AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 1697
OFFERED BY MR. ROYCE OF CALIFORNIA

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Israel Anti-Boycott Act”.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the Government of the United States should use its voice, vote, and influence with and in international governmental organizations to actively oppose politically motivated actions to boycott, divest from, or sanction Israel;

(2) the Government of the United States combats anti-Israel boycotts and other discriminatory activity under the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), under part VI of title X of the Tax Reform Act of 1976 (Public Law 94–455; 90 Stat. 1649) (commonly referred to as the
“Ribicoff Amendment”), through trade promotion authorities, in free trade agreements, and in accession negotiations to the World Trade Organization; however, due to the increased anti-Israel economic activity in international governmental organizations, it is necessary to update Federal authorities to combat anti-Israel boycotts and other discriminatory activity in such fora, including the United Nations Human Rights Council;

(3) actions to boycott, divest from, or sanction Israel represent a concerted effort to extract concessions from Israel outside of direct negotiations between the Israelis and Palestinians; and

(4) the United States-Israel Strategic Partnership Act of 2014 (Public Law 113–296; 128 Stat. 4075) should be fully implemented through enhanced, government-wide, coordinated United States-Israel scientific and technological cooperation in civilian areas, such as with respect to energy, water, agriculture, alternative fuel technology, civilian space technology, and security in order to counter the effects of actions to boycott, divest from, or sanction Israel.
SEC. 3. STATEMENT OF POLICY.

Congress declares it is the policy of the United States—

(1) to oppose restrictive trade practices or boycotts fostered or imposed by any international governmental organization against other countries friendly to the United States or against any United States person, such as the United Nations Human Rights Council resolution adopted on March 24, 2016 (or similar successor resolutions), based on a 2013 United Nations Human Rights Council report, which urges companies not to operate beyond Israel’s 1949 Armistice lines, including East Jerusalem, and calls for the creation of a database of companies that have “enabled, facilitated, and profited from the construction and growth of the settlements” beyond Israel’s 1949 Armistice lines, including East Jerusalem, and related actions; and

(2) to encourage and, in specified cases, require United States persons engaged in the export of goods or technology or other information to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting a restrictive trade practice or boycott fostered or imposed by any international governmental organization against a
country which is friendly to the United States or against any United States person.

SEC. 4. ISSUANCE OF REGULATIONS RELATING TO RESTRICTIVE TRADE PRACTICES AND BOYCOTTS FOSTERED OR IMPOSED BY INTERNATIONAL GOVERNMENTAL ORGANIZATIONS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President shall issue regulations to amend part 760 of title 15, Code of Federal Regulations, relating to restrictive trade practices or boycotts, to prohibit a United States person, with respect to such person’s activities in the interstate or foreign commerce of the United States, from taking or knowingly agreeing to take actions, including furnishing information or entering into or implementing agreements, with intent to comply with, further, or support a restrictive trade practice or boycott fostered or imposed by any international governmental organization against a country which is friendly to the United States and which is not itself the object of any form of boycott pursuant to United States law or regulation.

(b) APPLICATION TO INDIVIDUALS WHO ARE OWNERS, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS OF UNITED STATES PERSONS.—Consistent with enforcement practices under section 8 of the Export Administration
Act of 1979 (50 U.S.C. 4607) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) as in effect on the date of the enactment of this Act, in the case of an individual who is an owner, officer, director, employee or agent of a United States person, the regulations issued under subsection (a) shall apply only with respect to the individual’s activities undertaken in the individual’s capacity as the owner, officer, director, employee or agent of the United States person.

(c) Rule of Construction.—Consistent with enforcement practices under section 8 of the Export Administration Act of 1979 (50 U.S.C. 4607) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) as in effect on the date of the enactment of this Act, nothing in this section or any regulation issued under subsection (a) shall be construed to permit a United States person’s noncommercial speech or other noncommercial expressive activity to be used—

(1) as evidence to prove a violation of this section or any regulation issued under this section; or

(2) as the basis for initiating an investigation into whether such a violation has occurred.
SEC. 5. REPORT ON ACTIONS WITH RESPECT TO UNITED NATIONS HUMAN RIGHTS COUNCIL RESOLUTION A/HRC/31/L.39.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report that contains—


(2) an accounting of the financial costs to the United States of the actions described in paragraph (1); and


SEC. 6. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs of the House of Representatives; and
(B) the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate.

(2) INTERNATIONAL GOVERNMENTAL ORGANIZATION.—The term “international governmental organization” includes the United Nations and the European Union.

Amend the title so as to read: “A bill to direct the President to issue regulations to include in the prohibitions on boycotts against countries friendly to the United States restrictive trade practices or boycotts fostered by international governmental organizations, and for other purposes.”.