

117TH CONGRESS  
2D SESSION

# H. R. 7578

To require the Secretary of Commerce to submit a report to Congress on data servicing operations owned by Chinese entities, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2022

Mr. GOODEN of Texas introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To require the Secretary of Commerce to submit a report to Congress on data servicing operations owned by Chinese entities, 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 “Countering Limitless  
5 Overtaking of User Data Act” or the “CLOUD Act”.

1 **SEC. 2. DATA SERVICING OPERATIONS OWNED BY CHINESE**  
2 **ENTITIES REPORT.**

3 (a) REPORT REQUIRED.—Not later than 180 days  
4 after the date of the enactment of this Act, the Secretary  
5 of Commerce, in coordination with the Director of Na-  
6 tional Intelligence, the Federal Trade Commission, and  
7 the Federal Communications Commission, shall submit to  
8 the appropriate committees of Congress a report on the  
9 following:

10 (1) Whether any data servicing operation or  
11 service owned by a Chinese entity is operating in the  
12 United States, the laws and regulations that might  
13 apply to such operation or service, and any data  
14 servicing operation that are offered or provided to  
15 United States persons by the entity.

16 (2) Whether any Chinese entity that provides  
17 products or services for a data servicing operation is  
18 engaged in a joint venture or servicing arrangement  
19 with a United States entity and the nature of such  
20 operations.

21 (3) Whether consumers of data servicing oper-  
22 ations have access to prominently identified informa-  
23 tion regarding the ownership of such operations.

24 (4) Whether United States entities can operate  
25 freely in the People's Republic of China and what,

1 if any, restrictions apply to the services and oper-  
2 ations of such entities.

3 (5) Each country in which a Chinese entity pro-  
4 vides equipment or services for the provision of data  
5 servicing operations in a third-country market and  
6 whether the market share of Chinese entities in  
7 those markets may limit, in any way, the ability of  
8 United States entities to operate independently of  
9 such operations or without the use of such services.

10 (6) Any support the Government of the People's  
11 Republic of China provides to Chinese entities that  
12 provide equipment or services for the provision of  
13 data servicing operations that may act as a subsidy  
14 for such operations or services.

15 (b) DEFINITIONS.—In this section:

16 (1) APPROPRIATE COMMITTEES OF CON-  
17 GRESS.—The term “appropriate committees of Con-  
18 gress” means—

19 (A) the Financial Services Committee, the  
20 Foreign Affairs Committee, and the Permanent  
21 Select Committee on Intelligence, and the En-  
22 ergy and Commerce Committee of the House of  
23 Representatives; and

24 (B) the Finance Committee, Foreign Rela-  
25 tions Committee, the Select Committee on In-

1 intelligence, and the Committee on Commerce,  
2 Science, and Transportation of the Senate.

3 (2) CHINESE ENTITY.—The term “Chinese en-  
4 tity” means an entity organized under the laws of  
5 China or any jurisdiction within China, including a  
6 foreign branch of such entity.

7 (3) DATA SERVICING OPERATION.—The term  
8 “data servicing operation” means the management,  
9 storage, processing, and aggregation of data.

10 (4) UNITED STATES ENTITY.—The term  
11 “United States entity” means an entity organized  
12 under the laws of the United States or any jurisdic-  
13 tion within the United States, including a foreign  
14 branch of such entity.

15 (5) UNITED STATES PERSON.—The term  
16 “United States person” means—

17 (A) a citizen of the United States or an  
18 alien lawfully admitted for permanent residence  
19 to the United States; or

20 (B) an entity organized under the laws of  
21 the United States or any jurisdiction within the  
22 United States, including a foreign branch of  
23 such entity.

○