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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To prohibit entities integral to the national interests of the United States from participating in any foreign sustainability due diligence regulation, including the Corporate Sustainability Due Diligence Directive of the European Union, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To prohibit entities integral to the national interests of the United States from participating in any foreign sustainability due diligence regulation, including the Corporate Sustainability Due Diligence Directive of the European Union, 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 “Prevent Regulatory
5 Overreach from Turning Essential Companies into Tar-
6 gets Act of 2026” or the “PROTECT USA Act of 2026”.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) The ability of citizens of the United States
4 to engage in international commerce is a funda-
5 mental concern of the policy of the United States.

6 (2) Entities in the extractive and manufac-
7 turing sectors contribute significantly to the pros-
8 perity of the United States and the growth of the
9 world economy.

10 (3) Maintaining and, in some cases, increasing
11 access to certain supplies and materials from the ex-
12 tractive sector, including agriculture, energy, mining,
13 and timber, and access to materials from the manu-
14 facturing sector, are critically important for pro-
15 moting economic development and human progress
16 in the United States and around the world.

17 (4) Restrictions, particularly restrictions adopt-
18 ed unilaterally by foreign countries that are substan-
19 tially different from restrictions applied by the
20 United States, that unreasonably hinder the ability
21 of entities integral to the national interests of the
22 United States to pursue their commercial activities
23 can have serious adverse effects on employment, eco-
24 nomic stability, scientific progress, and international
25 trade, with the potential to impede domestic and for-
26 eign policy goals.

1 (5) Maintaining a robust United States energy
2 supply is essential to the continued growth of the
3 physical infrastructure supporting domestic ad-
4 vanced technologies, including data centers and com-
5 puting hubs, and that foreign sustainability regimes
6 with extraterritorial scope pose significant risks to
7 United States competitiveness and innovation.

8 **SEC. 3. DEFINITIONS.**

9 In this Act:

10 (1) ENTITY INTEGRAL TO THE NATIONAL IN-
11 TERESTS OF THE UNITED STATES.—The term “enti-
12 ty integral to the national interests of the United
13 States” means any partnership, corporation, limited
14 liability company, or other business entity—

15 (A) that—

16 (i) is organized under the laws of any
17 State or territory within the United States,
18 or of the District of Columbia; and

19 (ii) conducts substantial business op-
20 erations within the United States; or

21 (B) that the President otherwise identifies
22 as integral to the national interests of the
23 United States.

24 (2) FOREIGN SUSTAINABILITY DUE DILIGENCE
25 REGULATION.—

1 (A) IN GENERAL.—Except as provided in
2 subparagraph (B), the term “foreign sustain-
3 ability due diligence regulation” means any law,
4 regulation, or other legal instrument adopted by
5 a foreign government that requires any person
6 to undertake—

7 (i) an assessment of the environ-
8 mental or social impacts of its operations
9 or value chain;

10 (ii) action to address any impacts
11 identified in the assessment described in
12 clause (i); and

13 (iii) reporting of the impacts and ac-
14 tions described in clauses (i) and (ii).

15 (B) EXCEPTION.—The term “foreign sus-
16 tainability due diligence regulation” does not
17 apply to any law, regulation, or other legal in-
18 strument that is substantively similar to a law,
19 regulation, or other legal instrument that has
20 been adopted or approved by an Act of Con-
21 gress.

22 (C) INCLUSION OF CORPORATE SUSTAIN-
23 ABILITY DUE DILIGENCE DIRECTIVE.—The
24 term “foreign sustainability due diligence regu-
25 lation” includes—

1 (i) the entirety of the Corporate Sus-
2 tainability Due Diligence Directive adopted
3 by the European Union;

4 (ii) any successor directive adopted by
5 the European Union or any member coun-
6 try of the European Union; and

7 (iii) any precursor directive adopted
8 by any member country of the European
9 Union.

10 **SEC. 4. PROHIBITION ON COMPLIANCE WITH FOREIGN SUS-**
11 **TAINABILITY DUE DILIGENCE REGULATIONS.**

12 (a) IN GENERAL.—Except as provided in subsection
13 (b), no entity integral to the national interests of the
14 United States may comply with any foreign sustainability
15 due diligence regulation.

16 (b) EXCEPTION FOR ORDINARY BUSINESS ACTIVI-
17 TIES.—Subsection (a) does not prohibit an entity from un-
18 dertaking actions that it may lawfully take—

19 (1) to comply with a statute of the United
20 States; or

21 (2) in the ordinary course of business, including
22 in response to an information request from a con-
23 sumer or an investor.

24 (c) HARDSHIP RELIEF PROCESS.—

1 (1) PETITION FOR RELIEF.—Any entity inte-
2 gral to the national interests of the United States
3 that believes it will experience particular hardship in
4 connection with the prohibition described in sub-
5 section (a) may petition the President for an exemp-
6 tion from such prohibition.

7 (2) EXEMPTION APPROVAL.—

8 (A) IN GENERAL.—Except as provided in
9 subparagraph (B), a petition from an entity
10 submitted under paragraph (1) shall be grant-
11 ed.

12 (B) DENIAL BY PRESIDENT.—Notwith-
13 standing subparagraph (A), the President may
14 deny a petition from an entity submitted under
15 paragraph (1) if, not later than 30 days after
16 the date on which the President receives such
17 petition, the President provides to the entity a
18 written statement that—

19 (i) denies the petition on the basis
20 that granting the petition would be con-
21 trary to the national interests of the
22 United States;

23 (ii) includes an explanation to support
24 such basis; and

1 (iii) describes any condition the entity
2 could meet such that the petition would be
3 granted.

4 (3) FACTORS TO BE CONSIDERED.—In deciding
5 under paragraph (2)(B) whether to deny a petition
6 from an entity submitted under paragraph (1), the
7 President shall consider the following:

8 (A) The extent to which denying the peti-
9 tion would result in the inability of the relevant
10 entity to participate in value chains associated
11 with products essential for domestic use in the
12 United States.

13 (B) Possible adverse effects on the econ-
14 omy in any locality or region of the United
15 States, including adverse effects on employ-
16 ment.

17 (C) The degree to which granting the peti-
18 tion would impact, directly or indirectly, the
19 United States.

20 (D) The extent to which denying the peti-
21 tion would prevent the entity from divesting in
22 a business formed under the laws of a jurisdic-
23 tion subject to a foreign sustainability due dili-
24 gence regulation.

1 **SEC. 5. PROHIBITION AGAINST ADVERSE ACTION FOR COM-**
2 **PLIANCE WITH THIS ACT.**

3 (a) IN GENERAL.—No person may take any adverse
4 action towards an entity integral to the national interests
5 of the United States for action or inaction related to a
6 foreign sustainability due diligence regulation.

7 (b) JUDGMENTS FOR FOREIGN SUSTAINABILITY DUE
8 DILIGENCE REGULATIONS.—No judgment by a foreign
9 court brought against an entity integral to the national
10 interests of the United States in relation to any foreign
11 sustainability due diligence regulation shall be recognized
12 in the courts of the United States or of the States, unless
13 otherwise provided by an Act of Congress.

14 (c) ENFORCEMENT.—

15 (1) ACTIONS BY THE PRESIDENT.—

16 (A) IN GENERAL.—The President shall
17 take any action the President determines is in
18 the public interest to protect an entity integral
19 to the national interests of the United States
20 from an adverse action related to a foreign sus-
21 tainability due diligence regulation.

22 (B) DETERMINATION OF PUBLIC INTER-
23 EST.—In determining under subparagraph (A)
24 whether an action by the President is in the
25 public interest, the President shall take into ac-

1 count the impact of the adverse action de-
2 scribed in that subparagraph on—

3 (i) consumers and businesses in the
4 United States;

5 (ii) the economic, energy, and environ-
6 mental security of the United States; and

7 (iii) foreign relations of the United
8 States, including existing international
9 commitments.

10 (2) PENALTIES.—A person that violates sub-
11 section (a) or a regulation issued pursuant to this
12 Act shall be subject to a civil penalty of not more
13 than \$1,000,000.