

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5534

Providing that State and local laws prohibiting or otherwise restricting economic activity with foreign countries are null and void.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 24, 2000

Mr. OXLEY introduced the following bill; which was referred to the Committee on International Relations

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## A BILL

Providing that State and local laws prohibiting or otherwise restricting economic activity with foreign countries are null and void.

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 “Uniform Trade Sanc-  
5       tions Act”.

6       **SEC. 2. FINDINGS.**

7       The Congress makes the following findings:

8               (1) Article VI of the United States Constitution  
9       provides that the laws and treaties of the United

1 States are “the Supreme Law of the Land” and the  
2 judges in every State shall be bound thereby.

3 (2) Article I, section 8, clause 3 of the Con-  
4 stitution authorizes the Congress to regulate com-  
5 merce with foreign nations, among the several  
6 States, and among Indian tribes. This clause by im-  
7 plication prohibits States from unreasonably bur-  
8 dening or discriminating against such commerce un-  
9 less Congress has authorized States to do so.

10 (3) The Supreme Court has also consistently  
11 recognized in numerous decisions that the Federal  
12 Government has complete and exclusive power over  
13 the foreign affairs of the United States. The United  
14 States District Court for the District of Massachu-  
15 setts recently reiterated this exclusive foreign affairs  
16 power in striking down the Massachusetts law im-  
17 posing sanctions on Burma.

18 **SEC. 3. INEFFECTIVENESS OF STATE AND LOCAL LAWS**  
19 **REGULATING ECONOMIC ACTIVITY WITH**  
20 **FOREIGN COUNTRIES.**

21 (a) GENERAL RULE.—Any law of a State or local  
22 unit of government that imposes any restriction or condi-  
23 tion on economic activity with respect to a specified for-  
24 eign country, or with a foreign country or nationals or en-  
25 tities of a foreign country by reason of specified conduct

1 by such foreign country, nationals, or entities, shall have  
2 no force or effect.

3 (b) SPECIFIC MEASURES DESCRIBED.—For purposes  
4 of subsection (a), a restriction or condition on economic  
5 activity with respect to a foreign country, national, or enti-  
6 ty includes, but is not limited to, the following:

7 (1) The suspension, restriction, or prohibition  
8 of exports or imports of any product, technology, or  
9 service to or from that foreign country, national, or  
10 entity.

11 (2) The suspension of, or any restriction or pro-  
12 hibition on, providing goods or services to, or engag-  
13 ing in any financial transaction with, the govern-  
14 ment of that foreign country, national, or entity.

15 (3) Any restriction or prohibition on having a  
16 place of business in that foreign country or with that  
17 foreign national or entity.

18 (4) Any restriction or prohibition on being a  
19 business entity that is owned or controlled by an-  
20 other entity that engages in any of the activities sus-  
21 pended, restricted, or prohibited as described in  
22 paragraph (1), (2), or (3).

23 (5) Any restriction or prohibition on acquiring  
24 or having an ownership interest in an entity that  
25 provides goods or services as described in paragraph

1 (2), in an entity that has a place of business de-  
2 scribed in paragraph (3), or in a business entity de-  
3 scribed in paragraph (4).

4 (6) A measure imposing any prohibition, re-  
5 striction, or condition on economic activity on any  
6 foreign government, national, or entity on the  
7 ground that such government, national, or entity  
8 provides goods or services to, or engages in any fi-  
9 nancial transaction with, the government of the for-  
10 eign country, national, or entity referred to in the  
11 matter preceding paragraph (1).

12 (7) A measure imposing any prohibition, re-  
13 striction, or condition on economic activity on any  
14 person that is a national of a foreign country, or on  
15 any government or other entity of a foreign country,  
16 on the ground that the government of that country  
17 has not taken measures in cooperation with, or simi-  
18 lar to, sanctions imposed by the applicable State or  
19 local unit of government on the foreign country, na-  
20 tional, or entity referred to in the matter preceding  
21 paragraph (1).

22 (8) A measure that imposes taxes on economic  
23 activity with the foreign country, national, or entity  
24 referred to in the matter preceding paragraph (1).

1 **SEC. 4. ENFORCEMENT.**

2 (a) SUITS BY THE ATTORNEY GENERAL.—The Attor-  
3 ney General, on behalf of the United States is authorized  
4 to bring suit to declare invalid or enjoin enforcement of  
5 any State or local restriction or condition to which this  
6 Act applies on the ground that it has not force or effect.

7 (b) REMEDY NON-EXCLUSIVE; PRESERVATION OF  
8 OTHER REMEDIES.—Nothing in this Act shall be con-  
9 strued to preclude or otherwise affect any suit by any per-  
10 son to declare invalid or to enjoin any State or local law  
11 on the ground that it is unconstitutional or on the ground  
12 that it is inconsistent with a Federal law or regulation.

13 **SEC. 5. DEFINITIONS.**

14 For purposes of this Act:

15 (1) The term “financial transaction” has the  
16 meaning given that term in section 1956(c) of title  
17 18, United States Code.

18 (2) The term “State” includes the District of  
19 Columbia and any commonwealth, territory, or pos-  
20 session of the United States.

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