

117TH CONGRESS  
1ST SESSION

# H. R. 5635

To provide for the establishment of an interagency working group to combat the theft of United States intellectual property, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 20, 2021

Ms. HOULAHAN (for herself and Ms. MALLIOTAKIS) introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To provide for the establishment of an interagency working group to combat the theft of United States intellectual property, 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 “Intellectual Property  
5       Violators Accountability and Transparency Act”.

6       **SEC. 2. SENSE OF CONGRESS.**

7       It is the sense of Congress that—

8               (1) the United States global leadership position  
9       has benefitted immeasurably from the public and  
10       private sector’s unparalleled track record of fostering

1 an environment capable of marshaling capital, devel-  
2 oping new technologies, and producing new innova-  
3 tions;

4 (2) the changing nature of the world economy,  
5 with ever more globalization and increasing returns  
6 to scale on new technologies, has made it more im-  
7 portant than ever to stay on the cutting edge of the  
8 technological frontier;

9 (3) the People's Republic of China continues to  
10 be a leading violator of intellectual property rights in  
11 the world as documented by the United States Trade  
12 Representative's 2021 Special 301 Report, and esti-  
13 mates place the cost of intellectual property theft by  
14 China of between \$200 and \$600 billion per year;

15 (4) the growing scope of research dollars per in-  
16 novative discovery make the harms and costs of in-  
17 tellectual property theft more acute now than any  
18 time in history;

19 (5) the importance of protecting the intellectual  
20 property of United States technology and tele-  
21 communications firms is of paramount importance  
22 to the dynamism and resilience of the United States  
23 economy and the preservation of United States na-  
24 tional security; and

1           (6) United States national security is threat-  
2           ened by widespread intellectual property theft, and it  
3           is crucial that the United States Government, in co-  
4           ordination with the private sector, act to curtail  
5           thieves of American ingenuity.

6 **SEC. 3. WORKING GROUP ON UNITED STATES INTELLEC-**  
7 **TUAL PROPERTY PROTECTION.**

8           (a) ESTABLISHMENT.—Not later than 90 days after  
9           the date of the enactment of this Act, the President shall  
10          establish an interagency working group—

11               (1) to combat the theft of United States intel-  
12          lectual property; and

13               (2) examine how the tools and levers of foreign  
14          policy, including the use of existing authorities, can  
15          be used to protect United States intellectual prop-  
16          erty.

17          (b) MEMBERSHIP; CHAIRPERSON.—The interagency  
18          working group established pursuant to subsection (a)  
19          shall—

20               (1) be composed of the head or designee of each  
21          Federal department or agency that the President de-  
22          termines to be appropriate; and

23               (2) be chaired by the Secretary of State or the  
24          Secretary's designee.

1 **SEC. 4. REPORT.**

2 (a) IN GENERAL.—Not later than one year after the  
3 date of the enactment of this Act, the Secretary of State,  
4 in consultation with the interagency working group estab-  
5 lished pursuant to section 3(a), shall submit to the Com-  
6 mittee on Foreign Affairs of the House of Representatives  
7 and the Committee on Foreign Relations of the Senate  
8 a report that includes the following:

9 (1) An identification of major foreign state-in-  
10 fluenced or state-owned enterprises that the Sec-  
11 retary credibly determines have engaged in or bene-  
12 fitted from significant acts or series of acts of intel-  
13 lectual property theft against United States persons.

14 (2) An identification of the markets in which  
15 such foreign enterprises sell products or services  
16 that incorporate or are derived from stolen United  
17 States intellectual property.

18 (3) A determination of whether the actions  
19 taken by such foreign enterprises have resulted in  
20 enforcement actions, and if they have not, an anal-  
21 ysis of whether there are gaps in the enforcement  
22 framework or other rationale for the lack of enforce-  
23 ment actions in these cases.

24 (4) Any proposed new authorities Congress  
25 could provide to the President to combat intellectual  
26 property theft by such foreign enterprises.

- 1 (b) FORM.—The report required by subsection (a)
- 2 shall be submitted in unclassified form, but may include
- 3 a classified annex.

