

COVID-19 Accountability Act - New Potential Sanctions on China

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Earlier this week, the [COVID-19 Accountability Act](#) was introduced in the Senate and the House by Rep. Senator Lindsey Graham and Rep. Doug Collins respectively. While the text of the draft legislation is not yet available, a summary indicates that it would require within sixty days that the President certify to Congress that China has:

“Provided a full and complete accounting to any COVID-19 investigation led by the United States, its allies, or United Nations affiliates, such as the World Health Organization (WHO);

- Closed all wet markets that have the potential to expose humans to health risks; and
- Released all pro-democracy advocates in Hong Kong that were arrested in the post COVID-19 crackdowns.”

If there is no such certification, the Act would then authorize the President to impose at least two of a variety of sanctions to hold China accountable, including travel bans, visa revocations, asset freezes, restricting U.S. financial institutions from loaning money to Chinese businesses, and barring Chinese firms from being listed on American stock exchanges. Such sanction would be effective until the certification could be made.

The legislation has additional requirements, most notably for exporters requires Buy America for procurements related to the Strategic National Stockpile with standard waiver authority for the Health and Human Services Secretary.

We are closely monitoring this draft legislation and related developments. We are happy to help answer any questions your company may have regarding this Act or other export and sanctions related matters, particularly in light of COVID-19.