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2D SESSION

S. 4604

To require the imposition of sanctions with respect to certain persons in the defense sectors of nuclear weapons states that are not fulfilling their obligations under article VI of the Nuclear Non-Proliferation Treaty, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 16, 2020

Mr. CRUZ introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the imposition of sanctions with respect to certain persons in the defense sectors of nuclear weapons states that are not fulfilling their obligations under article VI of the Nuclear Non-Proliferation Treaty, 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 “Strongly and Unam-
5 biguously Sanctioning Proliferators Exploiting Nuclear
6 Diplomacy Act of 2020” or the “SUSPEND Act”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) The governments of nuclear weapons states
4 have committed, in accordance with article VI of the
5 Treaty on the Non-Proliferation of Nuclear Weap-
6 ons, done at Washington, London, and Moscow July
7 1, 1968 (21 UST 483) (commonly referred to as the
8 “Nuclear Non-Proliferation Treaty”), to “pursue ne-
9 gotiations in good faith on effective measures relat-
10 ing to cessation of the nuclear arms race at an early
11 date and to nuclear disarmament”.

12 (2) In 2018 the Nuclear Posture Review con-
13 firmed that—

14 (A) “[t]he United States remains com-
15 mitted to its efforts in support of the ultimate
16 global elimination of nuclear, biological, and
17 chemical weapons”;

18 (B) “[w]hile the United States has contin-
19 ued to reduce the number and salience of nu-
20 clear weapons, others, including Russia and
21 China, have moved in the opposite direction”;
22 and

23 (C) the United States has “long sought a
24 dialogue with China to enhance our under-
25 standing of our respective nuclear policies, doc-
26 trine, and capabilities; to improve transparency;

1 and to help manage the risks of miscalculation
2 and misperception”.

3 (3) On May 29, 2019, the Director of the De-
4 fense Intelligence Agency, Lt. Gen. Robert P. Ash-
5 ley, Jr., stated—

6 (A) “Russia is upgrading the capacity of
7 its nuclear forces. We assess its overall nuclear
8 stockpile is likely to grow significantly over the
9 next decade.”; and

10 (B) “Over the next decade, China is likely
11 to at least double the size of its nuclear stock-
12 pile in the course of implementing the most
13 rapid expansion and diversification of its nu-
14 clear arsenal in China’s history.”.

15 (4) In 2019, the United States-China Economic
16 and Security Review Commission reported to Con-
17 gress that—

18 (A) the People’s Republic of China’s “en-
19 hanced program of military-civil fusion seeks to
20 mobilize civilian technological advances in sup-
21 port of China’s military modernization”; and

22 (B) “As part of military-civil fusion, Chi-
23 nese firms obtain dual-use technologies through
24 overseas acquisitions supported by government
25 funding. For instance, since its creation in

1 2008, state-owned defense conglomerate Avia-
2 tion Industry Corporation of China (AVIC) has
3 spent at least \$3.3 billion acquiring at least 20
4 aerospace, automotive, and engineering firms,
5 mainly in the United States and Europe.”.

6 **SEC. 3. DEFINITIONS.**

7 In this Act:

8 (1) **KNOWINGLY.**—The term “knowingly”, with
9 respect to conduct, a circumstance, or a result,
10 means that a person has actual knowledge, or should
11 have known, of the conduct, the circumstance, or the
12 result.

13 (2) **NUCLEAR NON-PROLIFERATION TREATY.**—
14 The term “Nuclear Non-Proliferation Treaty”
15 means the Treaty on the Non-Proliferation of Nu-
16 clear Weapons, done at Washington, London, and
17 Moscow July 1, 1968 (21 UST 483).

18 (3) **NUCLEAR WEAPONS STATE.**—The term
19 “nuclear weapons state” means a country that is a
20 nuclear-weapons state party to the Nuclear Non-
21 Proliferation Treaty.

22 (4) **SDN LIST.**—The term “SDN list” means
23 the list of specially designated nationals and blocked
24 persons maintained by the Office of Foreign Assets
25 Control of the Department of the Treasury.

1 **SEC. 4. REPORT ON OBSERVANCE OF ARTICLE VI OF NU-**
2 **CLEAR NON-PROLIFERATION TREATY BY NU-**
3 **CLEAR WEAPONS STATES.**

4 Not later than 180 days after the date of the enact-
5 ment of this Act, and annually thereafter, the Secretary
6 of State shall submit to Congress a report describing the
7 implementation and observance of article VI of the Nu-
8 clear Non-Proliferation Treaty by nuclear weapons states
9 that includes the determination of the Secretary, with re-
10 spect to each such state, of whether that state has, during
11 the year preceding submission of the report, “pursue[d]
12 negotiations in good faith on effective measures relating
13 to cessation of the nuclear arms race at an early date and
14 to nuclear disarmament” in accordance with such article
15 VI.

16 **SEC. 5. IMPOSITION OF SANCTIONS WITH RESPECT TO CER-**
17 **TAIN PERSONS IN DEFENSE SECTOR OF NU-**
18 **CLEAR WEAPONS STATES NOT FULFILLING**
19 **OBLIGATIONS UNDER ARTICLE VI OF THE**
20 **NUCLEAR NON-PROLIFERATION TREATY.**

21 (a) IN GENERAL.—The President shall include on the
22 SDN list any person that, on or after the date of the en-
23 actment of this Act—

24 (1) is an entity in the defense industry of a
25 country described in subsection (b);

1 (2) is an individual who is corporate officer or
2 principal shareholder of an entity described in para-
3 graph (1);

4 (3) knowingly provides significant financial, ma-
5 terial, technological, or other support to a person de-
6 scribed in paragraph (1) or (2); or

7 (4) knowingly provides goods or services in sup-
8 port of any activity or transaction on behalf of or for
9 the benefit of such a person.

10 (b) COUNTRY DESCRIBED.—A country described in
11 this subsection is a nuclear weapons state that is not a
12 member of the North Atlantic Treaty Organization.

13 (c) EXCEPTION.—The President may not include an
14 entity in the defense industry of a country described in
15 subsection (b), an individual who is corporate officer or
16 principal shareholder of such an entity, or a person that
17 provides support or goods or services to such an entity
18 or individual as described in paragraph (3) or (4) of sub-
19 section (a), on the SDN list pursuant to subsection (a)
20 if, in the most recent report required by section 4, the
21 President determines that the country has “pursue[d] ne-
22 gotiations in good faith on effective measures relating to
23 cessation of the nuclear arms race at an early date and
24 to nuclear disarmament” pursuant to the obligations of

- 1 the country under article VI of the Nuclear Non-Prolifera-
- 2 tion Treaty during the period covered by the report.

