

**AMENDMENT TO H.R. 8038, AS REPORTED
OFFERED BY MR. GALLAGHER OF WISCONSIN**

At the end of the bill add the following new division:

1 **DIVISION _____—NO LIMITS ACT**

2 **SEC. ____ . SHORT TITLE.**

3 This Act may be cited as the “NO LIMITS Act of
4 2024”.

5 **SEC. ____ . FINDINGS; SENSE OF CONGRESS.**

6 (a) FINDINGS.—Congress finds the following:

7 (1) On September 30, 2022, the Office of For-
8 eign Assets Control of the Department of the Treas-
9 ury designated People’s Republic of China entity
10 Sinno Electronics Co. Limited (Sinno) for providing
11 material support to the defense industrial base of
12 the Russian Federation.

13 (2) On January 26, 2023, the Office of Foreign
14 Assets Control of the Department of the Treasury
15 sanctioned People’s Republic of China entity
16 Changsha Tianyi Space Science and Technology Re-
17 search Institute Co. LTD (Spacety China) for pro-
18 viding material support to entities of the Russian
19 Federation involved in combat operations in
20 Ukraine.

1 (3) There is clear and increasing evidence that
2 People’s Republic of China entities continue to evade
3 United States sanctions to provide material support
4 to the defense and military industrial base of the
5 Russian Federation.

6 (4) Under Executive Order 13959 (85 Fed.
7 Reg. 73185; related to addressing the threat from
8 securities investments that finance Communist Chi-
9 nese military companies), the President found that
10 the People’s Republic of China “increases the size of
11 the country’s military-industrial complex by compel-
12 ling civilian Chinese companies to support its mili-
13 tary and intelligence activities. Those companies,
14 though remaining ostensibly private and civilian, di-
15 rectly support the PRC’s military, intelligence, and
16 security apparatuses and aid in their development
17 and modernization.”.

18 (5) Evidence of industrial support for the Rus-
19 sian Federation by the People’s Republic of China,
20 combined with inherent blurred lines between the ci-
21 vilian versus governmental defense apparatus in the
22 People’s Republic of China, requires new authorities
23 to protect the national security of the United States.

24 (b) SENSE OF CONGRESS.—It is the sense of Con-
25 gress that the Russian Federation’s continued invasion of

1 Ukraine is directly enabled by the People’s Republic of
2 China. It is therefore time for the President to—

3 (1) more fully cut off financing avenues for
4 People’s Republic of China entities providing mate-
5 riel support to the defense and related materiel sec-
6 tor of the economy of the Russian Federation;

7 (2) more fully cut off financing avenues for
8 People’s Republic of China entities involved in mili-
9 tary modernization activities;

10 (3) impose country-wide export control restric-
11 tions on dual-use technology exported to the PRC
12 over concerns of diversion to the Russian Federa-
13 tion; and

14 (4) impose sanctions on PRC entities involved
15 in the export of weapons and dual-use technology to
16 the Russian Federation, including microelectronics,
17 aerospace, automobiles, among others.

18 **SEC. ____ . IMPOSITION OF SANCTIONS RELATING TO THE**
19 **PEOPLE’S REPUBLIC OF CHINA AND SUP-**
20 **PORT FOR RUSSIAN INVASION OF UKRAINE.**

21 (a) IN GENERAL.—On and after the date that is 90
22 days after the date of the enactment of this Act, the Presi-
23 dent—

1 (1) may impose the sanction described in sub-
2 section (c) with respect to a foreign person the
3 President determines—

4 (A) is located or headquartered within, or
5 is organized under the laws of, the People’s Re-
6 public of China; and

7 (B) operates in the technology sector of
8 the economy of the Russian Federation, the de-
9 fense and related materiel sector of such econ-
10 omy, or any other sector of such economy as
11 may be determined by the Secretary of the
12 Treasury or the Secretary of State, as the case
13 may be; and

14 (2) may impose the sanction described in sub-
15 section (c) with respect to a foreign person the
16 President determines that, in acting for or on behalf
17 of, or for the benefit of, directly or indirectly, the
18 armed forces or intelligence services of the People’s
19 Republic of China, is responsible for or engages in—

20 (A) malicious cyber-enabled activities; or

21 (B) the production, or research and devel-
22 opment, of dual-use technology or defense or re-
23 lated materials; or

1 (C) facilitating the evasion, circumvention,
2 or direct violation of United States export con-
3 trols or sanctions.

4 (b) PEOPLE'S REPUBLIC OF CHINA MILITARY COM-
5 PANIES OPERATING IN RUSSIAN FEDERATION.—On and
6 after the date that is 180 days after the date of the enact-
7 ment of this Act, the President may impose the sanctions
8 described in subsection (c) with respect to a foreign person
9 that—

10 (1) has business operations in the Russian Fed-
11 eration; and

12 (2) is a known Chinese military company.

13 (c) SANCTION DESCRIBED.—

14 (1) IN GENERAL.—The sanction described in
15 this paragraph is the exercise all of the powers
16 granted to the President under the International
17 Emergency Economic Powers Act (50 U.S.C. 1701
18 et seq.) to the extent necessary to block and prohibit
19 all transactions in property and interests in property
20 of a foreign person if such property or interests in
21 property are in the United States, come within the
22 United States, or are or come within the possession
23 or control of a United States person.

24 (2) IMPLEMENTATION.—The President may ex-
25 ercise the authorities provided to the President

1 under sections 203 and 205 of the International
2 Emergency Economic Powers Act (50 U.S.C. 1702
3 and 1704) to the extent necessary to carry out this
4 section.

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

16 (4) EXCEPTIONS.—

17 (A) EXCEPTION FOR INTELLIGENCE AND
18 LAW ENFORCEMENT ACTIONS.—Sanctions
19 under this section shall not apply with respect
20 to—

21 (i) any activity subject to the report-
22 ing requirements under title V of the Na-
23 tional Security Act of 1947 (50 U.S.C.
24 3091 et seq.); or

1 (ii) any authorized intelligence or law
2 enforcement activities of the United States.

3 (B) EXCEPTION RELATING TO IMPORTA-
4 TION OF GOODS.—

5 (i) IN GENERAL.—The authorities and
6 requirements to impose sanctions author-
7 ized under this section shall not include
8 the authority or requirement to impose
9 sanctions on the importation of goods.

10 (ii) GOOD DEFINED.—In this subpara-
11 graph, the term “good” means any article,
12 natural or manmade substance, material,
13 supply or manufactured product, including
14 inspection and test equipment, and exclud-
15 ing technical data.

16 (d) WAIVERS.—The President may waive the applica-
17 tion of sanctions under this section with respect to a for-
18 eign person for renewable periods of not more than 90
19 days each if the President determines and reports to Con-
20 gress that such a waiver is vital to the national interests
21 of the United States.

22 (e) DEFINITIONS.—In this section:

23 (1) BUSINESS OPERATIONS.—The term “busi-
24 ness operations” means any participation by any
25 person in a commercial enterprise or venture, or

1 participation in any association, institution, organi-
2 zation, or entity, whether of a commercial nature or
3 otherwise. This includes the production, distribution,
4 exportation, sale of goods, or provision of services,
5 regardless of whether a pecuniary benefit or other
6 assets are derived from such participation.

7 (2) FOREIGN PERSON.—The term “foreign per-
8 son” means any person that is not a United States
9 person.

10 (3) KNOWINGLY.—The term “knowingly”, with
11 respect to conduct, a circumstance, or a result,
12 means that a person has actual knowledge, or should
13 have known, of the conduct, the circumstance, or the
14 result (as the case may be).

15 (4) PERSON.—The term “person” means an in-
16 dividual or entity.

17 (5) UNITED STATES PERSON.—The term
18 “United States person” means any United States
19 citizen, permanent resident alien, an entity orga-
20 nized under the laws of the United States or any ju-
21 risdiction within the United States (including a for-
22 eign branch of such an entity), or any person in the
23 United States.

1 (6) KNOWN CHINESE MILITARY COMPANY.—
2 The term “known Chinese military company” means
3 any of the following persons:

4 (A) Aviation Industry Corporation of
5 China Ltd (AVIC).

6 (B) 360 Security Technology Inc. (Qihoo
7 360).

8 (C) Advanced Micro-Fabrication Equip-
9 ment Inc. China (AMEC).

10 (D) Aerospace CH UAV Co., Ltd (S-
11 SEA).

12 (E) Beijing Megvii Technology Co., Ltd.
13 (Megvii).

14 (F) BGI Genomics Co. Ltd. (BGI).

15 (G) MGI Co. Ltd. (MGI).

16 (F) China Aerospace Science and Industry
17 Corporation Limited (CASIC).

18 (G) China Electronics Corporation (CEC).

19 (H) China Construction Technology Co.
20 Ltd (CCTC).

21 (I) China Communications Construction
22 Group (CCCCG).

23 (J) China Construction Technology Co.
24 Ltd (CCTC).

1 (K) China Electronics Technology Group
2 Corporation (CETC).

3 (L) Hangzhou Hikvision Digital Tech-
4 nology Co. Ltd (Hikvision).

5 (M) China General Nuclear Power Cor-
6 poration (CGN).

7 (N) China Mobile Communications Group
8 Co. Ltd. (China Mobile Comm).

9 (O) China National Chemical Corporation
10 (ChemChina).

11 (P) China National Offshore Oil Corpora-
12 tion (CNOOC).

13 (Q) China National Nuclear Corporation
14 (CNNC).

15 (R) China Railway Construction Corpora-
16 tion Limited (CRCC).

17 (S) China South Industries Group Cor-
18 poration (CRCC).

19 (T) China State Construction Engineering
20 Corporation Limited (CSCEC).

21 (U) China State Shipbuilding Corporation
22 Limited (CSSC).

23 (V) China Telecom Group Co, Ltd. (China
24 Telecom).

- 1 (W) China Three Gorges Corporation
2 (CTG).
- 3 (X) China United Network Communica-
4 tions Group Co. Ltd (China Unicom).
- 5 (Y) CloudWalk Technology Co. Ltd
6 (CloudWalk).
- 7 (Z) Dawning Information Industry Co. Ltd
8 (Sugon).
- 9 (AA) Hesai Technology Co. Ltd (Hesai).
- 10 (BB) Huawei Technologies Co. Ltd
11 (Huawei).
- 12 (CC) Inspur Group Partners Co. Ltd (IDG
13 Capital).
- 14 (DD) Semiconductor Manufacturing Inter-
15 national Corporation (SMIC).
- 16 (EE) Shenzhen DJI Innovation Tech-
17 nology Co. Ltd (DJI).
- 18 (FF) Yangtze Memory Technologies Co.,
19 Ltd. (YMTC).
- 20 (GG) Zhejiang Dahua Technology Co., Ltd
21 (Dahua).
- 22 (HH) AVIC Shenyang Aircraft Co., Ltd.
- 23 (II) Autel Robotics Co. Ltd (Autel).
- 24 (JJ) AVIC Heavy Machinery Company
25 Limited.

1 (KK) AVIC Xi"An Aircraft Industry
2 Group Company Ltd.

3 (LL) ChangXin Memory Technologies
4 (CXMT).

5 (MM) Dahua Technology.

6 (NN) Zhejiang Uniview Technologies.

7 (OO) Guizhou Guihang Automotive Com-
8 ponents Co., Ltd.

9 (PP) Changying Xinzhi Technology Co.,
10 Ltd.

11 (QQ) Sichuan Northern Nitrocellulose Co.,
12 Ltd.

13 (RR) Northern Chemistry Industry Co.,
14 Ltd.

15 (SS) Any subsidiary, affiliate, or successor
16 of entities in subparagraphs (A) through (RR).

17 (f) RULES OF CONSTRUCTION.—Nothing in this sec-
18 tion may be construed to limit the authority of the Presi-
19 dent to designate or sanction persons pursuant to an ap-
20 plicable Executive order or otherwise pursuant to the
21 International Emergency Economic Powers Act (50
22 U.S.C. 1701 et seq.).

1 **SEC. ____.** **DETERMINATION OF SANCTIONS ON ARMS MANU-**
2 **FACTURERS OF THE PEOPLE’S REPUBLIC OF**
3 **CHINA ENGAGED IN OVERSEAS WEAPONS**
4 **SALES.**

5 (a) DETERMINATION.—Not later than 180 days after
6 the date of the enactment of this Act, the Secretary of
7 the Treasury, in consultation with the Secretary of State,
8 and the Secretary of Defense, shall submit to the appro-
9 priate congressional committees a determination of wheth-
10 er, for each covered person, that covered person meets the
11 criteria for the imposition of the sanction described in sec-
12 tion 3(e).

13 (b) DEFINITIONS.—In this section:

14 (1) APPROPRIATE CONGRESSIONAL COMMIT-
15 TEES.—The term “appropriate congressional com-
16 mittees” means—

17 (A) the Committee on Foreign Affairs, the
18 Permanent Select Committee on Intelligence,
19 and the Select Committee on the Strategic
20 Competition Between the United States and the
21 Chinese Communist Party of the House of Rep-
22 resentatives; and

23 (B) the Committee on Foreign Relations,
24 the Committee on Banking, Housing, and
25 Urban Affairs, and the Select Committee on In-
26 telligence of the Senate.

1 (2) COVERED PERSON.—The term “covered
2 person” means any of the following persons:

3 (A) China North Industries Group Cor-
4 poration.

5 (B) Aviation Industry Corporation of
6 China.

7 (C) China Electronics Technology Group
8 Corporation.

9 (D) China South Industries Group Cor-
10 poration.

11 (E) China Aerospace Science and Industry
12 Corporation.

13 (F) China General Nuclear Power Group.

14 (G) China National Nuclear Corporation.

15 (H) China State Shipbuilding Corporation.

16 **SEC. ____ . EXPANDING SUBSIDIARY CONTROLS FOR PRC**
17 **AND RUSSIAN ENTITIES TO PREVENT DIVER-**
18 **SION TO RUSSIA’S WAR EFFORT.**

19 Any licensing requirement applied to a PRC or Rus-
20 sian entity by reason of the entity being included on the
21 entity list shall also apply to any subsidiary or other entity
22 over which the listed entity has control.

23 **SEC. ____ . DEFINITIONS.**

24 In this Act the term “control” has the meaning given
25 that term in—

1 (1) section 800.208 of title 31, Code of Federal
2 Regulations; or

3 (2) any successor regulations.

4 **SEC. ____ . REGULATIONS.**

5 Not later than 90 days after the date of the enact-
6 ment of this Act, the Secretary of Commerce, the Sec-
7 retary of Defense, and the Secretary of State, shall issue
8 such regulations as may be necessary to carry out this
9 Act and the amendments made by this Act.

