

AMENDMENT TO RULES COMM. PRINT 117–54

OFFERED BY MR. SCHIFF OF CALIFORNIA

At the end of division E, add the following:

1 **TITLE LIX—DETER PRC SUP-**
2 **PORT TO THE RUSSIAN WAR**
3 **EFFORT ACT**

4 **SEC. 5901. SHORT TITLE.**

5 This title may be cited as the “Deter PRC Support
6 to the Russian War Effort Act”.

7 **SEC. 5902. FINDINGS.**

8 Congress finds the following:

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

17 (2) The rhetoric of the PRC’s leaders, including
18 Xi Jinping, who called for the unification “by force”
19 of Taiwan with the People’s Republic of China, mir-
20 rors the Russian Federation’s justification for invad-

1 ing Ukraine, poses a danger to international peace
2 and security and the agreed to status quo on Taiwan
3 in the Three Communiques exchanged between Bei-
4 jing and Washington, and should be condemned by
5 the international community.

6 (3) On February 24, 2022, Russia launched an
7 unprovoked and unjustified full-scale invasion of
8 Ukraine, and has since killed and injured thousands
9 of innocent Ukrainian civilians across the country.

10 (4) The PRC's Foreign Ministry spokesperson
11 refused to categorize Russia's attacks as an "inva-
12 sion" or "war" and referred repeatedly to the Rus-
13 sian Federation's statements on Ukraine, including
14 reiterating criticisms of the North Atlantic Treaty
15 Organization (NATO) and blaming the United
16 States for starting the conflict.

17 (5) In the days and weeks since Russia's full-
18 scale invasion of Ukraine, the Biden Administration
19 has imposed several tranches of sanctions on Putin's
20 Russia.

21 (6) On February 22, 2022, President Biden
22 issued Executive Order 14065, which blocks prop-
23 erty of certain persons and prohibits certain trans-
24 actions with respect to continued Russian efforts to
25 undermine the sovereignty and territorial integrity of

1 Ukraine, and expands the scope of the national
2 emergency declared in Executive Order 13660 of
3 March 6, 2014, Executive Order 13661 of March
4 16, 2014, and Executive Order 13662 of March 20,
5 2014, and takes additional steps with respect to Ex-
6 ecutive Order 13685 of December 19, 2014, and Ex-
7 ecutive Order 13849 of September 20, 2018, finding
8 that the Russian Federation's purported recognition
9 of the so-called Donetsk People's Republic (DNR) or
10 Luhansk People's Republic (LNR) regions of
11 Ukraine contradicts Russia's commitments under
12 the Minsk agreements and further threatens the
13 peace, stability, sovereignty, and territorial integrity
14 of Ukraine, and thereby constitutes an unusual and
15 extraordinary threat to the national security and for-
16 eign policy of the United States.

17 (7) On March 8, 2022, President Biden issued
18 Executive Order 14066, which prohibits certain im-
19 ports and new investments with respect to continued
20 Russian Federation efforts to undermine the sov-
21 ereignty and territorial integrity of Ukraine, and ex-
22 pands the scope of the national emergency declared
23 in Executive Order 14024 of April 15, 2021, and
24 takes additional steps with respect to Executive
25 Order 14039 of August 20, 2021, finding that the

1 Russian Federation's unjustified, unprovoked,
2 unyielding, and unconscionable war against Ukraine,
3 including its recent further invasion in violation of
4 international law, including the United Nations
5 Charter, further threatens the peace, stability, sov-
6 ereignty, and territorial integrity of Ukraine, and
7 thereby constitutes an unusual and extraordinary
8 threat to the national security and foreign policy of
9 the United States.

10 (8) On March 11, 2022, President Biden issued
11 Executive Order 14068, which further prohibits cer-
12 tain imports and new investments with respect to
13 continued Russian Federation efforts to undermine
14 the sovereignty and territorial integrity of Ukraine,
15 and takes additional steps with respect to the na-
16 tional emergency declared in Executive Order 14024
17 of April 15, 2021, and Executive Order 14039 of
18 August 20, 2021, and expanded by Executive Order
19 14066 of March 8, 2022.

20 (9) On April 6, 2022, President Biden issued
21 Executive Order 14071, prohibiting new investment
22 and certain services to the Russian Federation in re-
23 sponse to continued Russian Federation aggression,
24 and takes additional steps with respect to the na-
25 tional emergency declared in Executive Order 14024

1 of April 15, 2021, expanded by Executive Order
2 14066 of March 8, 2022, and relied on for addi-
3 tional steps taken in Executive Order 14039 of Au-
4 gust 20, 2021, and Executive Order 14068 of March
5 11, 2022.

6 (10) In March 2022, as the Biden Administra-
7 tion continued to increase pressure on Putin’s re-
8 gime through rollouts of the aforementioned sanc-
9 tions, the head of the PRC’s banking and insurance
10 regulator said the PRC will not participate in the
11 sanctions regime Western nations imposed on Russia
12 and “will continue to maintain normal economic,
13 trade and financial exchanges” with Russia despite
14 its aggression against Ukraine.

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

23 **SEC. 5903. SENSE OF CONGRESS.**

24 It is the sense of Congress that—

1 (1) Russia's military invasion of Ukraine and
2 the war crimes and human rights violations com-
3 mitted by the Kremlin, Russia's military, and Rus-
4 sia's intelligence and security services against the
5 people of Ukraine should be strongly condemned;

6 (2) any country or entity that provides material
7 support for Russia's invasion is furthering Russia's
8 unlawful belligerence and committing of war crimes;

9 (3) Chinese government officials and individuals
10 and entities associated with People's Republic of
11 China that assist the Russian Federation, including
12 Russian government officials or individuals or enti-
13 ties associated with the Russian Federation, by pro-
14 viding material support or in evading sanctions im-
15 posed following the Russian Federation's invasion of
16 Ukraine are, in so doing, supporting the Russian
17 Federation's unprovoked attack on Ukraine and the
18 Ukrainian people, including alleged war crimes com-
19 mitted by Russian Armed Forces against civilians;

20 (4) the President should continue to seek unity
21 with European and other key partners and to uphold
22 sanctions that continue to impose costs on Putin's
23 regime and deplete the Russian Federation's war
24 chest;

1 (ii) acquiring ballistic or cruise missile
2 capabilities;

3 (iii) acquiring advanced conventional
4 weapons;

5 (iv) acquiring significant defense arti-
6 cles, defense services, or defense informa-
7 tion (as such terms are defined under the
8 Arms Export Control Act (22 U.S.C. 2751
9 et seq.)); or

10 (v) acquiring items designated by the
11 President for purposes of the United
12 States Munitions List under section
13 38(a)(1) of the Arms Export Control Act
14 (22 U.S.C. 2778(a)(1)); or

15 (B) facilitated or assisted in the evasion or
16 circumvention of United States sanctions or
17 multilateral sanctions and export controls with
18 respect to the Russia.

19 (2) APPLICABILITY TO OTHER PRC PERSONS.—
20 The sanctions described in subsection (b) shall also
21 be imposed on any PRC person that—

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

24 (B) is owned or controlled by, or has acted
25 for or on behalf of, a PRC person described in

1 paragraph (1) and has engaged in a
2 sanctionable activity described in such para-
3 graph.

4 (b) SANCTIONS DESCRIBED.—The sanctions which
5 the President may impose on a PRC person described in
6 subsection (a) are the following:

7 (1) BLOCKING OF PROPERTY.—The President
8 shall exercise all powers granted by the International
9 Emergency Economic Powers Act (50 U.S.C. 1701
10 et seq.) (except that the requirements of section 202
11 of such Act (50 U.S.C. 1701) shall not apply) to the
12 extent necessary to block and prohibit all trans-
13 actions in all property and interests in property of
14 the person if such property and interests in property
15 are in the United States, come within the United
16 States, or are or come within the possession or con-
17 trol of a United States person.

18 (2) INADMISSIBILITY OF CERTAIN INDIVID-
19 UALS.—

20 (A) INELIGIBILITY FOR VISAS AND ADMIS-
21 SION TO THE UNITED STATES.—An individual
22 determined by the President to be a person de-
23 scribed in subsection (a) is—

24 (i) inadmissible to the United States;

1 (ii) ineligible to receive a visa or other
2 documentation to enter the United States;
3 and

4 (iii) otherwise ineligible to be admitted
5 or paroled into the United States or to re-
6 ceive any other benefit under the Immigra-
7 tion and Nationality Act (8 U.S.C. 1101 et
8 seq.).

9 (B) CURRENT VISAS REVOKED.—An indi-
10 vidual determined by the President to be a per-
11 son described in subsection (a) is subject to the
12 following:

13 (i) Revocation of any visa or other
14 entry documentation regardless of when
15 the visa or other entry documentation is or
16 was issued.

17 (ii) A revocation under clause (i) shall
18 cancel any other valid visa or entry docu-
19 mentation that is in the person's posses-
20 sion in accordance with section 221(i) of
21 the Immigration and Nationality Act.

22 (3) OTHER SANCTIONS.—

23 (A) EXPORT-IMPORT BANK ASSISTANCE
24 FOR EXPORTS .—The President shall direct the
25 Export-Import Bank of the United States not

1 to give approval to the issuance of any guar-
2 antee, insurance, extension of credit, or partici-
3 pation in the extension of credit in connection
4 with the export of any goods or services to the
5 person.

6 (B) EXPORT SANCTION.—The President
7 shall order the United States Government not
8 to issue any specific license and not to grant
9 any other specific permission or authority to ex-
10 port any goods or technology to the person
11 under—

12 (i) the Export Control Reform Act of
13 2018 (50 U.S.C. 4801 et seq.);

14 (ii) the Arms Export Control Act (22
15 U.S.C. 2751 et seq.);

16 (iii) the Atomic Energy Act of 1954
17 (42 U.S.C. 2011 et seq.); or

18 (iv) any other statute that requires
19 the prior review and approval of the
20 United States Government as a condition
21 for the export or reexport of goods or serv-
22 ices.

23 (C) LOANS FROM UNITED STATES FINAN-
24 CIAL INSTITUTIONS.—The President shall pro-
25 hibit any United States financial institution

1 from making loans or providing credits to the
2 person in any 12-month period unless the per-
3 son is engaged in activities to relieve human
4 suffering and the loans or credits are provided
5 for such activities.

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

13 (E) PROHIBITIONS ON FINANCIAL INSTI-
14 TUTIONS.—The following prohibitions shall be
15 imposed against the person if that person is a
16 financial institution:

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

1 (ii) PROHIBITION ON SERVICE AS A
2 REPOSITORY OF GOVERNMENT FUNDS.—
3 The financial institution may not serve as
4 agent of the United States Government or
5 serve as repository for United States Gov-
6 ernment funds.

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

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

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

1 (I) PROPERTY TRANSACTIONS.—The Presi-
2 dent shall, pursuant to such regulations as the
3 President may prescribe, prohibit any other per-
4 son from—

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

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

14 (iii) conducting any transaction in-
15 volving such property.

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

23 (K) EXCLUSION OF CORPORATE OFFI-
24 CERS.—The President shall direct the Secretary
25 of State to deny a visa to, and the Secretary of

1 Homeland Security to exclude from the United
2 States, any alien that the President determines
3 is a corporate officer or principal of, or a share-
4 holder with a controlling interest in, the person.

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

12 (c) EXCEPTION RELATING TO IMPORTATION OF
13 GOODS.—

14 (1) IN GENERAL.—The authority to block and
15 prohibit all transactions in all property and interests
16 in property under subsection (b)(1) shall not include
17 the authority to impose sanctions on the importation
18 of goods.

19 (2) GOOD DEFINED.—In this paragraph, the
20 term “good” means any article, natural or man-
21 made substance, material, supply or manufactured
22 product, including inspection and test equipment
23 and excluding technical data.

1 (d) WAIVER.—The President may waive the applica-
2 tion of sanctions under subsection (b) with respect to a
3 PRC person described in subsection (a) if the President—

4 (1) determines that such a waiver is in the na-
5 tional interest of the United States; and

6 (2) submits to Congress a description and jus-
7 tification for such determination.

8 (e) IMPLEMENTATION; PENALTIES.—

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

14 (2) PENALTIES.—The penalties provided for in
15 subsections (b) and (c) of section 206 of the Inter-
16 national Emergency Economic Powers Act (50
17 U.S.C. 1705) shall apply to a person that violates,
18 attempts to violate, or conspires to violate, or causes
19 a violation of, subsection (a) of this section, or an
20 order or regulation prescribed under either such sub-
21 section, to the same extent that such penalties apply
22 to a person that commits an unlawful act described
23 in section 206(a) of the International Emergency
24 Economic Powers Act.

25 (f) DEFINITIONS.—In this section:

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

3 (2) FINANCIAL, MATERIAL, OR TECHNOLOGICAL
4 SUPPORT.—The term “financial, material, or techno-
5 logical support” has the meaning given such term in
6 section 542.304 of title 31, Code of Federal Regula-
7 tions (or any corresponding similar regulation or rul-
8 ing).

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

10 (A) means—

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

12 (ii) any entity organized under the
13 laws of China or any jurisdiction within
14 China; and

15 (B) includes the Government of China, the
16 Chinese Communist Party, and any Chinese
17 state-owned enterprise.

18 (4) INTERNATIONAL FINANCIAL INSTITU-
19 TION.—The term “international financial institu-
20 tion” has the meaning given that term in section
21 1701(c) of the International Financial Institutions
22 Act (22 U.S.C. 262r(c)).

23 (5) RUSSIA.—The term “Russia” means the
24 Russian Federation

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

3 (A) a United States citizen or an alien law-
4 fully admitted for permanent residence to the
5 United States; or

6 (B) an entity organized under the laws of
7 the United States or of any jurisdiction within
8 the United States, including a foreign branch of
9 such an entity.

10 **SEC. 5905. REPORT.**

11 (a) IN GENERAL.—Not later than 90 days after the
12 date of the enactment of this Act, and every 180 days
13 thereafter, and consistent with the protection of intel-
14 ligence sources and methods, the Director of National In-
15 telligence, in consultation with the Secretary of Commerce,
16 the Secretary of State, and the Secretary of Treasury as
17 appropriate, shall submit to the appropriate congressional
18 committees a report on whether and how the People’s Re-
19 public of China, including the Government of the People’s
20 Republic of China, the Chinese Communist Party, any
21 Chinese state-owned enterprise, and any other Chinese en-
22 tity, has provided support to the Russian Federation with
23 respect to its unprovoked invasion of and full-scale war
24 against Ukraine.

1 (b) MATTERS TO BE INCLUDED.—The report re-
2 quired by subsection (a) shall include a discussion of the
3 People’s Republic of China support to the Russian Federa-
4 tion with respect to—

5 (1) helping the Government of Russia or Rus-
6 sian entities evade or circumvent United States
7 sanctions or multilateral sanctions and export con-
8 trols;

9 (2) deliberately inhibiting onsite United States
10 Government export control end-use checks, including
11 interviews and investigations, in China;

12 (3) providing Russia with any technology, in-
13 cluding semiconductors classified as EAR99, that
14 supports Russian intelligence or military capabilities;

15 (4) establishing economic or financial arrange-
16 ments that will have the effect of alleviating the im-
17 pact of United States sanctions or multilateral sanc-
18 tions; and

19 (5) providing any material, technical, or
20 logistical support, including to Russian military or
21 intelligence agencies and state-owned or state-linked
22 enterprises.

23 (c) FORM.—The report required by subsection (a)
24 shall be submitted in unclassified form with a classified
25 annex as necessary.

1 (d) SUNSET.—The requirement to submit the report
2 required by subsection (a) shall terminate on the earlier
3 of—

4 (1) the date on which the Director of National
5 Intelligence determines the conflict in Ukraine has
6 ended; or

7 (2) the date that is 2 years after the date of the
8 enactment of this Act.

9 (e) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
10 FINED.—In this section, the term “appropriate congres-
11 sional committees” means—

12 (1) the Committee on Foreign Affairs, the Per-
13 manent Select Committee on Intelligence, and the
14 Committee on Financial Services of the House of
15 Representatives; and

16 (2) the Committee on Foreign Relations, the
17 Select Committee on Intelligence, and the Com-
18 mittee on Banking, Housing and Urban Affairs of
19 the Senate.

20 **SEC. 5906. SUNSET.**

21 The provisions of this title shall take effect on the
22 date of the enactment of this Act, and such provisions,
23 including any sanctions or penalties imposed under this
24 title, shall terminate on the earlier of—

- 1 (1) the date on which the President determines
- 2 the conflict in Ukraine has ended; or
- 3 (2) the date that is 2 years after such date of
- 4 enactment.

