

119TH CONGRESS
1ST SESSION

S. _____

To amend title 18, United States Code, to prohibit United States persons from advancing artificial intelligence capabilities within the People’s Republic of China, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. HAWLEY introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend title 18, United States Code, to prohibit United States persons from advancing artificial intelligence capabilities within the People’s Republic of China, 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 “Decoupling America’s
5 Artificial Intelligence Capabilities from China Act of
6 2025”.

7 **SEC. 2. DEFINITIONS.**

8 In this Act:

1 (1) ARTIFICIAL INTELLIGENCE; GENERATIVE
2 ARTIFICIAL INTELLIGENCE.—The terms “artificial
3 intelligence” and “generative artificial intelligence”
4 have the meanings given those terms in section 2741
5 of title 18, United States Code, as added by section
6 3.

7 (2) ARTIFICIAL INTELLIGENCE OR GENERATIVE
8 ARTIFICIAL INTELLIGENCE TECHNOLOGY OR INTEL-
9 LECTUAL PROPERTY.—The term “artificial intel-
10 ligence or generative artificial intelligence technology
11 or intellectual property” means technology or intel-
12 lectual property that could be used to contribute to
13 artificial intelligence or generative artificial intel-
14 ligence capabilities.

15 (3) CHINESE ENTITY OF CONCERN.—The term
16 “Chinese entity of concern” has the meaning given
17 the term in section 2741 of title 18, United States
18 Code, as added by section 4.

19 (4) INTEREST.—The term “interest”, with re-
20 spect to an entity, includes an interest in the enti-
21 ty—

22 (A) held directly or indirectly through any
23 chain of ownership; or

24 (B) held as a derivative financial instru-
25 ment or other contractual arrangement with the

1 entity, including any financial instrument or
2 other contract that seeks to replicate any finan-
3 cial return with respect to the entity or an in-
4 terest in the entity.

5 (5) MILITARY-CIVIL FUSION STRATEGY.—The
6 term “military-civil fusion strategy” means the
7 strategy of the Chinese Communist Party aiming to
8 mobilize non-military resources and expertise for
9 military application, including the development of
10 technology, improvements in logistics, and other uses
11 by the People’s Liberation Army.

12 (6) INTELLECTUAL PROPERTY.—The term “in-
13 tellectual property” means—

14 (A) any work protected by a copyright
15 under title 17, United States Code;

16 (B) any property protected by a patent
17 granted by the United States Patent and
18 Trademark Office under title 35, United States
19 Code;

20 (C) any word, name, symbol, or device, or
21 any combination thereof, that is registered as a
22 trademark with the United States Patent and
23 Trademark Office under the Act entitled “An
24 Act to provide for the registration and protec-
25 tion of trademarks used in commerce, to carry

1 out the provisions of certain international con-
2 ventions, and for other purposes”, approved
3 July 5, 1946 (commonly known as the
4 “Lanham Act” or the “Trademark Act of
5 1946”) (15 U.S.C. 1051 et seq.); or

6 (D) a trade secret (as defined in section
7 1839 of title 18, United States Code).

8 (7) TECHNOLOGY.—The term “technology”—

9 (A) has the meaning given that term in
10 section 1742 of the Export Control Reform Act
11 of 2018 (50 U.S.C. 4801); and

12 (B) includes—

13 (i) any semiconductor, circuit board,
14 operating system, graphics processing unit,
15 central processing unit, tensor processing
16 unit, field-programmable gate array, ran-
17 dom access memory, hard drive, solid-state
18 drive, dataflow architecture, or cloud-com-
19 puting service, that is manufactured, de-
20 signed, developed, supplied, deployed, com-
21 pleted, assembled, restored, converted, or
22 replicated to function artificial intelligence
23 or generative artificial intelligence; and

24 (ii) any other hardware, software,
25 equipment, device, component, robotic,

1 computer, processor, network, machine, ac-
2 celerator, circuit, storage, system or sub-
3 system, server, or related good, tool, or
4 service, that is manufactured, designed, de-
5 veloped, supplied, deployed, completed, as-
6 sembled, restored, converted, or replicated
7 to function artificial intelligence or genera-
8 tive artificial intelligence.

9 (8) TERMS FROM EXPORT CONTROL REFORM
10 ACT OF 2018.—The terms “export”, “in-country
11 transfer”, and “reexport” have the meanings given
12 those terms in section 1742 of the Export Control
13 Reform Act of 2018 (50 U.S.C. 4801).

14 (9) UNITED STATES PERSON.—The term
15 “United States person” has the meaning given the
16 term in section 2741 of title 18, United States Code,
17 as added by section 4.

18 **SEC. 3. PROHIBITIONS ON IMPORT AND EXPORT OF ARTIFI-**
19 **CIAL INTELLIGENCE OR GENERATIVE ARTIFI-**
20 **CIAL INTELLIGENCE TECHNOLOGY OR INTEL-**
21 **LECTUAL PROPERTY.**

22 (a) PROHIBITION ON IMPORTATION.—On and after
23 the date that is 180 days after the date of the enactment
24 of this Act, the importation into the United States of arti-
25 ficial intelligence or generative artificial intelligence tech-

1 nology or intellectual property developed or produced in
2 the People's Republic of China is prohibited.

3 (b) PROHIBITION ON EXPORT.—On and after the
4 date that is 180 days after the date of the enactment of
5 this Act, the export, reexport, or in-country transfer of
6 artificial intelligence or generative artificial intelligence
7 technology or intellectual property to or within the Peo-
8 ple's Republic of China is prohibited.

9 (c) PENALTIES.—

10 (1) CRIMINAL.—A person who willfully com-
11 mits, willfully attempts to commit, or willfully con-
12 spires to commit, or aids and abets in the commis-
13 sion of, the violation of a prohibition under sub-
14 section (a) or (b) shall be subject to the criminal
15 penalties set forth in subsection (b) of section 1760
16 of the Export Control Reform Act of 2018 (50
17 U.S.C. 4819) to the same extent as a person who
18 willfully commits, willfully attempts to commit, or
19 willfully conspires to commit, or aids and abets in
20 the commission of an unlawful act described in sub-
21 section (a) of that section.

22 (2) CIVIL.—A person who violates a prohibition
23 under subsection (a) or (b) or any regulation, order,
24 or license issued to carry out any such prohibition
25 shall be subject to a civil penalty set forth in section

1 1760(e) of the Export Control Reform Act of 2018
2 (50 U.S.C. 4819(e)) for each such violation to the
3 same extent as a person who commits a violation de-
4 scribed in that section.

5 (d) REGULATIONS.—Not later than 90 days after the
6 date of enactment of this Act, the Secretary of Commerce
7 shall issue regulations implementing this section.

8 **SEC. 4. ARTIFICIAL INTELLIGENCE RESEARCH AND DEVEL-**
9 **OPMENT.**

10 (a) IN GENERAL.—Part I of title 18, United States
11 Code, is amended by adding at the end the following:

12 **“CHAPTER 124—RESEARCH AND DEVEL-**
13 **OPMENT THAT BENEFITS THE PEO-**
14 **PLE’S REPUBLIC OF CHINA**

15 **“§ 2741. Definitions**

16 “In this chapter:

17 “(1) ARTIFICIAL INTELLIGENCE.—The term
18 ‘artificial intelligence’—

19 “(A) has the meaning given the term in
20 section 238(g) of the John S. McCain National
21 Defense Authorization Act for Fiscal Year 2019
22 (10 U.S.C. note prec. 4061; Public Law 115–
23 232); and

24 “(B) includes—

1 “(i) an artificial or automated sys-
2 tem—

3 “(I) that performs tasks under
4 varying and unpredictable cir-
5 cumstances without significant human
6 oversight;

7 “(II) that can learn from experi-
8 ence and improve performance when
9 exposed to data sets;

10 “(III) developed in computer
11 software, physical hardware, or an-
12 other context that solves tasks requir-
13 ing human-like perception, cognition,
14 planning, learning, communication, or
15 physical action;

16 “(IV) designed to think or act
17 like a human, including through cog-
18 nitive architectures or neural net-
19 works;

20 “(V) that has or is derived from
21 a set of techniques, including machine
22 learning, statistics, or other data
23 processing or artificial intelligence
24 techniques, that is designed to approx-
25 imate a cognitive task;

1 “(VI) designed to act rationally,
2 including through an intelligent soft-
3 ware agent or embodied robot that
4 achieves goals using perception, plan-
5 ning, reasoning, learning, commu-
6 nicating, decision-making, and acting;
7 or

8 “(VII) that is intended to or ca-
9 pable of interacting with humans, de-
10 tecting human emotions, determining
11 associations with social categories
12 based on biometric data, or generating
13 or manipulating image, audio, video,
14 or related material; and

15 “(ii) any other artificial or automated
16 system, software, or process that uses com-
17 putation as whole or part of a system to
18 determine outcomes, make or aid decisions,
19 inform policy implementation, collect data
20 or observations, or otherwise interact with
21 humans or communities of humans.

22 “(2) CONTROL.—The term ‘control’ has the
23 meaning given the term in section 800.208 of title
24 31, Code of Federal Regulations (as in effect on the
25 date of enactment of this Act).

1 “(3) CORPORATION.—The term ‘corporation’—

2 “(A) means an entity with the business
3 structure of a corporation, a company, a limited
4 liability company, a limited partnership, a busi-
5 ness trust, a business association, or another
6 similar entity; and

7 “(B) includes any subsidiary or branch of
8 an entity described in subparagraph (A) tied to
9 an entity described in subparagraph (A)
10 through a series of contracts.

11 “(4) DEVELOPMENT.—The term ‘development’
12 means creative and systematic work that draws upon
13 knowledge gained from research and practical expe-
14 rience, which—

15 “(A) is directed toward the production of
16 new products or processes or improving existing
17 products or processes; and

18 “(B) like research, results in gaining addi-
19 tional knowledge.

20 “(5) ENTITY OF CONCERN.—The term ‘entity
21 of concern’ means—

22 “(A) an institution of education, including
23 a college and university, organized under the
24 laws of the People’s Republic of China;

1 “(B) a research institution, research lab,
2 or research and development center organized
3 under the laws of the People’s Republic of
4 China;

5 “(C) any corporation—

6 “(i) that is organized under the laws
7 of the People’s Republic of China;

8 “(ii) that is headquartered in the Peo-
9 ple’s Republic of China;

10 “(iii) that has its principal place of
11 business in the People’s Republic of China;

12 or

13 “(iv) the equity securities of which are
14 primarily traded on not less than 1 ex-
15 change based within the People’s Republic
16 of China; and

17 “(D) the Government of the People’s Re-
18 public of China (as defined in section 204 of
19 the U.S.-China Relations Act of 2000 (22
20 U.S.C. 6903)) and any governmental depart-
21 ment, agency, ministry, research institution, re-
22 search lab, research and development center, or
23 any other entity, subdivision, or affiliate of the
24 People’s Republic of China, the Chinese Com-
25 munist Party, or the People’s Liberation Army.

1 “(6) FEDERAL AGENCY.—The term ‘Federal
2 agency’ means a department, an independent estab-
3 lishment, a commission, an administration, an au-
4 thority, a board or bureau of the United States, a
5 corporation in which the United States has a propri-
6 etary interest, or any other agency of the executive
7 branch of the Federal Government.

8 “(7) FEDERAL FINANCIAL ASSISTANCE.—The
9 term ‘Federal financial assistance’ means a grant,
10 loan, or contribution provided by the Federal Gov-
11 ernment.

12 “(8) GENERATIVE ARTIFICIAL INTEL-
13 LIGENCE.—The term ‘generative artificial intel-
14 ligence’ means an artificial intelligence system that
15 is capable of generating novel text, video, images,
16 audio, or other media based on prompts or other
17 forms of data provided by an individual.

18 “(9) PEOPLES’S REPUBLIC OF CHINA.—The
19 term ‘People’s Republic of China’ includes Hong
20 Kong and Macau.

21 “(10) RESEARCH.—The term ‘research’—

22 “(A) means a systematic study directed to-
23 ward fuller scientific knowledge or under-
24 standing of a subject studied; and

1 “(B) includes activities involving the train-
2 ing of individuals in research techniques if such
3 activities—

4 “(i) use the same facilities as other
5 research and development activities; and

6 “(ii) are not included in the instruc-
7 tion function.

8 “(11) RESEARCH AND DEVELOPMENT.—The
9 term ‘research and development’ means a basic or
10 applied research activity and a development activity.

11 “(12) STATE.—The term ‘State’ means each of
12 the several States of the United States.

13 “(13) TERRITORY.—The term ‘territory’
14 means—

15 “(A) the District of Columbia;

16 “(B) the Commonwealth of Puerto Rico;

17 “(C) the United States Virgin Islands;

18 “(D) Guam;

19 “(E) the Commonwealth of the Northern
20 Mariana Islands; and

21 “(F) American Samoa.

22 “(14) UNITED STATES PERSON.—The term
23 ‘United States person’—

24 “(A) has the meaning given the term in
25 section 1711 of the National Defense Author-

1 ization Act for Fiscal Year 1993 (22 U.S.C.
2 6010); and

3 “(B) includes—

4 “(i) a corporation that is incorporated
5 or organized under Federal law or the laws
6 of a State or territory;

7 “(ii) an institution of education, in-
8 cluding a college and university, organized
9 under Federal law or the laws of a State
10 or territory;

11 “(iii) a research institution organized
12 under Federal law or the laws of a State
13 or territory;

14 “(iv) a person that is—

15 “(I) a protected individual (as
16 defined in section 274B(a)(3) of the
17 Immigration and Nationality Act (8
18 U.S.C. 1324b(a)(3), wherever located
19 or employed; and

20 “(II) an alien who has been ad-
21 mitted to the United States as a law-
22 ful permanent resident; and

23 “(v) a person or corporation con-
24 trolled by an individual or entity described
25 in this paragraph.

1 **“§ 2742. Unlawful acts**

2 “(a) RESEARCH AND DEVELOPMENT.—A United
3 States person may not intentionally conduct, attempt or
4 conspire to conduct, or aid and abet in conducting re-
5 search or development of artificial intelligence or genera-
6 tive artificial intelligence—

7 “(1) within the People’s Republic of China;

8 “(2) for an entity of concern;

9 “(3) on behalf of an entity of concern;

10 “(4) in collaboration with an entity of concern;

11 “(5) for a national of the People’s Republic of
12 China working for or on behalf of an entity of con-
13 cern;

14 “(6) on behalf of a national of the People’s Re-
15 public of China working for or on behalf of an entity
16 of concern; or

17 “(7) in collaboration with a national of the Peo-
18 ple’s Republic of China working for, or on behalf of,
19 an entity of concern.

20 “(b) TRANSFER OF RESEARCH.—A United States
21 person may not intentionally transfer, attempt or conspire
22 to transfer, or aid and abet in transferring information
23 relating to research of artificial intelligence or generative
24 artificial intelligence—

25 “(1) within the People’s Republic of China;

1 “(2) directly to or from the People’s Republic
2 of China;

3 “(3) for an entity of concern;

4 “(4) on behalf of an entity of concern;

5 “(5) directly to or from an entity of concern;

6 “(6) for a national of the People’s Republic of
7 China working for or on behalf of an entity of con-
8 cern;

9 “(7) on behalf of a national of the People’s Re-
10 public of China working for or on behalf of an entity
11 of concern; or

12 “(8) directly to or from a national of the Peo-
13 ple’s Republic of China working for or on behalf of
14 an entity of concern.

15 **“§ 2743. Penalties**

16 “(a) FINES; FORFEITURE.—

17 “(1) ENTITIES.—

18 “(A) IN GENERAL.—A United States per-
19 son that violates section 2742 that is not an in-
20 dividual shall—

21 “(i) be fined not more than
22 \$100,000,000; and

23 “(ii) forfeit any license, contract, sub-
24 contract, grant, or public benefit awarded
25 by any Federal agency.

1 “(B) ASSOCIATES OF ENTITIES.—An offi-
2 cer, director, partner, agent, or employee that
3 violates section 2742 shall—

4 “(i) be fined not more than
5 \$1,000,000; and

6 “(ii) forfeit any license, contract, sub-
7 contract, grant, or public benefit awarded
8 by any Federal agency.

9 “(2) INDIVIDUALS.—A United States person
10 who is an individual that violates section 2742
11 shall—

12 “(A) be fined not more than \$1,000,000;
13 and

14 “(B) forfeit any license, contract, sub-
15 contract, grant, or public benefit awarded by
16 any Federal agency.

17 “(b) INELIGIBILITY FOR FEDERAL FINANCIAL AS-
18 SISTANCE.—A United States person that violates section
19 2742 shall be ineligible to receive Federal financial assist-
20 ance during the 5-year period beginning on the date on
21 which a penalty is imposed under subsection (a).

22 “(c) CIVIL PENALTIES.—

23 “(1) CIVIL ACTION.—With respect to a United
24 States person that violates section 2742, the United
25 States may bring a civil action against the United

1 States person in any district court of the United
2 States in which the United States person resides, is
3 found, or has an agent, without respect to the
4 amount in controversy.

5 “(2) DAMAGES.—In a civil suit brought under
6 paragraph (1) against a United States person, the
7 United States shall be entitled—

8 “(A) to—

9 “(i) relief in equity to restrain and
10 prevent a violation or threat of violation of
11 section 2742; and

12 “(ii) other appropriate equitable relief;

13 “(B) to relief in damages for—

14 “(i) punitive and nominal damages;

15 “(ii) three times the amount of dam-
16 ages sustained by the United States as a
17 result of the violation; and

18 “(iii) three times the cost of the civil
19 action, including reasonable attorney’s
20 fees;

21 “(C) to a civil fine of not more than
22 \$100,000,000 if the United States person is not
23 an individual; and

1 “(D) to a civil fine of not more than
2 \$1,000,000 if the United States person is an
3 individual”.

4 (b) CITIZENSHIP AND IMMIGRATION CON-
5 SEQUENCES.—Section 101(a)(43) of the Immigration and
6 Nationality Act (8 U.S.C. 1101(a)(43)) is amended—

7 (1) in subparagraph (T), by striking “; and” at
8 the end;

9 (2) by redesignating subparagraph (U) as sub-
10 paragraph (V); and

11 (3) by inserting after subparagraph (T) the fol-
12 lowing:

13 “(U) an offense described in section 2742
14 of title 18, United States Code (relating to re-
15 search and development on behalf of the Peo-
16 ple’s Republic of China); and”.

17 (c) CLERICAL AMENDMENT.—The table of sections
18 for part I of title 18, United States Code, is amended by
19 adding at the end the following:

“CHAPTER 124—RESEARCH AND DEVELOPMENT ON BEHALF OF THE
PEOPLE’S REPUBLIC OF CHINA

“2741. Definitions.

“2742. Unlawful acts.

“2743. Penalties.”.

20 (d) REGULATIONS.—The Attorney General, in con-
21 sultation with the Secretary of Defense, the Secretary of
22 Commerce, the Secretary of Education, the Director of

1 National Intelligence, and the Director of the Federal Bu-
2 reau of Investigation, shall—

3 (1) promulgate regulations to enforce the prohi-
4 bitions under section 2742 of title 18, United States
5 Code, as added by this Act; and

6 (2) coordinate with the heads of other Federal
7 agencies to ensure the enforcement of the prohi-
8 tions described in paragraph (1).

9 **SEC. 5. PROHIBITION ON UNITED STATES PERSONS HOLD-**
10 **ING AN INTEREST IN OR PROVIDING FINANC-**
11 **ING TO CHINESE ENTITIES INVOLVED IN AR-**
12 **TIFICIAL INTELLIGENCE RESEARCH AND DE-**
13 **VELOPMENT.**

14 (a) IN GENERAL.—On and after the date that is one
15 year after the date of the enactment of this Act, a United
16 States person is prohibited from knowingly holding or
17 managing an interest in, or lending money or extending
18 credit to, a Chinese entity of concern that—

19 (1)(A) conducts research or development relat-
20 ing to artificial intelligence or generative artificial
21 intelligence; or

22 (B) produces goods, including hardware and
23 software, that incorporate research or development
24 relating to artificial intelligence or generative artifi-
25 cial intelligence; and

1 (2)(A) assists in the implementation of the mili-
2 tary-civil fusion strategy of the People’s Republic of
3 China;

4 (B) assists in the development of surveillance
5 capabilities; or

6 (C) is implicated in human rights abuses.

7 (b) IMPLEMENTATION; PENALTIES.—

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

14 (2) PENALTIES.—A person that violates, at-
15 tempts to violate, conspires to violate, or causes a
16 violation of this section or any regulation, license, or
17 order issued to carry out this section shall be subject
18 to the penalties set forth in subsections (b) and (c)
19 of section 206 of the International Emergency Eco-
20 nomic Powers Act (50 U.S.C. 1705) to the same ex-
21 tent as a person that commits an unlawful act de-
22 scribed in subsection (a) of that section.