

116TH CONGRESS
2D SESSION

H. R. 6270

To amend the Securities Exchange Act of 1934 to require issuers to make certain disclosures relating to the Xinjiang Uyghur Autonomous Region, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 2020

Ms. WEXTON (for herself, Mr. SHERMAN, Ms. NORTON, and Mr. CARSON of Indiana) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to require issuers to make certain disclosures relating to the Xinjiang Uyghur Autonomous Region, 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 “Uyghur Forced Labor
5 Disclosure Act of 2020”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) Since early 2017, the Government of the
2 People’s Republic of China has conducted a policy of
3 disappearance, mass internment, and imprisonment
4 of Turkic Muslims, particularly Uyghurs, in China’s
5 Xinjiang Uyghur Autonomous Region (XUAR).

6 (2) Since 2014, Chinese authorities have de-
7 tained between 800,000 and possibly up to three
8 million Uyghurs, ethnic Kazakhs, Kyrgyz, and other
9 ethnic minorities in forced education, training, and
10 labor camps.

11 (3) The bi-partisan, bi-cameral Congressional-
12 Executive Commission on China’s 2019 Annual Re-
13 port found numerous reports of forced labor associ-
14 ated with government repression of ethnic minority
15 groups in the XUAR. Detainees performed forced
16 labor in factories both within and outside of intern-
17 ment camps in XUAR.

18 (4) Radio Free Asia reported in January 2019
19 that authorities had also sent Uyghurs and Kazakhs
20 from the XUAR to other provinces in China for
21 forced labor.

22 (5) Comments in March 2018 from the presi-
23 dent of the China National Textile and Apparel
24 Council suggested that textile manufacturers were

1 working with XUAR authorities to exploit forced
2 labor.

3 (6) Companies that work in the XUAR are at
4 great risk of complicity in the human rights abuses
5 being committed in the region.

6 (7) In a March 2020 report, the Australian
7 Strategic Policy Institute identified 27 factories in
8 nine Chinese provinces that are using Uyghur labor
9 transferred from Xinjiang. These factories indirectly
10 supply global brands, including many American mul-
11 tinational companies.

12 (8) Forced labor in XUAR is Chinese govern-
13 ment policy and due diligence efforts to ensure clean
14 supply chains is nearly impossible due to mass sur-
15 veillance, pervasive police presence, and intimidation
16 of workers.

17 (9) The human rights policies, practices, and
18 impacts of publicly traded companies in the United
19 States are material to securities reporting.

20 (10) An increasing percentage of investors con-
21 sider human rights risks as a part of their invest-
22 ment decision-making process.

1 **SEC. 3. DISCLOSURE OF CERTAIN ACTIVITIES RELATING TO**
2 **THE XINJIANG UYGHUR AUTONOMOUS RE-**
3 **GION.**

4 Section 13 of the Securities Exchange Act of 1934
5 (15 U.S.C. 78m) is amended by adding at the end the
6 following:

7 “(s) DISCLOSURE OF CERTAIN ACTIVITIES RELAT-
8 ING TO THE XINJIANG UYGHUR AUTONOMOUS REGION.—

9 “(1) IN GENERAL.—Not later than the end of
10 the 180-day period beginning on the date of enact-
11 ment of this subsection, the Commission shall issue
12 rules to require each issuer required to file an an-
13 nual report under this section or section 15(d) or a
14 proxy statement under section 14 to disclose in each
15 such report or proxy statement whether, during the
16 period covered by the report or proxy statement—

17 “(A) the issuer or any affiliate of the
18 issuer, directly or indirectly, engaged with an
19 entity or the affiliate of an entity to import—

20 “(i) manufactured goods, including
21 electronics, food products, textiles, shoes,
22 and teas, that originated in the XUAR; or

23 “(ii) manufactured goods containing
24 materials that originated or are sourced in
25 the XUAR;

1 “(B) with respect to any goods or mate-
2 rials described under subparagraph (A), wheth-
3 er the goods or material originated in forced
4 labor camps; and

5 “(C) with respect to each manufactured
6 good or material described under subparagraph
7 (A)—

8 “(i) the nature and extent of the com-
9 mercial activity related to such good or
10 material;

11 “(ii) the gross revenue and net prof-
12 its, if any, attributable to the good or ma-
13 terial; and

14 “(iii) whether the issuer or the affil-
15 iate of the issuer intends to continue with
16 such importation.

17 “(2) AVAILABILITY OF INFORMATION.—The
18 Commission shall make all information disclosed
19 pursuant to this subsection available to the public on
20 the website of the Commission.

21 “(3) REPORTS.—

22 “(A) ANNUAL REPORT TO CONGRESS.—
23 The Commission shall—

1 “(i) conduct an annual assessment of
2 the compliance of issuers with the require-
3 ments of this subsection; and

4 “(ii) issue a report to Congress con-
5 taining the results of the assessment re-
6 quired under clause (i).

7 “(B) GAO REPORT.—The Comptroller
8 General of the United States shall periodically
9 evaluate and report to Congress on the effec-
10 tiveness of the oversight by the Commission of
11 the disclosure requirements under this sub-
12 section.

13 “(4) DEFINITIONS.—In this subsection:

14 “(A) FORCED LABOR CAMP.—The term
15 ‘forced labor camp’ means—

16 “(i) any entity engaged in the ‘pairing
17 assistance’ program which subsidizes the
18 establishment of manufacturing facilities in
19 XUAR;

20 “(ii) any entity using convict labor,
21 forced labor, or indentured labor described
22 under section 307 of the Tariff Act of
23 1930 (19 U.S.C. 1307); and

24 “(iii) any other entity that the Com-
25 mission determines is appropriate.

1 “(B) XUAR.—The term ‘XUAR’ means
2 the Xinjiang Uyghur Autonomous Region.”.

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