

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 5841  
OFFERED BY MR. SHERMAN OF CALIFORNIA**

Page 41, after line 9, insert the following:

1 **SEC. 311. PROHIBITIONS RELATED TO STATE SPONSORS OF**  
2 **TERROR.**

3 Section 721 of the Defense Production Act of 1950  
4 (50 U.S.C. 4565), as amended by section 602, is further  
5 amended by adding at the end the following:

6 **“(t) PROHIBITIONS RELATED TO STATE SPONSORS**  
7 **OF TERRORISM.—**

8 **“(1) IN GENERAL.—**No person may enter into  
9 a covered transaction if the President determines  
10 such transaction could result in control of any per-  
11 son engaged in interstate commerce in the United  
12 States by a State Sponsor of Terrorism, any indi-  
13 vidual domiciled in such country, or any person in-  
14 corporated or having its principal place of business  
15 in such a country.

16 **“(2) EXCEPTIONS.—**The prohibition under  
17 paragraph (1) shall not apply to a person who—

18 **“(A) maintains their primary place of resi-**  
19 **dence within the United States;**

1           “(B) has obtained refugee or asylum sta-  
2           tus in the United States;

3           “(C) has been approved for lawful perma-  
4           nent resident status within the United States  
5           and intends to relocate to the United States; or

6           “(D) demonstrates to the satisfaction of  
7           the Committee that they intend to relocate from  
8           a State Sponsor of Terrorism to any other  
9           country and are or were members of an opposi-  
10          tion group within a State Sponsor of Terrorism  
11          which has promoted policies determined to be in  
12          the interests of the United States.

13          “(3) WAIVER.—The President may waive the  
14          application of paragraph (1) with respect to a spe-  
15          cific covered transaction or a category of covered  
16          transactions, if the President determines and cer-  
17          tifies in writing to the Congress that such waiver is  
18          in the national security interests of the United  
19          States.

20          “(4) ENFORCEMENT.—The President may di-  
21          rect the Attorney General of the United States to  
22          seek appropriate relief, including divestment relief,  
23          in the district courts of the United States, in order  
24          to implement and enforce this subsection.

1           “(5) DEFINITION.—For purposes of this sub-  
2           section, the term ‘State Sponsor of Terrorism’  
3           means a country the government of which the Sec-  
4           retary of State determines has repeatedly provided  
5           support for international terrorism pursuant to—

6                   “(A) section 6(j) of the Export Adminis-  
7                   tration Act of 1979 (as continued in effect  
8                   under the International Emergency Economic  
9                   Powers Act (50 U.S.C. 1701 et seq.);

10                   “(B) section 620A of the Foreign Assist-  
11                   ance Act of 1961 (22 U.S.C. 2371);

12                   “(C) section 40 of the Arms Export Con-  
13                   trol Act (22 U.S.C. 2780); or

14                   “(D) any other provision of law.”.

