSUE REGULATIONS

SEC. 205. [The President] (a) *The President* may issue such regulations, including regulations prescribing definitions, as may be necessary for the exercise of the authorities granted by this title.

(b) *In issuing regulations under subsection (a) pursuant to a covered national emergency (as defined in section 203), the President shall—*

(1) consider the costs and benefits of available statutory and regulatory alternatives;

(2) evaluate the costs and benefits for the purpose of expeditiously resolving the applicable national emergency;

(3) establish criteria for the eventual termination of the applicable national emergency; and

(4) include in the basis and purpose incorporated in the regulations—

(A) an explanation of how the regulations will resolve the applicable national emergency; and

(B) a discussion of the costs and benefits.

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