

**SENATE, No. 3710**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

INTRODUCED MARCH 13, 2023

**Sponsored by:**

**Senator DOUGLAS J. STEINHARDT**

**District 23 (Hunterdon, Somerset and Warren)**

**SYNOPSIS**

Prohibits any foreign company created under laws of foreign adversary from participating in critical infrastructure.

**CURRENT VERSION OF TEXT**

As introduced.



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1 AN ACT concerning critical infrastructure and supplementing  
2 chapter 9 of Appendix A.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

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7 1. a. As used in this section:

8 "Critical infrastructure" means property and equipment owned or  
9 used by communication networks, electric generation, transmission,  
10 and distribution systems, gas distribution systems, water pipelines,  
11 and related support facilities that serve multiple customers and  
12 residents, including, but not limited to, real and personal property  
13 such as buildings, offices, lines, poles, pipes, structures, and  
14 equipment.

15 "Foreign adversary" means any foreign government determined  
16 by the United States Secretary of Commerce to have engaged in a  
17 long-term pattern or serious instances of conduct significantly  
18 adverse to the national security of the United States or the security  
19 and safety of United States persons.

20 b. Notwithstanding any law, rule, or regulation to the contrary,  
21 the State of New Jersey, and all agencies or political subdivisions  
22 thereof, shall not allow the participation of a foreign company  
23 created under the laws of any foreign adversary in the construction,  
24 maintenance, or control of any critical infrastructure in this State.

25 c. This section shall not apply to agreements entered into prior  
26 to the enactment date of P.L. , c. (C. ) (pending before the  
27 Legislature as this bill), except that any agreement that contradicts  
28 the provisions of this section shall not be renewed.

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30 2. This act shall take immediately.

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STATEMENT

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35 This bill prohibits any foreign company created under the laws of  
36 a foreign adversary from participating in critical infrastructure in  
37 this State.

38 The bill defines "foreign adversary" to mean any foreign  
39 government determined by the United States Secretary of  
40 Commerce to have engaged in a long-term pattern or serious  
41 instances of conduct significantly adverse to the national security of  
42 the United States or the security and safety of United States  
43 persons.

44 Under the bill, the State of New Jersey, and all agencies or  
45 political subdivisions thereof, are prohibited from allowing a  
46 foreign company created under the laws of a foreign adversary to  
47 participate in the construction, maintenance, or control of any  
48 critical infrastructure in this State.

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1       Critical infrastructure includes communication networks, electric  
2 generation, gas distribution systems, water pipelines, and related  
3 support facilities, such as buildings, offices, lines, poles, pipes,  
4 structures, and equipment. The State's safety, security, and stability  
5 depend on protecting critical infrastructure from foreign  
6 adversaries. The disruption of these key services would  
7 significantly disrupt the well-being of the people of this State and  
8 the functioning of the economy. The involvement of a foreign  
9 company created under the laws of a foreign adversary raises  
10 substantial security threats, such as cyber-attacks or the intentional  
11 disruption of services. Accordingly, to protect against risks posed  
12 by foreign adversaries, it is crucial to ensure that only trusted  
13 entities control the State's critical infrastructure.