



(Original Signature of Member)

118TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To impose certain sanctions relating to the People’s Republic of China and support for the Russian invasion of Ukraine, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GALLAGHER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

## A BILL

To impose certain sanctions relating to the People’s Republic of China and support for the Russian invasion of Ukraine, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “NO LIMITS Act of  
5 2024”.

6 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

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

1           (1) On September 30, 2022, the Office of For-  
2           eign Assets Control of the Department of the Treas-  
3           ury designated People’s Republic of China entity  
4           Sinno Electronics Co. Limited (Sinno) for providing  
5           material support to the defense industrial base of  
6           the Russian Federation.

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

15          (3) There is clear and increasing evidence that  
16          People’s Republic of China entities continue to evade  
17          United States sanctions to provide material support  
18          to the defense and military industrial base of the  
19          Russian Federation.

20          (4) Under Executive Order 13959 (85 Fed.  
21          Reg. 73185; related to addressing the threat from  
22          securities investments that finance Communist Chi-  
23          nese military companies), the President found that  
24          the People’s Republic of China “increases the size of  
25          the country’s military-industrial complex by compel-

1       ling civilian Chinese companies to support its mili-  
2       tary and intelligence activities. Those companies,  
3       though remaining ostensibly private and civilian, di-  
4       rectly support the PRC's military, intelligence, and  
5       security apparatuses and aid in their development  
6       and modernization.”.

7               (5) Evidence of industrial support for the Rus-  
8       sian Federation by the People's Republic of China,  
9       combined with inherent blurred lines between the ci-  
10      vilian versus governmental defense apparatus in the  
11      People's Republic of China, requires new authorities  
12      to protect the national security of the United States.

13      (b) SENSE OF CONGRESS.—It is the sense of Con-  
14      gress that the Russian Federation's continued invasion of  
15      Ukraine is directly enabled by the People's Republic of  
16      China. It is therefore time for the President to—

17              (1) more fully cut off financing avenues for  
18      People's Republic of China entities providing mate-  
19      riel support to the defense and related materiel sec-  
20      tor of the economy of the Russian Federation;

21              (2) more fully cut off financing avenues for  
22      People's Republic of China entities involved in mili-  
23      tary modernization activities;

24              (3) impose country-wide export control restric-  
25      tions on dual-use technology exported to the PRC

1 over concerns of diversion to the Russian Federa-  
2 tion; and

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

7 **SEC. 3. IMPOSITION OF SANCTIONS RELATING TO THE PEO-**  
8 **PLE'S REPUBLIC OF CHINA AND SUPPORT**  
9 **FOR RUSSIAN INVASION OF UKRAINE.**

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

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

16 (A) is located or headquartered within, or  
17 is organized under the laws of, the People's Re-  
18 public of China; and

19 (B) operates in the technology sector of  
20 the economy of the Russian Federation, the de-  
21 fense and related materiel sector of such econ-  
22 omy, or any other sector of such economy as  
23 may be determined by the Secretary of the  
24 Treasury or the Secretary of State, as the case  
25 may be; and

1           (2) may impose the sanction described in sub-  
2       section (c) with respect to a foreign person the  
3       President determines that, in acting for or on behalf  
4       of, or for the benefit of, directly or indirectly, the  
5       armed forces or intelligence services of the People's  
6       Republic of China, is responsible for or engages in—

7           (A) malicious cyber-enabled activities; or

8           (B) the production, or research and devel-  
9       opment, of dual-use technology or defense or re-  
10      lated materiels; or

11          (C) facilitating the evasion, circumvention,  
12      or direct violation of United States export con-  
13      trols or sanctions.

14      (b) PEOPLE'S REPUBLIC OF CHINA MILITARY COM-  
15      PANIES OPERATING IN RUSSIAN FEDERATION.—On and  
16      after the date that is 180 days after the date of the enact-  
17      ment of this Act, the President shall impose the sanctions  
18      described in subsection (c) with respect to a foreign person  
19      that—

20          (1) has business operations in the Russian Fed-  
21      eration; and

22          (2) is—

23              (A) a known Chinese military company; or

24              (B) a covered exporter of automobiles to  
25      the Russian Federation.

1 (c) SANCTION DESCRIBED.—

2 (1) IN GENERAL.—The sanction described in  
3 this paragraph is the exercise all of the powers  
4 granted to the President under the International  
5 Emergency Economic Powers Act (50 U.S.C. 1701  
6 et seq.) to the extent necessary to block and prohibit  
7 all transactions in property and interests in property  
8 of a foreign person if such property or interests in  
9 property are in the United States, come within the  
10 United States, or are or come within the possession  
11 or control of a United States person.

12 (2) IMPLEMENTATION.—The President may ex-  
13 ercise the authorities provided to the President  
14 under sections 203 and 205 of the International  
15 Emergency Economic Powers Act (50 U.S.C. 1702  
16 and 1704) to the extent necessary to carry out this  
17 section.

18 (3) PENALTIES.—The penalties provided for in  
19 subsections (b) and (c) of section 206 of the Inter-  
20 national Emergency Economic Powers Act (50  
21 U.S.C. 1705) shall apply to any person who violates,  
22 attempts to violate, conspires to violate, or causes a  
23 violation of any prohibition of this section, or an  
24 order or regulation prescribed under this section, to  
25 the same extent that such penalties apply to a per-

1 son that commits an unlawful act described in sub-  
2 section section 206(a) of such Act (50 U.S.C.  
3 1705(a)).

4 (4) EXCEPTIONS.—

5 (A) EXCEPTION FOR INTELLIGENCE AND  
6 LAW ENFORCEMENT ACTIONS.—Sanctions  
7 under this section shall not apply with respect  
8 to—

9 (i) any activity subject to the report-  
10 ing requirements under title V of the Na-  
11 tional Security Act of 1947 (50 U.S.C.  
12 3091 et seq.); or

13 (ii) any authorized intelligence or law  
14 enforcement activities of the United States.

15 (B) EXCEPTION RELATING TO IMPORTA-  
16 TION OF GOODS.—

17 (i) IN GENERAL.—The authorities and  
18 requirements to impose sanctions author-  
19 ized under this section shall not include  
20 the authority or requirement to impose  
21 sanctions on the importation of goods.

22 (ii) GOOD DEFINED.—In this subpara-  
23 graph, the term “good” means any article,  
24 natural or manmade substance, material,  
25 supply or manufactured product, including

1 inspection and test equipment, and exclud-  
2 ing technical data.

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

9 (e) DEFINITIONS.—In this section:

10 (1) BUSINESS OPERATIONS.—The term “busi-  
11 ness operations” means any participation by any  
12 person in a commercial enterprise or venture, or  
13 participation in any association, institution, organi-  
14 zation, or entity, whether of a commercial nature or  
15 otherwise. This includes the production, distribution,  
16 exportation, sale of goods, or provision of services,  
17 regardless of whether a pecuniary benefit or other  
18 assets are derived from such participation.

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

22 (3) KNOWINGLY.—The term “knowingly”, with  
23 respect to conduct, a circumstance, or a result,  
24 means that a person has actual knowledge, or should



1 have known, of the conduct, the circumstance, or the  
2 result (as the case may be).

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

5 (5) UNITED STATES PERSON.—The term  
6 “United States person” means any United States  
7 citizen, permanent resident alien, an entity orga-  
8 nized under the laws of the United States or any ju-  
9 risdiction within the United States (including a for-  
10 eign branch of such an entity), or any person in the  
11 United States.

12 (6) COVERED EXPORTER OF AUTOMOBILES.—  
13 The term “covered exporter of automobiles” means  
14 any of the following persons:

15 (A) Chery International.

16 (B) Haval.

17 (C) Great Wall Motors.

18 (D) Changan International.

19 (E) Chery Automobile.

20 (F) any subsidiary, affiliate, or successor  
21 of the entities in subparagraphs (A), (B), (C),  
22 (D), or (E).

23 (7) KNOWN CHINESE MILITARY COMPANY.—  
24 The term “known Chinese military company” means  
25 any of the following persons:

1 (A) Aviation Industry Corporation of  
2 China Ltd (AVIC).

3 (B) 360 Security Technology Inc. (Qihoo  
4 360).

5 (C) Advanced Micro-Fabrication Equip-  
6 ment Inc. China (AMEC).

7 (D) Aerospace CH UAV Co., Ltd (S-  
8 SEA).

9 (E) Beijing Megvii Technology Co., Ltd.  
10 (Megvii).

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

12 (G) MGI Co. Ltd. (MGI).

13 (F) China Aerospace Science and Industry  
14 Corporation Limited (CASIC).

15 (G) China Electronics Corporation (CEC).

16 (H) China Construction Technology Co.  
17 Ltd (CCTC).

18 (I) China Communications Construction  
19 Group (CCCCG).

20 (J) China Construction Technology Co.  
21 Ltd (CCTC).

22 (K) China Electronics Technology Group  
23 Corporation (CETC).

24 (L) Hangzhou Hikvision Digital Tech-  
25 nology Co. Ltd (Hikvision).

1 (M) China General Nuclear Power Cor-  
2 poration (CGN).

3 (N) China Mobile Communications Group  
4 Co. Ltd. (China Mobile Comm).

5 (O) China National Chemical Corporation  
6 (ChemChina).

7 (P) China National Offshore Oil Corpora-  
8 tion (CNOOC).

9 (Q) China National Nuclear Corporation  
10 (CNNC).

11 (R) China Railway Construction Corpora-  
12 tion Limited (CRCC).

13 (S) China South Industries Group Cor-  
14 poration (CRCC).

15 (T) China State Construction Engineering  
16 Corporation Limited (CSCEC).

17 (U) China State Shipbuilding Corporation  
18 Limited (CSSC).

19 (V) China Telecom Group Co, Ltd. (China  
20 Telecom).

21 (W) China Three Gorges Corporation  
22 (CTG).

23 (X) China United Network Communica-  
24 tions Group Co. Ltd (China Unicom).

1 (Y) CloudWalk Technology Co. Ltd  
2 (CloudWalk).

3 (Z) Dawning Information Industry Co. Ltd  
4 (Sugon).

5 (AA) Hesai Technology Co. Ltd (Hesai).

6 (BB) Huawei Technologies Co. Ltd  
7 (Huawei).

8 (CC) Inspur Group Partners Co. Ltd (IDG  
9 Capital).

10 (DD) Semiconductor Manufacturing Inter-  
11 national Corporation (SMIC).

12 (EE) Shenzhen DJI Innovation Tech-  
13 nology Co. Ltd (DJI).

14 (FF) Yangtze Memory Technologies Co.,  
15 Ltd. (YMTC).

16 (GG) Zhejiang Dahua Technology Co., Ltd  
17 (Dahua).

18 (HH) AVIC Senyang Aircraft Co., Ltd.

19 (II) Autel Robotics Co. Ltd (Autel).

20 (JJ) AVIC Heavy Machinery Company  
21 Limited.

22 (KK) AVIC Xi"An Aircraft Industry  
23 Group Company Ltd.

24 (LL) ChangXin Memory Technologies  
25 (CXMT).

1 (MM) Dahua Technology.

2 (NN) Zhejiang Uniview Technologies.

3 (OO) Guizhou Guihang Automotive Com-  
4 ponents Co., Ltd.

5 (PP) Changying Xinzhi Technology Co.,  
6 Ltd.

7 (QQ) Sichuan Northern Nitrocellulose Co.,  
8 Ltd.

9 (RR) Northern Chemistry Industry Co.,  
10 Ltd.

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

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

19 **SEC. 4. DETERMINATION OF SANCTIONS ON ARMS MANU-  
20 FACTURERS OF THE PEOPLE'S REPUBLIC OF  
21 CHINA ENGAGED IN OVERSEAS WEAPONS  
22 SALES.**

23 (a) DETERMINATION.—Not later than 180 days after  
24 the date of the enactment of this Act, the Secretary of  
25 the Treasury, in consultation with the Secretary of State,

1 and the Secretary of Defense, shall submit to the appro-  
2 priate congressional committees a determination of wheth-  
3 er, for each covered person, that covered person meets the  
4 criteria for the imposition of the sanction described in sec-  
5 tion 3(c).

6 (b) DEFINITIONS.—In this section:

7 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
8 TEES.—The term “appropriate congressional com-  
9 mittees” means—

10 (A) the Committee on Foreign Affairs, the  
11 Permanent Select Committee on Intelligence,  
12 and the Select Committee on the Strategic  
13 Competition Between the United States and the  
14 Chinese Communist Party of the House of Rep-  
15 resentatives; and

16 (B) the Committee on Foreign Relations,  
17 the Committee on Banking, Housing, and  
18 Urban Affairs, and the Select Committee on In-  
19 telligence of the Senate.

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

22 (A) China North Industries Group Cor-  
23 poration.

24 (B) Aviation Industry Corporation of  
25 China.

1 (C) China Electronics Technology Group  
2 Corporation.

3 (D) China South Industries Group Cor-  
4 poration.

5 (E) China Aerospace Science and Industry  
6 Corporation.

7 (F) China General Nuclear Power Group.

8 (G) China National Nuclear Corporation.

9 (H) China State Shipbuilding Corporation.

10 **SEC. 5. CLASSIFYING THE PEOPLE’S REPUBLIC OF CHINA**  
11 **AT HIGH RISK OF FACILITATING DIVERSION**  
12 **OF UNITED STATES TECHNOLOGY TO THE**  
13 **RUSSIAN FEDERATION.**

14 (a) IN GENERAL.—Section 1754 of the Export Con-  
15 trol Reform Act of 2018 (50 U.S.C. 4813) is amended—

16 (1) by redesignating subsections (d), (e), and  
17 (f) as subsections (e), (f), and (g), respectively;

18 (2) by inserting after subsection (c) the fol-  
19 lowing:

20 “(d) ANTI-DIVERSION CONTROLS RELATING TO THE  
21 PEOPLE’S REPUBLIC OF CHINA.—

22 “(1) IN GENERAL.—A license shall be required  
23 for the export, reexport, or in-country transfer of  
24 items described in paragraph (2), the control of

1       which is implemented pursuant to subsection (a) by  
2       the Secretary, to—

3               “(A) the People’s Republic of China; or

4               “(B) any other foreign country the Sec-  
5       retary of State, in consultation with the Sec-  
6       retary of Defense, determines is facilitating the  
7       diversion of technology or defense-related mate-  
8       rials that are contributing materially to the  
9       ability of the Government of Russia to under-  
10      take military action in Ukraine.

11       “(2) ITEMS DESCRIBED.—The items described  
12      in this paragraph—

13              “(A) are items that the Secretary of De-  
14      fense, in consultation with the Secretary of  
15      Commerce, the Secretary of State, and the Sec-  
16      retary of Energy, determines could make a con-  
17      tribution to the military potential or logistical  
18      capability of the Russian Federation and are at  
19      risk of diversion to the Russian Federation or  
20      affiliates through the People’s Republic of  
21      China; and

22              “(B) items that directly or indirectly relate  
23      to—

24                      “(i) semiconductors;

25                      “(ii) sensors and lasers;



1 “(iii) aviation and propulsion;  
2 “(iv) materials processing; or  
3 “(v) other technologies, as defined by  
4 the Secretary of Defense, in consultation  
5 with the Secretary of Commerce, the Sec-  
6 retary of State, and the Secretary of En-  
7 ergy.

8 “(3) REBUTTABLE PRESUMPTION.—The Sec-  
9 retary shall deny a license described in paragraph  
10 (1) for the export, reexport, or in-country transfer of  
11 an item described in paragraph (2) unless the person  
12 seeking to export the item submits to the Secretary  
13 such documentation as the Secretary may reasonably  
14 require that demonstrates by clear and convincing  
15 evidence that the export of the item will not pose a  
16 threat to the national security of the United States.

17 “(4) APPLICATIONS OF LICENSING REQUIRE-  
18 MENTS TO SUBSIDIARIES.—Any licensing require-  
19 ment applied to a PRC or Russian entity by reason  
20 of the entity being included on the entity list shall  
21 also apply to any subsidiary or other entity over  
22 which the listed entity has control.”.

23 **SEC. 6. REGULATIONS.**

24 Not later than 90 days after the date of the enact-  
25 ment of this Act, the Secretary of Commerce, the Sec-

1   retary of Defense, and the Secretary of State, shall issue  
2   such regulations as may be necessary to carry out this  
3   Act and the amendments made by this Act.