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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To amend the Export Control Reform Act of 2018 to require a competitive market review of applications for a license to export, reexport, or transfer in-country certain technology, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Export Control Reform Act of 2018 to require a competitive market review of applications for a license to export, reexport, or transfer in-country certain technology, 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 “Protecting American
5 Competition Act of 2026”.

1 **SEC. 2. INITIAL LICENSE REVIEW.**

2 (a) IN GENERAL.—Section 1756 of the Export Con-
3 trol Reform Act of 2018 (50 U.S.C. 4815) is amended
4 by adding at the end the following:

5 “(f) INITIAL LICENSE REVIEW.—

6 “(1) IN GENERAL.—In reviewing an application
7 for a license or other authorization for the export,
8 reexport, or in-country transfer of items controlled
9 under this part, the Under Secretary for Industry
10 and Security (Under Secretary) shall consider
11 whether the requested license or other authorization,
12 if issued, would be the initial license or other author-
13 ization for the export, reexport, or in-country trans-
14 fer of such item to an ultimate consignee or end
15 user.

16 “(2) TREATMENT OF SUBSEQUENT LICENSE
17 APPLICATIONS.—After issuing an initial license or
18 other authorization for the export, reexport, or in-
19 country transfer of an item described in paragraph
20 (1), the Under Secretary should attempt to admin-
21 ister in a timely manner any subsequent application
22 by other applicants for a license or other authoriza-
23 tion for the same or a similar item to the same ulti-
24 mate consignee or end user as the initial license.

25 “(3) REPORT TO CONGRESS.—No later than
26 one year after the date of the enactment of this sub-

1 section, and annually thereafter, the Under Sec-
2 retary shall submit to the appropriate congressional
3 committees a report that details—

4 “(A) the number of initial licenses granted,
5 if any, in the previous calendar year for which
6 there were other applications submitted to ex-
7 port, re-export, or in-country transfer the same
8 or a similar item to the same ultimate con-
9 signee or end-user;

10 “(B) the details of the initial licenses
11 granted, if any, for which there were other ap-
12 plications submitted for a license to export, re-
13 export, or in-country transfer the same or a
14 similar item to the same ultimate consignee or
15 end-user, and the details and outcome of such
16 other submitted applications; and

17 “(C) the reason for creating an initial li-
18 cense to export, re-export, or in-country trans-
19 fer of the item or a similar item to the ultimate
20 consignee or end-user when there were other
21 applications for the submitted for a license to
22 export, re-export, or in-country transfer a same
23 or similar item to the same ultimate consignee
24 or end-user.

1 “(4) RULE OF CONSTRUCTION.—Nothing in
2 this Act shall be construed to require the Under Sec-
3 retary to delay a licensing decision or administer a
4 licensing decision that is contrary to the national se-
5 curity or foreign policy interests of the United
6 States.

7 “(5) DEFINITIONS.—In this subsection:

8 “(A) APPROPRIATE CONGRESSIONAL COM-
9 MITTEES.—The term ‘appropriate congressional
10 committees’ means the Committee on Foreign
11 Affairs of the House of Representatives and the
12 Committee on Banking, Housing, and Urban
13 Affairs of the Senate.

14 “(B) UNDER SECRETARY.—The term
15 ‘Under Secretary’ means the Under Secretary
16 for Industry and Security, acting in consulta-
17 tion with the Secretary of State, the Secretary
18 of Defense, and the Secretary or Energy, or
19 their designees.”.

20 (b) REPORT.—Not later than 90 days after the date
21 of the enactment of this Act, the Under Secretary for In-
22 dustry and Security shall submit to Congress a report on
23 how the Under Secretary is implementing subsection
24 (f)(2) of section 1756 of the Export Control Reform Act
25 of 2018, as added by subsection (a), including detailing

- 1 any changes to licensing policy or licensing officer oper-
- 2 ating protocols implemented pursuant to implementation
- 3 of such subsection.