

118TH CONGRESS
1ST SESSION

H. R. 5404

To direct the Attorney General to prepare a report on the Department of Justice activities related to countering Chinese national security threats, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 12, 2023

Mr. FITZGERALD (for himself, Mr. BUCK, Ms. STEFANIK, Mr. WALTZ, and Mr. LAMBORN) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To direct the Attorney General to prepare a report on the Department of Justice activities related to countering Chinese national security threats, 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 “Countering Chinese
5 Espionage Reporting Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) The Chinese Communist Party poses perva-
2 sive and growing threats to United States domestic
3 national security.

4 (2) On November 1, 2018, the Department of
5 Justice launched a new initiative, referred to as the
6 “China Initiative”, to address some of the most crit-
7 ical threats to United States domestic national secu-
8 rity posed by the Chinese regime.

9 (3) The China Initiative has sought to identify
10 and prosecute Chinese trade-secret theft and eco-
11 nomic espionage and to protect American critical in-
12 frastructure and supply chains from covert influence.

13 (4) The Chinese Communist Party’s aggression
14 is a pervasive and growing problem, as approxi-
15 mately 80 percent of all Federal economic espionage
16 prosecutions involve alleged conduct that would ben-
17 efit the Chinese Communist Party, and about 60
18 percent of all United States trade-secret theft cases
19 have a nexus to the Chinese Communist Party.

20 (5) According to the Commission on the Theft
21 of American Intellectual Property, the Chinese Com-
22 munist Party’s theft of United States intellectual
23 property is estimated to cost the United States econ-
24 omy between \$225,000,000,000 to
25 \$600,000,000,000 annually.

1 (6) The Department of Justice has identified
2 academia as one of the sectors of the United States
3 economy that are most vulnerable to trade-secret
4 theft and economic espionage by the Chinese Com-
5 munist Party. The Chinese Communist Party ex-
6 ploits the American tradition of openness and the
7 free flow of ideas for its own benefit.

8 (7) The widespread and dangerous threats
9 posed by the Chinese Communist Party has been un-
10 derscored by the most senior-level United States
11 Government officials.

12 (8) On November 1, 2018, the former Assistant
13 Attorney for the Department of Justice’s National
14 Security Division stated, “China wants the fruits of
15 America’s brainpower to harvest the seeds of its
16 planned economic dominance. Preventing this from
17 happening will take all of us, here at the Justice De-
18 partment, across the U.S. Government, and within
19 the private sector”.

20 (9) On June 24, 2020, the former National Se-
21 curity Advisor of the White House stated that the
22 Chinese Communist Party “is seeking leverage over
23 individual Americans” and “collecting your most in-
24 timate data—your words, your actions, your pur-
25 chases, your whereabouts, your health records, your

1 social media posts, your texts, and mapping your
2 network of friends, family, and acquaintances”.

3 (10) On July 7, 2020, the Director of the Fed-
4 eral Bureau of Investigation warned that “[t]he
5 greatest long-term threat to our nation’s information
6 and intellectual property, and to our economic vital-
7 ity, is the counterintelligence and economic espio-
8 nage threat from China”.

9 (11) The Director of the Federal Bureau of In-
10 vestigation added that “[w]e’ve now reached the
11 point where the FBI is opening a new China-related
12 counterintelligence case about every 10 hours. Of the
13 nearly 5,000 active FBI counterintelligence cases
14 currently underway across the country, almost half
15 are related to China”.

16 (12) On July 16, 2020, the former Attorney
17 General of the Department of Justice stated that
18 “[t]he ultimate ambition of China’s rulers isn’t to
19 trade with the United States. It is to raid the
20 United States”.

21 (13) On July 23, 2020, the former Secretary of
22 the Department of State stated that “[w]e [the
23 United States] must admit a hard truth that should
24 guide us in the years and decades to come, that if
25 we want a free 21st century, and not the Chinese

1 century of which Xi Jinping dreams, the old para-
2 digm of blind engagement with China simply won't
3 get it done. We must not continue it and we must
4 not return it''.

5 (14) Actions by the Biden administration have
6 raised serious concerns about its commitment to
7 confront the national security threats posed by the
8 Chinese Communist Party.

9 (15) In July 2021, the Biden administration's
10 Department of Justice moved to dismiss charges
11 against several suspected Chinese researchers ac-
12 cused of concealing ties to the Chinese military.

13 (16) On February 23, 2022, the Biden adminis-
14 tration's Department of Justice announced the end
15 of its national security program aimed at prioritizing
16 and countering legitimate threats of economic espio-
17 nage, theft of American intellectual property and re-
18 search, and other threats posed by the Chinese Com-
19 munist Party to the United States.

20 (17) This action comes at a time when Presi-
21 dent Biden's leadership in only a short period has
22 resulted in many foreign policy missteps, notably in
23 Afghanistan, Russia, and Iran.

24 (18) The United States efforts to combat the
25 Chinese Communist Party's malign activities should

1 actively protect United States domestic national se-
2 curity, and address the strategic failures described
3 in this section.

4 **SEC. 3. REPORT ON DEPARTMENT OF JUSTICE ACTIVITIES**
5 **RELATED TO COUNTERING CHINESE NA-**
6 **TIONAL SECURITY THREATS.**

7 (a) REQUIREMENT.—Not later than 90 days after the
8 date of the enactment of this Act, and each year thereafter
9 for 7 years, the Attorney General shall submit to the Com-
10 mittees on the Judiciary of the House of Representatives
11 and of the Senate a report that includes each of the fol-
12 lowing:

13 (1) A description of the activities and oper-
14 ations of the Department of Justice related to coun-
15 tering Chinese national security threats and espio-
16 nage in the United States, including trade-secret
17 theft, theft of United States intellectual property
18 and research, and threats from non-traditional col-
19 lectors, such as researchers in laboratories, at uni-
20 versities, and at defense industrial base facilities (as
21 that term is defined in section 2208(u)(3) of title
22 10, United States Code).

23 (2) An accounting of the resources of the De-
24 partment of Justice that are dedicated to programs
25 aimed at combating national security threats posed

1 by the Chinese Communist Party, and any sup-
2 porting information as to the efficacy of each such
3 program.

4 (b) FORM.—The report under subsection (a) shall be
5 submitted in unclassified form, but may include a classi-
6 fied annex. On the date on which the Attorney General
7 submits each report under subsection (a), the Attorney
8 General shall make such report publicly available on the
9 website of the Department of Justice.

10 (c) CONSULTATION.—In preparing the report under
11 subsection (a), the Attorney General shall consult with
12 other appropriate officials.

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