

118TH CONGRESS
1ST SESSION

H. R. 1368

To impose sanctions with respect to the transfer of arms and related materiel by the People's Republic of China to the Russian Federation or the evasion or circumvention of United States sanctions or multilateral sanctions by the People's Republic of China with respect to the Russian Federation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2023

Mr. SCHIFF (for himself, Ms. TITUS, Mr. QUIGLEY, Mr. PHILLIPS, Ms. GARCIA of Texas, Mr. VICENTE GONZALEZ of Texas, Mr. CROW, Ms. MCCOLLUM, Mr. CASE, Mr. SWALWELL, Ms. WILD, Mr. KRISHNAMOORTHY, Mr. KILDEE, and Ms. TOKUDA) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary, Financial Services, Ways and Means, and Oversight and Accountability, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To impose sanctions with respect to the transfer of arms and related materiel by the People's Republic of China to the Russian Federation or the evasion or circumvention of United States sanctions or multilateral sanctions by the People's Republic of China with respect to the Russian Federation, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Deter PRC Support
3 to the Russian War Effort Act”.

4 **SEC. 2. FINDINGS.**

5 Congress finds the following:

6 (1) The People’s Republic of China (in this sec-
7 tion referred to as the “PRC”) and the Russian
8 Federation have, in recent years, forged a closer re-
9 lationship, based largely on their shared interest in
10 challenging the rules-based international order, in an
11 attempt to reshape that order into one that is more
12 welcoming to their authoritarian systems of govern-
13 ment.

14 (2) The rhetoric of the PRC’s leaders, including
15 Xi Jinping, who called for the unification “by force”
16 of Taiwan with the People’s Republic of China, mir-
17 rors the Russian Federation’s justification for invad-
18 ing Ukraine, poses a danger to international peace
19 and security and the agreed to status quo on Taiwan
20 in the Three Communiques exchanged between Bei-
21 jing and Washington, and should be condemned by
22 the international community.

23 (3) On February 24, 2022, Russia launched an
24 unprovoked and unjustified full-scale invasion of
25 Ukraine, and in addition, the United Nation has re-
26 ported more than 7,800,000 Ukrainian refugees

1 forced to flee across Europe and more than
2 5,000,000 internally displaced in Ukraine since Rus-
3 sia’s invasion began.

4 (4) The PRC’s Foreign Ministry spokesperson
5 refused to categorize Russia’s attacks as an “inva-
6 sion” or “war” and referred repeatedly to the Rus-
7 sian Federation’s statements on Ukraine, including
8 reiterating criticisms of the North Atlantic Treaty
9 Organization (NATO) and blaming the United
10 States for starting the conflict.

11 (5) Since Russia’s full-scale invasion of
12 Ukraine, the Biden Administration has imposed sev-
13 eral tranches of sanctions on Putin’s Russia.

14 (6) On February 22, 2022, President Biden
15 issued Executive Order 14065, which blocks prop-
16 erty of certain persons and prohibits certain trans-
17 actions with respect to continued Russian efforts to
18 undermine the sovereignty and territorial integrity of
19 Ukraine, and expands the scope of the national
20 emergency declared in Executive Order 13660 of
21 March 6, 2014, Executive Order 13661 of March
22 16, 2014, and Executive Order 13662 of March 20,
23 2014, and takes additional steps with respect to Ex-
24 ecutive Order 13685 of December 19, 2014, and Ex-
25 ecutive Order 13849 of September 20, 2018, finding

1 that the Russian Federation’s purported recognition
2 of the so-called Donetsk People’s Republic (DNR) or
3 Luhansk People’s Republic (LNR) regions of
4 Ukraine contradicts Russia’s commitments under
5 the Minsk agreements and further threatens the
6 peace, stability, sovereignty, and territorial integrity
7 of Ukraine, and thereby constitutes an unusual and
8 extraordinary threat to the national security and for-
9 eign policy of the United States.

10 (7) On March 8, 2022, President Biden issued
11 Executive Order 14066, which prohibits certain im-
12 ports and new investments with respect to continued
13 Russian Federation efforts to undermine the sov-
14 ereignty and territorial integrity of Ukraine, and ex-
15 pands the scope of the national emergency declared
16 in Executive Order 14024 of April 15, 2021, and
17 takes additional steps with respect to Executive
18 Order 14039 of August 20, 2021, finding that the
19 Russian Federation’s unjustified, unprovoked,
20 unyielding, and unconscionable war against Ukraine,
21 including its recent further invasion in violation of
22 international law, including the United Nations
23 Charter, further threatens the peace, stability, sov-
24 ereignty, and territorial integrity of Ukraine, and
25 thereby constitutes an unusual and extraordinary

1 threat to the national security and foreign policy of
2 the United States.

3 (8) On March 11, 2022, President Biden issued
4 Executive Order 14068, which further prohibits cer-
5 tain imports and new investments with respect to
6 continued Russian Federation efforts to undermine
7 the sovereignty and territorial integrity of Ukraine,
8 and takes additional steps with respect to the na-
9 tional emergency declared in Executive Order 14024
10 of April 15, 2021, and Executive Order 14039 of
11 August 20, 2021, and expanded by Executive Order
12 14066 of March 8, 2022.

13 (9) On April 6, 2022, President Biden issued
14 Executive Order 14071, prohibiting new investment
15 and certain services to the Russian Federation in re-
16 sponse to continued Russian Federation aggression,
17 and takes additional steps with respect to the na-
18 tional emergency declared in Executive Order 14024
19 of April 15, 2021, expanded by Executive Order
20 14066 of March 8, 2022, and relied on for addi-
21 tional steps taken in Executive Order 14039 of Au-
22 gust 20, 2021, and Executive Order 14068 of March
23 11, 2022.

24 (10) In March 2022, as the Biden Administra-
25 tion continued to increase pressure on Putin's re-

1 gime through rollouts of the aforementioned sanc-
2 tions, the head of the PRC’s banking and insurance
3 regulator said the PRC will not participate in the
4 sanctions regime Western nations imposed on Russia
5 and “will continue to maintain normal economic,
6 trade and financial exchanges” with Russia despite
7 its aggression against Ukraine.

8 (11) Indeed, that same month, according to
9 PRC customs data, Russia bought 9,950 metric tons
10 of alumina from the PRC, which is nearly 10 times
11 more than what it purchased in the same period a
12 year earlier. The PRC’s first-quarter exports of alu-
13 mina to Russia are nearly six times the volume of
14 all of 2021, suggesting the PRC may find new ways
15 of providing support to Russia.

16 (12) On June 28, 2022, the U.S. Department
17 of Commerce, Bureau of Industry and Security,
18 added five Chinese companies to the Entity List, in
19 response to their continued support to Russia’s mili-
20 tary efforts since the imposition of export controls in
21 response to Russia’s invasion of Ukraine.

22 (13) In December 2022, the PRC’s foreign
23 minister stated his country would “deepen strategic
24 mutual trust and mutually beneficial cooperation”

1 with Russia, and trade between the countries has
2 continued to grow.

3 (14) As of February 2023, reports based on
4 customs records indicate Chinese state-owned and
5 private companies have exported parts and equip-
6 ment to sanctioned Russian entities that could be fa-
7 cilitating Putin’s war. This includes shipments of
8 helicopter equipment, jamming technology, drones,
9 and jet-fighter parts to sanctioned Russian govern-
10 ment-owned defense firms.

11 (15) On February 18, 2023, the Secretary of
12 State publicly stated that Chinese companies were
13 already providing non-lethal support to Russia’s war
14 effort and the PRC was considering providing lethal
15 support, including weapons and ammunition.

16 **SEC. 3. SENSE OF CONGRESS.**

17 It is the sense of Congress that—

18 (1) Russia’s military invasion of Ukraine and
19 the war crimes and human rights violations com-
20 mitted by the Kremlin, Russia’s military, and Rus-
21 sia’s intelligence and security services against the
22 people of Ukraine should be strongly condemned;

23 (2) any country or entity that provides material
24 support for Russia’s invasion is furthering Russia’s
25 unlawful belligerence and committing of war crimes;

1 (3) Chinese Government officials and individ-
2 uals and entities associated with People’s Republic
3 of China that assist the Russian Federation, includ-
4 ing Russian Government officials or individuals or
5 entities associated with the Russian Federation, by
6 providing material support or in evading sanctions
7 imposed following the Russian Federation’s invasion
8 of Ukraine are, in so doing, supporting the Russian
9 Federation’s unprovoked attack on Ukraine and the
10 Ukrainian people, including alleged war crimes com-
11 mitted by Russian Armed Forces against civilians;

12 (4) the President should continue to seek unity
13 with European and other key partners and to uphold
14 sanctions that continue to impose costs on Putin’s
15 regime and deplete the Russian Federation’s war
16 chest;

17 (5) the President should impose sanctions with
18 respect to those sectors and individuals and entities
19 of the Russian Federation, including Russian Gov-
20 ernment officials, that are evading sanctions im-
21 posed by the United States and allied nations fol-
22 lowing Russia’s invasion of Ukraine; and

23 (6) the President should encourage other Euro-
24 pean countries and key partners to enact legislation
25 that is similar to the provisions of this Act.

1 **SEC. 4. SANCTIONS WITH RESPECT TO THE TRANSFER OF**
2 **ARMS AND RELATED MATERIEL BY CHINA TO**
3 **RUSSIA.**

4 (a) IMPOSITION OF SANCTIONS.—

5 (1) IN GENERAL.—The President is authorized
6 to impose on a PRC person one or more of the sanc-
7 tions described in subsection (b) if the President de-
8 termines that such person has, on or after the date
9 of the enactment of this Act, knowingly—

10 (A) exported, transferred, or otherwise pro-
11 vided to Russia financial, material, or techno-
12 logical support that contributes materially to
13 the ability of the Government of Russia to un-
14 dertake military action in Ukraine, such as—

15 (i) acquiring chemical, biological, or
16 nuclear weapons or related technologies;

17 (ii) acquiring ballistic or cruise missile
18 capabilities;

19 (iii) acquiring advanced conventional
20 weapons;

21 (iv) acquiring significant defense arti-
22 cles, defense services, or defense informa-
23 tion (as such terms are defined under the
24 Arms Export Control Act (22 U.S.C. 2751
25 et seq.)); or

1 (v) acquiring items designated by the
2 President for purposes of the United
3 States Munitions List under section
4 38(a)(1) of the Arms Export Control Act
5 (22 U.S.C. 2778(a)(1)); or

6 (B) facilitated or assisted in the evasion or
7 circumvention of United States sanctions or
8 multilateral sanctions with respect to the Rus-
9 sia.

10 (2) APPLICABILITY TO OTHER PRC PERSONS.—

11 The sanctions described in subsection (b) may also
12 be imposed on any PRC person that—

13 (A) is a successor entity to a PRC person
14 described in paragraph (1); or

15 (B) is owned or controlled by, or has acted
16 for or on behalf of, a PRC person described in
17 paragraph (1) and has engaged in a
18 sanctionable activity described in such para-
19 graph.

20 (b) SANCTIONS DESCRIBED.—The sanctions de-
21 scribed in this subsection are the following:

22 (1) BLOCKING OF PROPERTY.—The President
23 shall exercise all powers granted by the International
24 Emergency Economic Powers Act (50 U.S.C. 1701
25 et seq.) (except that the requirements of section 202

1 of such Act (50 U.S.C. 1701) shall not apply) to the
2 extent necessary to block and prohibit all trans-
3 actions in all property and interests in property of
4 the person if such property and interests in property
5 are in the United States, come within the United
6 States, or are or come within the possession or con-
7 trol of a United States person.

8 (2) INADMISSIBILITY OF CERTAIN INDIVID-
9 UALS.—

10 (A) INELIGIBILITY FOR VISAS AND ADMIS-
11 SION TO THE UNITED STATES.—An individual
12 determined by the President to be a person de-
13 scribed in subsection (a) is—

14 (i) inadmissible to the United States;

15 (ii) ineligible to receive a visa or other
16 documentation to enter the United States;
17 and

18 (iii) otherwise ineligible to be admitted
19 or paroled into the United States or to re-
20 ceive any other benefit under the Immigra-
21 tion and Nationality Act (8 U.S.C. 1101 et
22 seq.).

23 (B) CURRENT VISAS REVOKED.—An indi-
24 vidual determined by the President to be a per-

1 son described in subsection (a) is subject to the
2 following:

3 (i) Revocation of any visa or other
4 entry documentation regardless of when
5 the visa or other entry documentation is or
6 was issued.

7 (ii) A revocation under clause (i) shall
8 cancel any other valid visa or entry docu-
9 mentation that is in the person's posses-
10 sion in accordance with section 221(i) of
11 the Immigration and Nationality Act.

12 (3) OTHER SANCTIONS.—

13 (A) EXPORT-IMPORT BANK ASSISTANCE
14 FOR EXPORTS.—The President may direct the
15 Export-Import Bank of the United States not
16 to give approval to the issuance of any guar-
17 antee, insurance, extension of credit, or partici-
18 pation in the extension of credit in connection
19 with the export of any goods or services to the
20 person.

21 (B) LOANS FROM UNITED STATES FINAN-
22 CIAL INSTITUTIONS.—The President may pro-
23 hibit any United States financial institution
24 from making loans or providing credits to the
25 person in any 12-month period unless the per-

1 son is engaged in activities to relieve human
2 suffering and the loans or credits are provided
3 for such activities.

4 (C) LOANS FROM INTERNATIONAL FINAN-
5 CIAL INSTITUTIONS.—The President should di-
6 rect the United States Executive Director to
7 each international financial institution to use
8 the voice and vote of the United States to op-
9 pose any loan from the international financial
10 institution that would benefit the person.

11 (D) PROHIBITIONS ON FINANCIAL INSTI-
12 TUTIONS.—The following prohibitions may be
13 imposed against the person if that person is a
14 financial institution:

15 (i) PROHIBITION ON DESIGNATION AS
16 PRIMARY DEALER.—Neither the Board of
17 Governors of the Federal Reserve System
18 nor the Federal Reserve Bank of New
19 York may designate, or permit the continu-
20 ation of any prior designation of, the fi-
21 nancial institution as a primary dealer in
22 United States Government debt instru-
23 ments.

24 (ii) PROHIBITION ON SERVICE AS A
25 REPOSITORY OF GOVERNMENT FUNDS.—

1 The financial institution may not serve as
2 agent of the United States Government or
3 serve as repository for United States Gov-
4 ernment funds.

5 (E) PROCUREMENT SANCTION.—The
6 United States Government may not procure, or
7 enter into any contract for the procurement of,
8 any goods or services from the person.

9 (F) FOREIGN EXCHANGE.—The President
10 may, pursuant to such regulations as the Presi-
11 dent may prescribe, prohibit any transactions in
12 foreign exchange that are subject to the juris-
13 diction of the United States and in which the
14 person has any interest.

15 (G) BANKING TRANSACTIONS.—The Presi-
16 dent may, pursuant to such regulations as the
17 President may prescribe, prohibit any transfers
18 of credit or payments between financial institu-
19 tions or by, through, or to any financial institu-
20 tion, to the extent that such transfers or pay-
21 ments are subject to the jurisdiction of the
22 United States and involve any interest of the
23 person.

24 (H) PROPERTY TRANSACTIONS.—The
25 President may, pursuant to such regulations as

1 the President may prescribe, prohibit any other
2 person from—

3 (i) acquiring, holding, withholding,
4 using, transferring, withdrawing, trans-
5 porting, importing, or exporting any prop-
6 erty that is subject to the jurisdiction of
7 the United States and with respect to
8 which the person has any interest;

9 (ii) dealing in or exercising any right,
10 power, or privilege with respect to such
11 property; or

12 (iii) conducting any transaction in-
13 volving such property.

14 (I) BAN ON INVESTMENT IN EQUITY OR
15 DEBT OF PERSON.—The President may, pursu-
16 ant to such regulations or guidelines as the
17 President may prescribe, prohibit any United
18 States person from investing in or purchasing
19 significant amounts of equity or debt instru-
20 ments of the person.

21 (J) EXCLUSION OF CORPORATE OFFI-
22 CERS.—The President may direct the Secretary
23 of State to deny a visa to, and the Secretary of
24 Homeland Security to exclude from the United
25 States, any alien that the President determines

1 is a corporate officer or principal of, or a share-
2 holder with a controlling interest in, the person.

3 (K) SANCTIONS ON PRINCIPAL EXECUTIVE
4 OFFICERS.—The President may impose on the
5 principal executive officer or officers of the per-
6 son, or on persons performing similar functions
7 and with similar authorities as such officer or
8 officers, any of the sanctions under this sub-
9 section.

10 (c) EXCEPTIONS.—

11 (1) EXCEPTION FOR INTELLIGENCE ACTIVI-
12 TIES.—Sanctions under this section shall not apply
13 to any activity subject to the reporting requirements
14 under title V of the National Security Act of 1947
15 (50 U.S.C. 3091 et seq.) or any authorized intel-
16 ligence activities of the United States.

17 (2) EXCEPTION TO COMPLY WITH INTER-
18 NATIONAL OBLIGATIONS AND FOR LAW ENFORCE-
19 MENT ACTIVITIES.—Sanctions under subsection
20 (b)(2) shall not apply with respect to an alien if ad-
21 mitting or paroling the alien into the United States
22 is necessary—

23 (A) to permit the United States to comply
24 with the Agreement regarding the Head-
25 quarters of the United Nations, signed at Lake

1 Success June 26, 1947, and entered into force
2 November 21, 1947, between the United Na-
3 tions and the United States, or other applicable
4 international obligations; or

5 (B) to carry out or assist law enforcement
6 activity in the United States.

7 (3) EXCEPTION RELATING TO IMPORTATION OF
8 GOODS.—

9 (A) IN GENERAL.—The authority to block
10 and prohibit all transactions in all property and
11 interests in property under subsection (b)(1)
12 shall not include the authority to impose sanc-
13 tions on the importation of goods.

14 (B) GOOD DEFINED.—In this paragraph,
15 the term “good” means any article, natural or
16 man-made substance, material, supply or manu-
17 factured product, including inspection and test
18 equipment and excluding technical data.

19 (d) WAIVER.—The President may waive the applica-
20 tion of sanctions under subsection (b) with respect to a
21 PRC person described in subsection (a) if the President
22 determines that such a waiver is in the national interest
23 of the United States.

24 (e) IMPLEMENTATION; PENALTIES.—

1 (1) IMPLEMENTATION.—The President may ex-
2 ercise all authorities provided under sections 203
3 and 205 of the International Emergency Economic
4 Powers Act (50 U.S.C. 1702 and 1704) to carry out
5 the purposes of this section.

6 (2) PENALTIES.—The penalties provided for in
7 subsections (b) and (c) of section 206 of the Inter-
8 national Emergency Economic Powers Act (50
9 U.S.C. 1705) may apply to a person that violates,
10 attempts to violate, or conspires to violate, or causes
11 a violation of, subsection (a) of this section, or an
12 order or regulation prescribed under either such sub-
13 section, to the same extent that such penalties apply
14 to a person that commits an unlawful act described
15 in section 206(a) of the International Emergency
16 Economic Powers Act.

17 (f) DEFINITIONS.—In this section:

18 (1) CHINA.—The term “China” means the Peo-
19 ple’s Republic of China.

20 (2) FINANCIAL, MATERIAL, OR TECHNOLOGICAL
21 SUPPORT.—The term “financial, material, or techno-
22 logical support” has the meaning given such term in
23 section 542.304 of title 31, Code of Federal Regula-
24 tions (or any corresponding similar regulation or rul-
25 ing).

1 (3) PRC PERSON.—The term “PRC person”—

2 (A) means—

3 (i) any citizen or national of China; or

4 (ii) any entity organized under the
5 laws of China or any jurisdiction within
6 China; and

7 (B) includes the Government of China, the
8 Chinese Communist Party, and any Chinese
9 State-owned enterprise.

10 (4) INTERNATIONAL FINANCIAL INSTITU-
11 TION.—The term “international financial institu-
12 tion” has the meaning given that term in section
13 1701(e) of the International Financial Institutions
14 Act (22 U.S.C. 262r(e)).

15 (5) RUSSIA.—The term “Russia” means the
16 Russian Federation.

17 (6) UNITED STATES PERSON.—The term
18 “United States person” means—

19 (A) a United States citizen or an alien law-
20 fully admitted for permanent residence to the
21 United States; or

22 (B) an entity organized under the laws of
23 the United States or of any jurisdiction within
24 the United States, including a foreign branch of
25 such an entity.

1 **SEC. 5. SUNSET.**

2 The provisions of this Act shall take effect on the
3 date of the enactment of this Act, and such provisions,
4 including any sanctions or penalties imposed under this
5 Act, shall terminate on the earlier of—

6 (1) the date on which the President determines
7 the conflict in Ukraine has ended; or

8 (2) the date that is 2 years after such date of
9 enactment.

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