

119TH CONGRESS
2D SESSION

H. R. _____

To direct the Consumer Product Safety Commission to publish a list of foreign-adversary controlled online marketplaces or retailers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. LEE of Florida introduced the following bill; which was referred to the Committee on _____

A BILL

To direct the Consumer Product Safety Commission to publish a list of foreign-adversary controlled online marketplaces or retailers, 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 “Stop the Foreign-ad-
5 versary Retailers Ability to Unleash Danger Act”, or the
6 “Stop the FRAUD Act”.

1 **SEC. 2. LIST OF FOREIGN-ADVERSARY CONTROLLED ON-**
2 **LINE MARKETPLACES AND RETAILERS.**

3 (a) IN GENERAL.—Not later than 180 days after the
4 date of the enactment of this Act, the Commission shall
5 publish on the website of the Commission, and update as
6 necessary, a list that includes the following:

7 (1) Any foreign-adversary controlled online
8 marketplace or retailer.

9 (2) Any online marketplace or retailer—

10 (A) that is controlled by a foreign adver-
11 sary; and

12 (B) that—

13 (i) as described under subsection (b),
14 poses an unacceptable risk to—

15 (I) the national security of the
16 United States; or

17 (II) the security and safety of a
18 person; or

19 (ii) as described under subsection (c),
20 has demonstrated a persistent pattern of
21 importing or facilitating the importation of
22 consumer products that pose a risk of in-
23 jury to a person.

24 (b) DETERMINATION RELATING TO NATIONAL SECU-
25 RITY.—An online marketplace or retailer poses an unac-

1 ceptable risk under this subsection if the Commission de-
2 termines that—

3 (1) an appropriate national security agency
4 made such determination;

5 (2) an interagency body under the executive
6 branch with appropriate expertise relating to na-
7 tional security made such determination; or

8 (3) the Secretary of Commerce made such de-
9 termination pursuant to Executive Order 13873 (84
10 Fed. Reg. 22689; relating to securing the informa-
11 tion and communications technology and services
12 supply chain).

13 (c) DETERMINATION OF PERSISTENT PATTERN OF
14 RISK OF INJURY.—An online marketplace or retailer dem-
15 onstrates a persistent pattern of importing or facilitating
16 the importation of consumer products that pose a risk of
17 injury to a person if the Commission determines that the
18 Commission, in accordance with section 554 of title 5,
19 United States Code—

20 (1) has provided the online marketplace or re-
21 tailer with an opportunity for a hearing;

22 (2) has demonstrated, with clear and convincing
23 evidence, the online marketplace or retailer is con-
24 trolled by a foreign adversary; and

1 (3) has demonstrated the online marketplace or
2 retailer has a documented persistent pattern of im-
3 porting or facilitating the importation of consumer
4 products that pose a risk of injury to a person.

5 (d) NOTICE OF NO UPDATES.—If the Commission
6 does not update the list published under subsection (a)
7 for a period of 12 months, not later than 30 days after
8 the date of such period, the Commission shall notify the
9 public that no update to such list was necessary to—

10 (1) protect the national security of the United
11 States from a foreign-adversary controlled online
12 marketplace or retailer;

13 (2) protect the security and safety of a person
14 from such a marketplace or retailer;

15 (3) address, with respect to such a marketplace
16 or retailer, a persistent pattern of importing or fa-
17 cilitating the importation of consumer products that
18 pose a risk of injury as determined under subsection
19 (c); and

20 (4) update a determination made under sub-
21 section (b).

22 (e) AMENDMENTS.—The Consumer Product Safety
23 Act (15 U.S.C. 2051 et seq.) is amended—

24 (1) in section 3 (15 U.S.C. 2052) by—

1 (A) redesignating paragraphs (8), (9),
2 (10), (11), (12), (13), (14), (15), (16), and
3 (17) as paragraphs (10), (11), (12), (14), (15),
4 (16), (17), (18), (19), and (20), respectively;

5 (B) inserting after paragraph (7) the fol-
6 lowing new paragraphs:

7 “(8) FOREIGN ADVERSARY.—The term ‘foreign
8 adversary’ has the meaning given that the term ‘cov-
9 ered nation’ in section 4872(f) of title 10, United
10 States Code.

11 “(9) FOREIGN-ADVERSARY CONTROLLED ON-
12 LINE MARKETPLACE OR RETAILER.—The term ‘for-
13 eign-adversary controlled online marketplace or re-
14 tailer’ means any of the following:

15 “(A) PDD Holdings.

16 “(B) SHEIN.

17 “(C) Alibaba Group.

18 “(D) Digital Trading Science & Tech-
19 nology (Beijing) Co. Ltd.

20 “(E) A subsidiary of or a successor to an
21 entity described in subparagraphs (A) through
22 (D), to the extent the subsidiary or successor
23 acts as or is an online marketplace or retailer.

24 “(F) An entity owned or controlled directly
25 or indirectly by an entity described in subpara-

1 graphs (A) through (D), to the extent the entity
2 so owned or controlled acts as or is an online
3 marketplace or retailer.

4 “(G) Any other online marketplace or re-
5 tailer on the list published by the Commission
6 pursuant to section 2(a) of the Stop the
7 FRAUD Act.”; and

8 (C) inserting after paragraph (12), as so
9 redesignated, the following new paragraph:

10 “(13) ONLINE MARKETPLACE.—The term ‘on-
11 line marketplace’ has the meaning given that term
12 in section 301(f) of the Consolidated Appropriations
13 Act, 2023 (15 U.S.C. 45f(f)).”;

14 (2) in section 17(a) (15 U.S.C. 2066(a))—

15 (A) in paragraph (4), by striking “or”;

16 (B) in paragraph (5), by striking the pe-
17 riod and inserting “; or”; and

18 (C) by adding at the end the following new
19 paragraph:

20 “(6) is a product that was sold, purchased,
21 paid, stored, shipped, delivered, or otherwise made
22 available in a transaction with a foreign-adversary
23 controlled online marketplace or retailer.”; and

24 (3) in section 19(a) (15 U.S.C. 2068(a))—

25 (A) in paragraph (15), by striking “or”;

1 (B) in paragraph (16), by striking the pe-
2 riod and inserting “; or”; and

3 (C) by adding at the end the following new
4 paragraph:

5 “(17) import or facilitate the importation of a
6 consumer product that was sold, purchased, paid,
7 stored, shipped, delivered, or otherwise made avail-
8 able in a transaction with a foreign-adversary con-
9 trolled online marketplace or retailer.”.

10 (f) JUDICIAL REVIEW.—

11 (1) EXCLUSIVE JURISDICTION.—The United
12 States Court of Appeals for the District of Columbia
13 Circuit shall have exclusive jurisdiction over any
14 challenges to this Act or any action under this Act.

15 (2) STATUTE OF LIMITATIONS.—A challenge to
16 this Act may only be brought—

17 (A) in the case of a challenge to this Act,
18 not later than 165 days after the date of the
19 enactment of this Act; and

20 (B) in the case of a challenge to any action
21 under this Act, not later than 90 days after the
22 date of such action.

23 (g) STUDY.—

24 (1) IN GENERAL.—Not later than 3 years after
25 the date of the enactment of this Act, the Federal

1 Trade Commission shall conduct a study under sec-
2 tion 6(b) of the Federal Trade Commission Act (15
3 U.S.C. 46(b)) on foreign-adversary controlled online
4 marketplaces or retailers, including with respect to
5 the following:

6 (A) Any unfair or deceptive acts or prac-
7 tice carried out by such online marketplaces or
8 retailers, including any harm to a consumer as
9 a result of such online marketplace or retailer
10 being controlled by a foreign adversary.

11 (B) Any action taken by such online mar-
12 ketplaces or retailers that results in the pro-
13 liferation of a dangerous, unsafe, fraudulent, or
14 counterfeit consumer product.

15 (C) Whether such online marketplaces
16 have complied with the requirements described
17 in section 301 of division BB of the Consoli-
18 dated Appropriations Act, 2023 (15 U.S.C.
19 45f(a)).

20 (D) Any other matter the Federal Trade
21 Commission determines appropriate.

22 (2) SUBMISSION; PUBLICATION.—With respect
23 to the study conducted under paragraph (1), the
24 Federal Trade Commission shall—

1 (A) submit to the Committee on Energy
2 and Commerce of the House of Representatives
3 and Committee on Commerce, Science, and
4 Transportation of the Senate the results of
5 such study; and

6 (B) publish such results on a public
7 website of the Federal Trade Commission.

8 (3) CONSULTATION.—In conducting the study
9 under paragraph (1), the Federal Trade Commission
10 shall consult with—

11 (A) the Commission; and

12 (B) the head of any other relevant Federal
13 agency or department.

14 (h) RULE OF CONSTRUCTION.—Nothing in this sec-
15 tion may be construed to allow the Commission to remove
16 a foreign-adversary controlled online marketplace or re-
17 tailer from subparagraphs (A) through (L) of section
18 (3)(9) of the Consumer Product Safety Act (15 U.S.C.
19 2052(3)(9)), as amended by this Act.

20 (i) DEFINITIONS.—In this section:

21 (1) APPROPRIATE NATIONAL SECURITY AGEN-
22 CY.—The term “appropriate national security agen-
23 cy” means—

24 (A) the Department of Homeland Security;

25 (B) the Department of Defense;

1 (C) the Office of the Director of National
2 Intelligence;

3 (D) the National Security Agency; and

4 (E) the Federal Bureau of Investigation.

5 (2) COMMISSION.—The term “Commission”
6 means the Consumer Product Safety Commission.

7 (3) CONSUMER PRODUCT; FOREIGN ADVER-
8 SARY; FOREIGN-ADVERSARY CONTROLLED ONLINE
9 MARKETPLACE OR RETAILER; ONLINE MARKET-
10 PLACE; RETAILER; RISK OF INJURY.—The terms
11 “consumer product”, “foreign adversary”, “foreign-
12 adversary controlled online marketplace or retailer”,
13 “online marketplace”, “retailer”, and “risk of in-
14 jury” have the meaning given those terms in section
15 3 of the Consumer Product Safety Act (15 U.S.C.
16 2052) (as amended by subsection (e) of this section).

17 (4) CONTROLLED BY A FOREIGN ADVERSARY.—
18 The term “controlled by a foreign adversary” means
19 an online marketplace or retailer that is any of the
20 following:

21 (A) A foreign person that—

22 (i) is domiciled in a foreign adversary;

23 (ii) is headquartered in a foreign ad-
24 versary;

1 (iii) has the principal place of busi-
2 ness of the marketplace or retailer in a for-
3 eign adversary; or

4 (iv) is organized under the laws of a
5 foreign adversary.

6 (B) A person with respect to which a for-
7 eign person, or combination of foreign persons,
8 described in subparagraph (A) directly or indi-
9 rectly owns at least a 20 percent stake.

10 (C) A person controlled by or subject to
11 the direction of a foreign person or person de-
12 scribed in subparagraphs (A) or (B).