

119TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To prohibit entities integral to the national interests of the United States from participating in any foreign sustainability due diligence regulation, including the Corporate Sustainability Due Diligence Directive of the European Union, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. HAGERTY introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To prohibit entities integral to the national interests of the United States from participating in any foreign sustainability due diligence regulation, including the Corporate Sustainability Due Diligence Directive of the European Union, 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 “Prevent Regulatory  
5 Overreach from Turning Essential Companies into Tar-  
6 gets Act of 2025” or the “PROTECT USA Act of 2025”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) The ability of citizens of the United States  
4 to engage in international commerce is a funda-  
5 mental concern of the policy of the United States.

6 (2) Entities in the extractive and manufac-  
7 turing sectors contribute significantly to the pros-  
8 perity of the United States and the growth of the  
9 world economy.

10 (3) Maintaining and, in some cases, increasing  
11 access to certain supplies and materials from the ex-  
12 tractive sector, including agriculture, energy, mining,  
13 and timber, and access to materials from the manu-  
14 facturing sector, are critically important for pro-  
15 moting economic development and human progress  
16 in the United States and around the world.

17 (4) Restrictions, particularly restrictions adopt-  
18 ed unilaterally by foreign countries that are substan-  
19 tially different from restrictions applied by the  
20 United States, that unreasonably hinder the ability  
21 of entities integral to the national interests of the  
22 United States to pursue their commercial activities  
23 can have serious adverse effects on employment, eco-  
24 nomic stability, scientific progress, and international  
25 trade, with the potential to impede domestic and for-  
26 eign policy goals.

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) ENTITY INTEGRAL TO THE NATIONAL IN-  
4 TERESTS OF THE UNITED STATES.—The term “enti-  
5 ty integral to the national interests of the United  
6 States” means any partnership, corporation, limited  
7 liability company, or other business entity that—

8 (A) does business with any part of the  
9 Federal Government, including Federal contract  
10 awards or leases;

11 (B) is organized under the laws of any  
12 State or territory within the United States, or  
13 of the District of Columbia, or under any Act  
14 of Congress or a foreign subsidiary of any such  
15 entity that—

16 (i) derives not less than 25 percent of  
17 its revenue from activities related to the  
18 extraction or production of raw materials  
19 from the earth, including—

20 (I) cultivating biomass (whether  
21 or not for human consumption);

22 (II) exploring or producing fossil  
23 fuels;

24 (III) mining; and

25 (IV) processing any material de-  
26 rived from an activity described in

1 subclause (I), (II), or (III) for human  
2 use or benefit;

3 (ii) has a primary North American In-  
4 dustry Classification System code or for-  
5 eign equivalent associated with the manu-  
6 facturing sector; or

7 (iii) derives not less than 25 percent  
8 of its revenue from activities related to the  
9 mechanical, physical, or chemical trans-  
10 formation of materials, substances, or com-  
11 ponents into new products;

12 (iv) is engaged in—

13 (I) the production of arms or  
14 other products integral to the national  
15 defense of the United States; or

16 (II) the production, mining, or  
17 processing of any critical mineral; or

18 (C) the President otherwise identifies as  
19 integral to the national interests of the United  
20 States.

21 (2) CRITICAL MINERAL.—The term “critical  
22 mineral” includes—

23 (A) any mineral identified as a critical  
24 mineral in section 7002(a) of the Energy Act of  
25 2020 (30 U.S.C. 1606(a)); or

1 (B) any fuel mineral, including fossil fuels  
2 and any fraction, distillate, or other by-product  
3 of a fuel mineral.

4 (3) FOREIGN SUSTAINABILITY DUE DILIGENCE  
5 REGULATION.—

6 (A) IN GENERAL.—Except as provided in  
7 subparagraph (B), the term “foreign sustain-  
8 ability due diligence regulation” means any law,  
9 regulation, or other legal instrument adopted by  
10 a foreign government that requires any person  
11 to undertake—

12 (i) an assessment of the environ-  
13 mental or social impacts of its operations  
14 or value chain;

15 (ii) action to address any impacts  
16 identified in the assessment described in  
17 clause (i); and

18 (iii) reporting of the impacts and ac-  
19 tions described in clauses (i) and (ii).

20 (B) EXCEPTION.—The term “foreign sus-  
21 tainability due diligence regulation” does not  
22 apply to any law, regulation, or other legal in-  
23 strument that is substantively similar to a law,  
24 regulation, or other legal instrument that has

1           been adopted or approved by an Act of Con-  
2           gress.

3                   (C) INCLUSION OF CORPORATE SUSTAIN-  
4           ABILITY DUE DILIGENCE DIRECTIVE.—The  
5           term “foreign sustainability due diligence regu-  
6           lation” includes—

7                   (i) the entirety of the Corporate Sus-  
8           tainability Due Diligence Directive adopted  
9           by the European Union;

10                   (ii) any successor directive adopted by  
11           the European Union or any member coun-  
12           try of the European Union; and

13                   (iii) any precursor directive adopted  
14           by any member country of the European  
15           Union.

16 **SEC. 4. PROHIBITION ON COMPLIANCE WITH FOREIGN SUS-**  
17 **TAINABILITY DUE DILIGENCE REGULATIONS.**

18           (a) IN GENERAL.—Except as provided in subsection  
19 (b), no entity integral to the national interests of the  
20 United States may comply with any foreign sustainability  
21 due diligence regulation.

22           (b) EXCEPTION FOR ORDINARY BUSINESS ACTIVI-  
23 TIES.—Subsection (a) does not prohibit an entity from un-  
24 dertaking actions that it may lawfully take—

1           (1) to comply with a statute of the United  
2 States; or

3           (2) in the ordinary course of business.

4 (c) HARDSHIP RELIEF PROCESS.—

5           (1) PETITION FOR RELIEF.—Any entity inte-  
6 gral to the national interests of the United States  
7 that believes it will experience particular hardship in  
8 connection with the prohibition described in sub-  
9 section (a) may petition the President for an exemp-  
10 tion from such prohibition.

11           (2) DECISION.—Not later than 30 days after  
12 the date on which the President receives a petition  
13 from an entity submitted under paragraph (1), the  
14 President shall provide a written decision to the en-  
15 tity that—

16                   (A) grants or denies the requested exemp-  
17 tion;

18                   (B) contains a statement setting forth the  
19 basis for the decision; and

20                   (C) in the case of a granted exemption, de-  
21 scribes any condition that the exemption is sub-  
22 ject to, as determined by the President.

23           (3) FACTORS TO BE CONSIDERED.—In making  
24 the decision required by paragraph (2), the Presi-  
25 dent shall consider—

1 (A) the extent to which the denial of a pe-  
2 tition submitted under paragraph (1) by an en-  
3 tity would result in the inability of the entity to  
4 participate in value chains associated with prod-  
5 ucts essential for domestic use in the United  
6 States;

7 (B) possible adverse effects on the econ-  
8 omy in any locality or region of the United  
9 States, including adverse effects on employ-  
10 ment;

11 (C) the degree to which granting the peti-  
12 tion would impact, directly or indirectly, the  
13 United States; and

14 (D) the extent to which denial of the peti-  
15 tion would prevent the entity from divesting in  
16 a business formed under the laws of a jurisdic-  
17 tion subject to a foreign sustainability due dili-  
18 gence regulation.

19 **SEC. 5. PROHIBITION AGAINST ADVERSE ACTION FOR COM-**  
20 **PLIANCE WITH THIS ACT.**

21 (a) IN GENERAL.—No person may take any adverse  
22 action towards an entity integral to the national interests  
23 of the United States for action or inaction related to a  
24 foreign sustainability due diligence regulation.



1           (b) JUDGMENTS FOR FOREIGN SUSTAINABILITY DUE  
2 DILIGENCE REGULATIONS.—No judgment by a foreign  
3 court brought against an entity integral to the national  
4 interests of the United States in relation to any foreign  
5 sustainability due diligence regulation shall be recognized  
6 in the courts of the United States or of the States, unless  
7 otherwise provided by an Act of Congress.

8           (c) ENFORCEMENT.—

9           (1) ACTIONS BY THE PRESIDENT.—

10           (A) IN GENERAL.—The President shall  
11 take any action the President determines is in  
12 the public interest to protect an entity integral  
13 to the national interests of the United States  
14 from an adverse action related to a foreign sus-  
15 tainability due diligence regulation.

16           (B) DETERMINATION OF PUBLIC INTER-  
17 EST.—In determining under subparagraph (A)  
18 whether an action by the President is in the  
19 public interest, the President shall take into ac-  
20 count the impact of the adverse action de-  
21 scribed in that subparagraph on—

22           (i) consumers and businesses in the  
23 United States;

24           (ii) the economic, energy, and environ-  
25 mental security of the United States; and

1 (iii) foreign relations of the United  
2 States, including existing international  
3 commitments.

4 (2) PRIVATE RIGHT OF ACTION.—

5 (A) IN GENERAL.—Any entity integral to  
6 the national interests of the United States ag-  
7 grieved by a violation of subsection (a) may  
8 bring a civil action against the person that vio-  
9 lated subsection (a) in an appropriate district  
10 court of the United States.

11 (B) RELIEF.—In a civil action brought  
12 under subparagraph (A) in which the plaintiff  
13 prevails, the court may award—

14 (i) a writ of mandamus or other equi-  
15 table or declaratory relief;

16 (ii) punitive damages not to exceed  
17 the maximum penalty described in para-  
18 graph (3)(A);

19 (iii) reasonable attorney fees and liti-  
20 gation costs;

21 (iv) compensatory damages, including  
22 any amount paid by the entity pursuant to  
23 the applicable foreign sustainability due  
24 diligence regulation; and

25 (v) all other appropriate relief.

1           (3) PENALTIES.—A person that violates sub-  
2           section (a) or a regulation issued pursuant to this  
3           Act—

4                   (A) shall be subject to a civil penalty of  
5                   not more than \$1,000,000; and

6                   (B) may, at the discretion of the Presi-  
7                   dent, for a period of not longer than 3 years  
8                   from the date on which the person is found in  
9                   violation, be deemed ineligible to submit a bid  
10                  for any Federal award or contract.