

To the office of U.S. Representative Haley M. Stevens

Re: HR 9162 (119th Congress), Protecting America from Chinese Cars Act of 2026 • Latest action (2026-07-07): Referred to the Subcommittee on Border Security and Enforcement.

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Connected Vehicle National Security Review and Licensing Act

The measure, as described from the official record: Prevent connected vehicles—ones linked to foreign adversary governments—from entering the U.S. market, to protect national security and consumer data from foreign surveillance and control.

THE PROPOSAL

Section 1. Short title and findings.

This Act may be cited as the Connected Vehicle National Security Review and Licensing Act.

Congress finds that connected vehicles capable of collecting and transmitting real-time location, biometric, or other sensitive data present a risk to national security if linked to foreign adversary governments, and that existing trade and immigration law does not adequately address this risk.

Section 2. Prohibition on entry.

(a) The Secretary of Homeland Security, in consultation with the Secretary of Commerce and the Attorney General, shall establish a licensing program for any connected vehicle—defined as any motor vehicle with hardware or software that enables continuous internet or cellular communication—manufactured or assembled by any entity that is controlled by, organized under the laws of, or substantially owned by a foreign adversary government as designated in 15 U.S.C. 9501.

(b) No connected vehicle described in subsection (a) may be imported into or sold in the United States without a license issued by the Secretary of Homeland Security. A license shall be granted only if the applying manufacturer demonstrates—through an independent security audit—that the vehicle's data collection and transmission systems are physically and logically isolated from any real-time interface with a foreign adversary's government network, and that all collected data is stored and processed within the United States or allied nations with comparable privacy protections.

(c) The Secretary may issue a temporary license for testing and evaluation, or refuse a license, with written reasons. Denials shall be subject to de novo judicial review in the U.S. Court of International Trade.

Section 3. Effective date and sunset.

This Act shall take effect 180 days after enactment and shall expire ten years after enactment, unless reauthorized by Congress after a sunset review report from the Government Accountability Office.

Section 4. Authorization and funding.

There is authorized to be appropriated \$50 million per fiscal year for the licensing program, to be offset by a licensing fee of no more than 0.1% of the vehicle's wholesale customs value. No additional general revenue funds shall be used.

Section 5. Enforcement.

The Secretary of Homeland Security may assess a civil penalty of up to \$100,000 per vehicle imported or sold in violation of a license requirement. The Secretary may also seize and forfeit any vehicle imported in violation under customs laws. Whistleblowers who report violations may receive up to 15% of the penalty collected.

Section 6. Supremacy and savings.

This Act supersedes any inconsistent state law restricting vehicle imports only to the extent that the state law conflicts with a federal license decision. State data privacy laws remain unaffected.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	Licensing fee on imported connected vehicles, capped at 0.1% of wholesale customs value.
Funding Amount	\$50 million per fiscal year, with appropriations offset by the fee.
Sunset Years	10 years
Oversight Body	Department of Homeland Security, in consultation with Commerce and Justice.
Enforcement Mechanism	Civil penalty up to \$100k per vehicle; customs seizure and forfeiture; whistleblower reward of up to 15% of collected penalty.
Effective Date	180 days after enactment

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 3 (Commerce Clause — regulating foreign commerce)
- Fifth Amendment Due Process Clause (license denials must have written reasons with judicial review)
- Tenth Amendment (state data privacy laws preserved)

Concerns with the measure as written:

- The original bill likely relies on the president's inherent foreign affairs power and the Commerce Clause, but if it bars imports without due process or clear statutory criteria, it may violate Fifth Amendment Due Process for importers and manufacturers.
- If the bill defines 'foreign adversary' broadly without a hearing or notice procedure, it could also raise First Amendment and equal protection concerns by appearing to target certain countries without individualized evidence.

WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Democratic priorities honored: data privacy protection for consumers, whistleblower incentives, de novo judicial review to prevent arbitrary agency action, preservation of state privacy laws. Republican priorities honored: fiscal offset via user fee (no new general taxes), sunset provision to prevent permanent bureaucracy, strong national security control of foreign adversary entities,

preemption of state import bans to avoid regulatory patchwork, rigorous due process for license denials.

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