

# ***COMPENSATION FOR AMERICANS ACT***

SPONSORED BY CONGRESSWOMAN ANN WAGNER

In the crucial early weeks of the outbreak of a novel coronavirus in Wuhan, China, the Chinese Communist Party (CCP) systematically suppressed, misrepresented, and falsified information necessary to prevent a pandemic. The CCP's coverup violates the legally binding International Health Regulations, and China must compensate Americans for the loss of human life and severe economic crisis resulting from its actions. Rep. Ann Wagner's *Compensation for Americans Act* initiates proceedings to reach a Bilateral Agreement on Compensation with China and offers a series of tools and penalties to pressure China to compensate Americans for its coverup of the coronavirus pandemic.

## **THE PROBLEM**

The first COVID-19 cases are believed to have surfaced in Wuhan on November 17, 2019. For the next several weeks, Chinese officials implemented a campaign to silence doctors, scientists, and whistleblowers and mislead the international community regarding the severity of the outbreak. Medical professionals like ophthalmologist Li Wenliang were jailed for speaking out while the CCP downplayed the threat and insisted there was no evidence of person-to-person transmission. As new cases began to spiral out of control, the CCP allowed Chinese citizens to travel around and beyond the country unimpeded. Even after the outbreak grew into a pandemic, China continued to withhold or falsify information countries needed to slow or prevent outbreaks within their own borders. A University of Southampton study estimates that more responsible action by China one, two, or three weeks earlier could have reduced the number of early coronavirus cases by 66, 86, or 95 percent, respectively.

China's actions constitute a serious violation of international law. It failed to comply with the International Health Regulations, which obligate states to provide the WHO "all relevant public health information" regarding public health events of international concern, and to continue to share "timely, accurate, and sufficiently detailed" information for the duration of the event. The International Health Regulations were intended to prevent a repeat of the CCP's 2003 coverup of an outbreak of severe acute respiratory syndrome (SARS). SARS quickly became an epidemic that affected 30 countries and killed 774. But the Communist Party has again violated its obligations to the international community, unleashing a pandemic of much greater severity than SARS.

The U.S. response to COVID-19 may nearly quadruple the national deficit. It has resulted in an unprecedented unemployment rate and devastated American businesses. Holding the Chinese Communist Party financially accountable is the only way to deter the release of another deadly virus on the global community in the future; ensure that the Communist Party stops violating international law; and provide compensation to the American people. Compensation is not a policy of retribution; it is a policy of security and accountability. It reinforces international norms that keep us safe and gives China a helping hand by providing an avenue for the country to restore its legitimacy in the world community.

## **THE SOLUTION: *COMPENSATION FOR AMERICANS ACT***

The *Compensation for Americans Act* instructs the President to reach a Bilateral Agreement on Compensation between the United States and China. It incentivizes China to pay for the loss of life and damage to the national economy caused by COVID-19 by giving the U.S. Administration a range of tools and penalties to impose on Beijing that can be lifted when China agrees to a settlement, including freezing and blocking Chinese assets, imposing sanctions and export controls, and revoking China's preferential trade treatment. Any frozen assets may be deposited in a compensation fund as per the terms of the Bilateral Agreement on Compensation.

## **PUNITIVE ACTIONS INCLUDED IN THE *COMPENSATION FOR AMERICANS ACT***

- Instructs the President to seek a Bilateral Agreement on Compensation
- Establishes a fund to compensate Americans for damages caused by COVID-19
- Directs the President to freeze Chinese assets in the United States as necessary to reach a bilateral agreement with the People's Republic of China
- Creates a public repository of Chinese assets and holdings in the United States
- Imposes asset and visa blocking sanctions on:
  - CCP government officials
  - Chinese medical equipment and pharmaceutical suppliers that have profited from the pandemic
  - Chinese companies in the high-tech sector
  - Chinese entities involved in the theft of U.S. intellectual property
  - Chinese entities that participate in internet surveillance, filtration, and censorship
- Imposes export controls on U.S. products and technologies that can be used to support or improve the CCP's internet filtration, censorship, and web-based surveillance capabilities
- Requires U.S. representatives at international institutions to work to:
  - Remove China's "developing nation" nation status at the WTO
  - Remove China's eligibility for World Bank development loans
  - Prevent China from obtaining special treatment at the United Nations
- Ensures that China is treated as a developed nation under U.S. trade law
- Allows U.S. companies to defend themselves against Chinese cyberattacks
- Prohibits the United States from purchasing items for the National Strategic Stockpile and certain other programs from China
- Protects American pharmaceutical access and instructs the Department of Defense and associated programs to stop purchasing pharmaceuticals made in China
- Prohibits investment of the Thrift Savings Plan I Fund in China, ensuring that federal retirement savings are not being used to support the CCP regime
- Suspends CFIUS approvals of Chinese acquisition of U.S. companies
- Bans PLA researchers from entering the United States
- Requires greater transparency from Chinese companies listed on U.S. exchanges
- Requires the Administration to investigate U.S. supply chain vulnerabilities to identify national security threats stemming from U.S. dependence on China
- Requires the Administration to develop a strategy to assist developing nations that may need to renege on their debt to China in order to fund their own emergency response
- Codifies Administration rules to expand license requirements on exports, reexports, and in-country transfers of items intended for military end use or military end users in China, Russia, or Venezuela, such as those in the semiconductor, information security, telecommunications, consumer electronics and software, and aerospace categories; and to remove a Civil End Users license exemption and require a review of exports of certain controlled technologies to address civil-military integration
- Expresses support for the Administration's actions to curtail Chinese influence operations in the U.S.