

July 7, 2021

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

**Re: Strengthening Implementation of EO 14032 Via Inclusion of Commerce
Department Entity List Companies**

Dear President Biden:

Thank you for your recent statements at the G7 Summit in Cornwall. We appreciate your leadership on labor issues, and notably those involving the unfair and inhumane labor practices of China. Your words were followed by action, demonstrating your commitment and setting an example for our allies to follow.

On June 24, you announced bold action with a new Withhold Release Order (WRO), additions to the Commerce Department's Entity List, and an out-of-cycle update to the List of Goods Produced by Child Labor or Forced Labor produced by Department of Labor. Thank you for these visionary actions. Prior to the G7, you also released EO 14032, revising and shifting previous capital markets sanctions and their list management to Treasury's Office of Foreign Assets Control (OFAC), creating the new NS-CMIC List.

We would ask, however, in the strongest terms that you place the newest Entity List additions on the OFAC NS-CMIC List. As stated in the White House Fact Sheet on the announcement,

“The Department of Commerce’s Bureau of Industry and Security added to the Entity List five PRC entities: Hoshine Silicon Industry (Shanshan); Xinjiang Daqo New Energy; Xinjiang East Hope Nonferrous Metals; Xinjiang GCL New Energy Material Technology, and XPCC— for participating in the practice of, accepting, or utilizing forced labor in Xinjiang and contributing to human rights abuses against Uyghurs and other minority groups in Xinjiang. This action, which follows the 48 PRC entities previously added to the Entity List for their connections to human rights abuses in Xinjiang, restricts the export, reexport, or in-country transfer of commodities, software, and technology subject to the Export Administration Regulations where such entities are a party to the transactions (e.g., end-user, purchaser, intermediate or ultimate consignee).”

Mr. President, three of these five Chinese "forced labor" companies are traded in the U.S. capital markets and are included in major U.S. indices and Exchange-Traded Funds benchmarked against them. One of these companies even has a parent listed on the New York Stock Exchange. This is simply unacceptable. If these companies are committing offenses grave enough (i.e., engaged in the use of forced labor) to require action by the Department of Commerce such that Americans cannot export equipment, components, technology or services to them, then why

would you still allow many millions of U.S. investors to unwittingly fund them and hold them in portfolio?

We believe the most effective way to deter or cut off the malign activities of the CCP and their "bad actor" corporate front companies is to deny them access to the investment capital of U.S. persons worldwide. Accordingly, it would be an outrage if these three publicly traded companies are not immediately placed on the OFAC NS-CMIC List. We are confident that we can achieve veto-proof legislation for this purpose, should the Administration -- notably the Wall Street-friendly Treasury Department -- hesitate to do so. We sincerely hope it does not come to this.

Thank you for your kind consideration of our request to have these three publicly traded, forced labor offenders added to the OFAC NS-CMIC List forthwith. These solar panel and related industry companies are clearly not worthy of the privilege of attracting American retirement and investment dollars, nor is it in America's national security and human rights interests for our people to, intentionally or unwittingly, invest in these Chinese corporate human rights abusers.

Sincerely,



Zach Mottl, Chairman
Coalition for a Prosperous America



Michael Stumo, CEO
Coalition for a Prosperous America

Cc: The Honorable Antony Blinken, U.S. Secretary of State
The Honorable Janet Yellen, U.S. Secretary of the Treasury
The Honorable Lloyd Austin, U.S. Secretary of Defense
The Honorable Gina Raimondo, U.S. Secretary of Commerce
The Honorable Marty Walsh, U.S. Secretary of Labor
The Honorable Katherine Tai, U.S. Trade Representative
The Honorable Avril Haines, Director of National Intelligence
The Honorable Jake Sullivan, National Security Advisor
The Honorable Brian Deese, Director of the National Economic Council
The Honorable Jerome Powell, Chairman of the Federal Reserve
The Honorable Gary Gensler, Chairman of the Securities and Exchange Commission