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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To improve protections with respect to foreign regulation for certain entities integral to the national interests of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. FITZGERALD introduced the following bill; which was referred to the Committee on _____

A BILL

To improve protections with respect to foreign regulation for certain entities integral to the national interests 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 “Protect U.S. Compa-
5 nies from Foreign Regulatory Taxation Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The ability of citizens of the United States
2 to engage in international commerce is a funda-
3 mental policy concern of the United States.

4 (2) Entities in the digital sector contribute sig-
5 nificantly to the prosperity of the United States and
6 the growth of the world economy.

7 (3) The United States has a strategic advan-
8 tage in the responsible development and deployment
9 of artificial intelligence and other critical and emerg-
10 ing technologies.

11 (4) Investments in digital infrastructure and in-
12 novation by the United States are a critical exten-
13 sion of the influence and leadership of the United
14 States abroad.

15 (5) Digital innovation in the United States
16 drives economic growth, streamlines government effi-
17 ciency, and promotes job creation.

18 (6) The national security of the United States
19 is strengthened when United States technology is
20 the backbone of the digital services of the world.

21 (7) United States leadership with respect to
22 technology is under threat due to the proliferation of
23 foreign regulations that target companies from the
24 United States and seek to make United States dig-
25 ital services less competitive.

1 (8) Restrictions, particularly restrictions adopt-
2 ed unilaterally by foreign countries, that are sub-
3 stantially different from restrictions applied by the
4 United States and that unreasonably hinder the abil-
5 ity of entities integral to the national interests of the
6 United States to pursue commercial activities can
7 have serious adverse effects on employment, eco-
8 nomic stability, scientific progress, and international
9 trade, with the potential to impede domestic and for-
10 eign policy goals.

11 (9) The United States has an essential security
12 interest in protecting the safety of the citizens of the
13 United States, securing supply chains for strategi-
14 cally significant industries and infrastructure, and
15 ensuring that industrial sectors related to national
16 security are protected from the influence and control
17 of malign foreign entities.

18 **SEC. 3. PROTECTIONS WITH RESPECT TO FOREIGN REGU-**
19 **LATION.**

20 (a) PROHIBITION.—No judgment against an entity
21 integral to the national interests of the United States by
22 a court or agency of a foreign government with respect
23 to a foreign digital market regulation may be recognized
24 or enforced by any Federal or State court or agency unless
25 otherwise provided for in an Act of Congress.

1 (b) ACTIONS BY PRESIDENT.—

2 (1) IN GENERAL.—The President is authorized
3 to take any action the President determines is in the
4 public interest to protect an entity integral to the
5 national interests of the United States from an ad-
6 verse action by a court or agency of a foreign gov-
7 ernment with respect to a foreign digital market reg-
8 ulation.

9 (2) DETERMINATION OF PUBLIC INTEREST.—In
10 determining under paragraph (1) whether an action
11 is in the public interest, the President shall consider
12 the impact of the relevant adverse action on—

13 (A) consumers and businesses in the
14 United States;

15 (B) the economic and technological secu-
16 rity of the United States; and

17 (C) the foreign relations of the United
18 States, including existing international commit-
19 ments.

20 **SEC. 4. DEFINITIONS.**

21 In this Act:

22 (1) CORE PLATFORM SERVICE.—The term
23 “core platform service” has the meaning given such
24 term in article 2 of chapter I of the Digital Markets
25 Act.

1 (2) DIGITAL MARKETS ACT.—The term “Digital
2 Markets Act” means—

3 (A) Regulation (EU) 2022/1925 of the Eu-
4 ropean Parliament and of the Council of 14
5 September 2022 on contestable and fair mar-
6 kets in the digital sector and amending Direc-
7 tives (EU) 2019/1937 and (EU) 2020/1828
8 (Digital Markets Act); and

9 (B) any successor to such regulation.

10 (3) END-USER.—The term “end-user” has the
11 meaning given such term in section 301 of the Com-
12 prehensive Iran Sanctions, Accountability, and Di-
13 vestment Act of 2010 (22 U.S.C. 8541).

14 (4) ENTITY INTEGRAL TO THE NATIONAL IN-
15 TERESTS OF THE UNITED STATES.—The term “enti-
16 ty integral to the national interests of the United
17 States” means any entity—

18 (A) that—

19 (i) does business with the Federal
20 Government, including through Federal
21 contract awards or leases;

22 (ii) is organized under the laws of a
23 State;

24 (iii) provides a core platform service;

25 and

1 (iv) is required to comply with re-
2 quirements under a foreign digital market
3 regulation; or

4 (B) that the President otherwise deter-
5 mines is integral to the national interests of the
6 United States.

7 (5) FOREIGN DIGITAL MARKET REGULATION.—

8 (A) IN GENERAL.—The term “foreign dig-
9 ital market regulation” means any law, regula-
10 tion, or other legal instrument adopted by a for-
11 eign government that requires an entity to—

12 (i) provide interoperability with re-
13 spect to any operating systems of such en-
14 tity;

15 (ii) disclose information protected
16 under the laws of the United States, in-
17 cluding with respect to intellectual prop-
18 erty rights, proprietary algorithms, or
19 trade secret protections;

20 (iii) restrict the use of personal data
21 lawfully collected under the laws of the
22 United States, including if collected for the
23 purpose of providing online advertising
24 services;

1 (iv) provide sensitive data to third
2 parties, including ranking, query, click,
3 and view data related to free and paid
4 searches generated by end-users or any
5 other customer data;

6 (v) promote rival entities by prohib-
7 iting the entity from giving more favorable
8 treatment to the services and products of
9 the entity as compared to equivalent serv-
10 ices and products offered by rival entities;

11 (vi) ensure that rival entities are per-
12 mitted to communicate with users, promote
13 offers, and conclude contracts through
14 channels other than channels controlled by
15 the entity, including in relation to users
16 acquired via the services of the entity;

17 (vii) provide for data portability, limit
18 marketing, or limit competitive pricing
19 measures; or

20 (viii) cease ordinary business oper-
21 ations without a finding of fault or a dem-
22 onstration of immediate and irreparable
23 harm by an authorized adjudicatory body.

24 (B) EXCEPTION.—The term “foreign dig-
25 ital market regulation” does not apply to any

1 law, regulation, or other legal instrument that
2 is substantively similar to a law, regulation, or
3 other legal instrument established by an Act of
4 Congress.

5 (C) INCLUSION.—The term “foreign digital
6 market regulation” includes the Digital Mar-
7 kets Act.

8 (6) STATE.—The term “State” means each
9 State of the United States, the District of Columbia,
10 and each territory or possession of the United
11 States.