

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 7980
OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “End Chinese Domi-
3 nance of Electric Vehicles in America Act of 2024”.

**4 SEC. 2. EXCLUSION FROM CLEAN VEHICLE CREDIT OF VE-
5 HICLES CONTAINING MATERIALS SOURCED
6 FROM PROHIBITED FOREIGN ENTITIES.**

7 (a) IN GENERAL.—Section 30D(d)(7) of the Internal
8 Revenue Code of 1986 is amended to read as follows:

9 “(7) EXCLUDED ENTITIES.—

10 “(A) IN GENERAL.—For purposes of this
11 section, the term ‘new clean vehicle’ shall not
12 include any vehicle—

13 “(i) with respect to which any of the
14 components contained in the drive battery
15 or any material contained in such a compo-
16 nent was extracted, processed, recycled,
17 manufactured, or assembled by a prohib-
18 ited foreign entity, or

1 “(ii) the drive battery of which is de-
2 signed, manufactured, or produced using
3 any process attributable to any licensing,
4 royalty, service, or similar agreement with
5 a prohibited foreign entity the estimated
6 total contract cost, including variable, con-
7 tingent, or sales-based payments, of which
8 exceeds \$5,000,000.

9 “(B) PROHIBITED FOREIGN ENTITY.—For
10 purposes of subparagraph (A), the term ‘pro-
11 hibited foreign entity’ means—

12 “(i) any foreign entity of concern (as
13 defined in section 40207(a)(5) of the In-
14 frastructure Investment and Jobs Act),

15 “(ii) any entity with respect to which
16 the government of a covered nation has the
17 right or power (directly or indirectly) to
18 appoint or approve the appointment of a
19 covered officer, or

20 “(iii) any entity 25 percent or more of
21 the capital or profits interests of which are
22 owned (directly or indirectly) in the aggre-
23 gate by 1 or more of the following:

24 “(I) A covered nation or an enti-
25 ty described in clause (i) or (ii).

1 “(II) A citizen, national, or resi-
2 dent of a covered nation.

3 “(III) An entity organized under
4 the laws of a covered nation.

5 “(C) COVERED OFFICER.—For purposes of
6 this paragraph, the term ‘covered officer’
7 means—

8 “(i) any member of the board of direc-
9 tors, board of supervisors, or an equivalent
10 governing body,

11 “(ii) the president, senior vice presi-
12 dent, chief executive officer, chief operating
13 officer, chief financial officer, or general
14 counsel, or

15 “(iii) any individual who performs du-
16 ties usually associated with a title listed in
17 clause (i) or (ii).

18 “(D) COVERED NATION.—For purposes of
19 this paragraph, the term ‘covered nation’ has
20 the meaning given such term in section 4872(d)
21 of title 10, United States Code.

22 “(E) DRIVE BATTERY.—For purposes of
23 this paragraph, the term ‘drive battery’ means,
24 with respect to a vehicle, the battery from

1 which the electric motor of such vehicle draws
2 electricity.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 this section shall apply to vehicles placed in service after
5 the date of enactment of this Act.

