

AMENDMENT NO. _____ Calendar No. _____

Purpose: To require the imposition of sanctions with respect to assistance by the People’s Republic of China for the development of sensitive nuclear technologies by Saudi Arabia.

IN THE SENATE OF THE UNITED STATES—117th Cong., 1st Sess.

S. _____

To address issues involving the People’s Republic of China.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. VAN HOLLEN

Viz:

1 At the end of subtitle B of title II, add the following:

2 **SEC. 236. SANCTIONS WITH RESPECT TO ASSISTANCE BY**
3 **PEOPLE’S REPUBLIC OF CHINA FOR DEVEL-**
4 **OPMENT OF SENSITIVE NUCLEAR TECH-**
5 **NOLOGIES BY SAUDI ARABIA.**

6 (a) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that—

8 (1) the United States should seek to block,
9 through diplomatic and other means, the transfer by
10 the People’s Republic of China of sensitive nuclear

1 and missile technologies to other countries, particu-
2 larly to countries of proliferation concern;

3 (2) through the Nuclear Suppliers Group and
4 other multilateral and bilateral mechanisms, the
5 United States should oppose the transfer by the
6 People's Republic of China to Saudi Arabia of—

7 (A) nuclear enrichment and spent fuel re-
8 processing facilities, equipment, or technologies;
9 and

10 (B) any nuclear material, equipment, or
11 technology unless the Government of Saudi
12 Arabia has signed and brought into force an
13 Additional Protocol to its Comprehensive Safe-
14 guards Agreement with the IAEA;

15 (3) consistent with the provisions of the Nu-
16 clear Non-Proliferation Act of 1978 (22 U.S.C. 3201
17 et seq.), the United States should create, and
18 strengthen where necessary, mechanisms to provide
19 adequate and assured supplies of nuclear fuel to
20 countries that are in strict compliance with their
21 nonproliferation obligations and safeguards agree-
22 ments.

23 (b) IMPOSITION OF SANCTIONS.—The President shall
24 impose not fewer than 2 of the sanctions described in sub-
25 section (c) with respect to a covered person that the Presi-

1 dent determines, on or after the date that is 90 days after
2 the date of the enactment of this Act, knowingly—

3 (1) transfers to Saudi Arabia covered facilities,
4 equipment, or technology; or

5 (2) is materially contributing to, has materially
6 contributed to, or is attempting or has attempted to
7 materially contribute to—

8 (A) efforts by Saudi Arabia to develop, ac-
9 quire, or otherwise engage in the trade of cov-
10 ered facilities, equipment, or technology; or

11 (B) any activity by Saudi Arabia—

12 (i) involving unsafeguarded special
13 nuclear material; or

14 (ii) that constitutes a material viola-
15 tion of Saudi Arabia's Comprehensive
16 Safeguards Agreement with the IAEA.

17 (c) SANCTIONS DESCRIBED.—The sanctions that
18 may be imposed with respect to a covered person subject
19 to subsection (b) are the following:

20 (1) NUCLEAR AND DUAL-USE EXPORT PROHIBI-
21 TION.—The President may order the United States
22 Government to deny the issuance of any specific li-
23 cense, to suspend any existing license, and not to
24 grant any other specific permission or authority to

1 export any goods or technology to the covered person
2 under—

3 (A) the Atomic Energy Act of 1954 (42
4 U.S.C. 2011 et seq.);

5 (B) the Export Control Reform Act of
6 2018 (50 U.S.C. 4801 et seq.) or the Export
7 Administration Regulations (as defined in sec-
8 tion 1742 of that Act); or

9 (C) any other provision of law that re-
10 quires the prior review and approval of the
11 United States Government for the export or re-
12 export of goods, services, or technology listed in
13 the Guidelines for Transfers of Nuclear-Related
14 Dual-Use Equipment, Material, and Related
15 Technology published by the IAEA as Informa-
16 tion Circular INFCIRC/254/Rev.3/Part 2 (or
17 any successor thereto).

18 (2) BANKING TRANSACTIONS.—The President
19 may, pursuant to such regulations as the President
20 may prescribe, prohibit any transfers of credit or
21 payments between financial institutions or by,
22 through, or to any financial institution, to the extent
23 that such transfers or payments are subject to the
24 jurisdiction of the United States and involve any in-
25 terest of the covered person.

1 (3) PROCUREMENT SANCTION.—The President
2 may direct the United States Government not to
3 procure, or enter into any contract for the procure-
4 ment of, any goods or services from the covered per-
5 son.

6 (4) ASSET FREEZE.—The President may, pur-
7 suant to the International Emergency Economic
8 Powers Act (50 U.S.C. 1701 et seq.), block and pro-
9 hibit all transactions in all property and interests in
10 property of the covered person if such property and
11 interests in property are in the United States, come
12 within the United States, or are or come within the
13 possession or control of a United States person.

14 (d) IMPLEMENTATION; PENALTIES.—

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

20 (2) PENALTIES.—A person that violates, at-
21 tempts to violate, conspires to violate, or causes a
22 violation of subsection (c), or any regulation, license,
23 or order issues to carry out that subsection, shall be
24 subject to penalties set forth in subsections (b) and
25 (c) of section 206 of the International Emergency

1 Economic Powers Act (50 U.S.C. 1705) to the same
2 extent as a person that commits an unlawful act de-
3 scribed in subsection (a) of that section.

4 (e) TERMINATION OF SANCTIONS.—The President
5 may terminate the application of any sanctions under this
6 section if the President determines and certifies to the ap-
7 propriate committees of Congress that—

8 (1) the covered person with respect to which the
9 determination was made under subsection (b) has
10 ceased engaging in the sanctionable activity or has
11 taken significant verifiable steps toward stopping
12 such activity; and

13 (2) the President has received reliable assur-
14 ances that the person will not knowingly engage in
15 the activities described in subsection (b) in the fu-
16 ture.

17 (f) WAIVER; EXCEPTION.—

18 (1) NATIONAL SECURITY WAIVER.—The Presi-
19 dent may waive the application of sanctions under
20 this section with respect to a person if the Presi-
21 dent—

22 (A) determines that the waiver is in the
23 national security interests of the United States;
24 and

1 (B) submits to the appropriate committees
2 of Congress a report on the determination and
3 the reasons for the determination.

4 (2) EXCEPTION RELATING TO IMPORTATION OF
5 GOODS.—

6 (A) IN GENERAL.—The authorities and re-
7 quirements to impose sanctions under this sec-
8 tion shall not include the authority or a require-
9 ment to impose sanctions on the importation of
10 goods.

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

16 (g) RULE OF CONSTRUCTION.—Nothing in this sec-
17 tion shall be construed as affecting the responsibilities re-
18 quired or authorities provided under chapter 10 of the
19 Arms Export Control Act (22 U.S.C. 2799aa et seq.) or
20 under part B of the Nuclear Proliferation Prevention Act
21 of 1994 (22 U.S.C. 6301 et seq.).

22 (h) DEFINITIONS.—In this section:

23 (1) APPROPRIATE COMMITTEES OF CON-
24 GRESS.—The term “appropriate congressional com-
25 mittees” means—

1 (A) the Committee on Banking, Housing,
2 and Urban Affairs, the Committee on Foreign
3 Relations, and the Select Committee on Intel-
4 ligence of the Senate; and

5 (B) the Committee on Financial Services,
6 the Committees on Foreign Affairs, and the
7 Permanent Select Committee on Intelligence of
8 the House of Representatives.

9 (2) COVERED FACILITIES, EQUIPMENT, OR
10 TECHNOLOGY.—The term “covered facilities, equip-
11 ment, or technology” means any facilities, equip-
12 ment, or technology used for—

13 (A) separating the isotopes of uranium or
14 enriching uranium in the isotope 235; or

15 (B) reprocessing irradiated source or spe-
16 cial nuclear material.

17 (3) COVERED PERSON.—The term “covered
18 person” means—

19 (A) an individual who is a citizen or na-
20 tional of the People’s Republic of China; or

21 (B) an entity organized under the laws of
22 the People’s Republic of China or otherwise
23 subject to the jurisdiction of the Government of
24 the People’s Republic of China.

1 (4) IAEA.—The term “IAEA” means the
2 International Atomic Energy Agency.

3 (5) KNOWINGLY.—The term “knowingly”, with
4 respect to conduct, a circumstance, or a result,
5 means that a person has actual knowledge, or should
6 have known, of the conduct, the circumstance, or the
7 result.

8 (6) SAFEGUARDS.—The term “safeguards”
9 means the safeguards set forth in an agreement be-
10 tween a country and the IAEA, as authorized by
11 paragraph A.5 of Article III of the Statute of the
12 IAEA.

13 (7) SPECIAL NUCLEAR MATERIAL.—The term
14 “special nuclear material” has the meaning given
15 that term in section 11 of the Atomic Energy Act
16 of 1954 (42 U.S.C. 2014).

17 (8) UNSAFEGUARDED SPECIAL NUCLEAR MATE-
18 RIAL.—The term “unsafeguarded special nuclear
19 material” means special nuclear material that is held
20 in violation of safeguards or not subject to safe-
21 guards.