

because I will conclude with a discussion of a bipartisan bill that Senator RICKETTS and Senator COONS have introduced in the Senate that, I think, is a very important piece of legislation.

I am worried that the transfer of these chips will compromise U.S. security and enable the People's Republic of China to catch up in one area where the United States has a significant and a very qualitative advantage over the PRC.

For decades, under administrations of both parties, the United States has adhered to a simple principle: We do not sell our most advanced security-critical technology to adversaries. That principle exists for a reason. Advanced semiconductors, like Nvidia's H200 chip, are not consumer gadgets. They are matters of national security. They are the foundation of the future of warfare. They are our edge—the United States' edge—in the development of the technologies of the future. Right now, that future is up for grabs. We protect our chips because they preserve America's advantage in space, cyberspace, and, importantly, as a nuclear deterrent.

During President Trump's first term, the administration clearly understood this, and they expanded export controls on semiconductor technologies to China, placing strict controls on firms like Huawei. At the start of this administration, again, President Trump publicly embraced the longstanding policy: that export controls were treated as national security decisions, as they should be.

But that consensus, apparently, has not lasted. It was challenged very aggressively by corporate interests, most notably by Nvidia's CEO, Jensen Huang, who is a frequent presence at the White House.

The status quo was also challenged by President Trump's sort of self-proclaimed AI and crypto czar, billionaire David Sacks, who argued that the United States should give sensitive articles to China in order to make China dependent upon American technology.

That argument sounds clever, but it isn't. By that logic, should we sell China F-35 fighter jets, advanced missile systems, top-tier satellite technologies? Of course, we shouldn't. We don't preserve our leverage by handing our rivals the very tools that they need to close the gap they have with us. We preserve leverage by maintaining advantages that they can't replicate quickly or cheaply.

And they are attempting to close this gap by cheating. The Justice Department just announced, within the last few days—within the last few days—a dismantling of a major China-linked AI smuggling network, Operation Gatekeeper, seizing more than \$50 million worth of these Nvidia chips illegally exported to China. They are trying to steal this technology, reverse engineer, and take the intellectual property to eliminate this edge that we have.

The administration initially claimed it would only permit the sales of infe-

rior chips, such as the Nvidia H20, not the H200, which is hardware explicitly described as degraded and limited, but China declined. They waited, believing that President Trump would fold, and that is what happened. President Trump, within the last week, has announced that he plans to approve the sale of the H200, one of Nvidia's most powerful AI chips, second only to the very top of its product line.

Let's be clear in what this chip is. The H200 is used to train and deploy frontier AI systems—systems that U.S. national security Agencies have long warned have numerous military and intelligence applications.

Previous administrations, working with allies, imposed export controls precisely—precisely—because they worked. China fell behind. Even the CEO of China's leading AI firm has admitted publicly that the access to advanced chips is their biggest bottleneck.

President Trump is now solving this problem for China. The administration claims that, in exchange—in exchange—the United States will receive a share of the revenue—25 percent of the sales is what we are being told—but that admission should alarm us. Decisions that were once made purely on our national security priorities are now apparently up for sale, and the administration's justification that this will somehow keep China hooked on U.S. technology doesn't withstand normal scrutiny.

We have got decades of evidence that China basically steals foreign technology as fast as it can. They won't be hooked on these chips. They will take these chips, reverse engineer them, produce their own, and wipe out the edge that we now have with China in this critical defense technology.

Now, in less than a week after President Trump's announcement, one of the deal's leading proponents, David Sacks, is already starting to backtrack on his theory that we should give these articles to China. Let's look at the facts surrounding the timing of this announcement.

Nvidia's CEO has attended \$1 million-a-plate fundraisers for the President. His company donated to build the President's ballroom, and now, after months of lobbying and contributions, Nvidia got what it wanted.

I am very, very nervous that the President is bartering away this edge and may barter away other edges to those who are lobbying and contributing to him. This is a pattern that we have seen of transactional politics jeopardizing our security.

China is reaping the rewards of this. They are already leading or are rapidly catching up in so many critical industries. Why would we give up an edge on this one?

The American people are watching this play out, and they are particularly concerned about China, about China's advances, and about giving up the edge we have over China in this key area.

That is why I have signed on, with many in this body—I think there are now 10 cosponsors, equally divided between Democrats and Republicans—to Senators RICKETTS and COONS' SAFE CHIPS Act, which would insist upon rigorous export controls over these chips, particularly as they might be transferred to China, the People's Republic of North Korea, Iran, and Russia. The number of bipartisan cosponsors of this legislation and of some similar legislation that is offered by other Members, by Senator BANKS and Senator COLLINS, is growing.

I urge my colleagues to get on board with this legislation and make sure that we don't harm our national security by transferring technologies of such incredible importance to our country.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

UNANIMOUS CONSENT REQUEST—S. 2918

Mrs. SHAHEEN. Mr. President, my colleague from Virginia was very persuasive, I think, in pointing out the threat to national security that providing Nvidia's chips to China presents.

Unfortunately, another area that has the potential to significantly undermine our national security is that of the efforts by this administration to try and negotiate an end to the war in Ukraine.

Now, don't get me wrong. I support ending the war in Ukraine. I think it would be in America's interests, in Europe's interests, and in Ukraine's interests to do that. But to do it in a way that undermines Ukraine for the long term—that gives Vladimir Putin access to the Ukrainian army, which is the largest army in Europe now and is the most technologically advanced—and to do that in a way that would further undermine the future security of Ukraine is not in America's interest.

But, to continue his war in Ukraine, Vladimir Putin needs two things. He needs money, and he needs weapons.

Russia has hundreds of billions of dollars in assets that are frozen overseas, some of which are subject to U.S. jurisdiction. Moscow is fighting hard to regain access to that money because it would help sustain its war effort.

But, as we know, money alone is not going to be enough. Sanctions have significantly degraded Russia's defense industry, and to keep building weapons, Russia relies on outside supply chains. Much of that support now comes from Chinese entities that are providing the materials and the technologies that are keeping Russia's war machine running.

So, if President Trump is really serious about ending this war, those are the pressure points to put against Vladimir Putin.

The good news is that the tools we need to apply that pressure already exist. The United States can deny Russia access to its frozen sovereign assets, and we can disrupt the supply chains that enable Russia to keep fighting. The Foreign Relations Committee has already reported out two

bills that have had strong bipartisan support that would address each of these.

One is the REPO Implementation Act, known as REPO 2.0. I think that is particularly important because hundreds of billions of Russian sovereign assets have been frozen, including about \$5 billion here in the United States, since the start of Russia's murderous invasion of Ukraine.

To help Ukraine beat back the Russian invasion and to eventually rebuild, seizing and repurposing those Russian frozen funds is the right place to start. Senators RISCH and WHITEHOUSE led the Rebuilding Economic Prosperity and Opportunity for Ukrainians Act, known as the REPO Act, which I supported, to allow the frozen assets in America to support Ukraine's recovery and reconstruction to ensure Russia's accountability and ensure a just and lasting peace.

The partnership has worked again in this session of Congress to put in place an even stronger REPO 2.0. This bill, which passed out of committee, promotes the regularly scheduled transfers of sizable amounts of these underlying assets to Ukraine to build pressure until Russia ceases its war of aggression and agrees to terms that compensate Ukraine for war damages.

Now, I think it is particularly important for the United States to act because our EU friends have been working on this issue. They have had significant objections. Last year, when the first REPO Act was introduced, they raised a number of concerns. But this year, our European allies are working very hard to get this done in Europe where most of the Russian assets are actually being held.

There is a meeting on this today in Brussels. The question of freezing and then seizing and deploying Russian sovereign assets is a global security question. It should be decided by people operating in a global security environment.

Now, as I said, the Foreign Relations Committee adopted REPO 2.0 by voice vote in October, and I am confident we will pass this legislation out of this Congress at some point in the next few months, if not today.

But supporting Ukraine against Russia in this unjust war is important to America's national security. One way to help ensure that Ukraine has the support they need is to pass the REPO 2.0 Act.

So, as if in legislative session and notwithstanding rule XXII, I now ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 243, S. 2918; further, that the bill be considered read a third time and passed, and the motion to reconsider be considered made and laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

The Senator from Kentucky.

Mr. PAUL. Mr. President, reserving the right to object, Lady Astor was the

first woman to serve in the British Parliament, the British House of Commons. In 1933, she was asked at a cocktail party: Do you know where Hitler was born? And without missing a beat, she responded: At Versailles.

And the point of the response was that harsh reparations from the Treaty of Versailles led to German resentment and the rise of the demagogue Hitler.

It had the opposite of the planned effect. The plan was to punish Germany. The plan was to make Germany pay for the war that they had begun, but in the end, it led to the rise of Hitler.

I fear many in the Senate, though they are well-intentioned, will repeat the same mistake of meting out punishment without considering the ramifications. If the authors of this bill are successful, they will confiscate Russian sovereign funds and distribute those funds to Ukraine.

One could make a good argument for the fairness of making Russia pay for their war of aggression. But first one must consider this currently seized money is an integral part of peace negotiations.

Once this money is seized, an important facet of the peace compromise will disappear, and Russia may well be induced to just keep fighting this terrible meat grinder of a war.

What a tragedy if, in haste, the result of punishing Russia is to prolong the war.

Confiscating Russian sovereign assets is essentially an act of economic war. Seizing and transferring these assets to Ukraine may make people in Washington feel virtuous, but it will not bring peace.

Confiscating Russia's sovereign assets will reinforce the view of hard-liners in Moscow that Russia's war lies not with Ukraine but really with the United States and the West.

There is no justification for Russia's invasion of Ukraine, but this bill directly undermines President Trump's diplomatic efforts to end the killing in Ukraine. In fact, the Trump administration recently warned the European Union not to give seized Russian funds to Ukraine. Russia's frozen assets could be used as a bargaining chip and are being used as a bargaining chip in negotiations.

But confiscating their sovereign assets and giving them to Ukraine will only convince Moscow that there is no negotiated settlement to be had with Kyiv. The result will be the further destruction of Ukraine. More Ukrainian soldiers and civilians will die, and more cities and towns will be turned to rubble.

Nicholas Mulder is an associate professor at Cornell. He highlights the danger of the destabilizing precedent that Western countries would set by seizing assets to end a war they are not openly involved in.

Professor Mulder writes, that such an action would "broaden coercive actions that states could take for disputes to which they are not a direct party."

Elisabeth Braw, a columnist at Foreign Policy and a senior fellow at the Atlantic Council, also highlights the risk of blowback to Western companies.

She states that if Western governments themselves begin confiscating assets without due process, they will expose Western companies to the caprice of undemocratic regimes.

In fact, Russia has already threatened to seize \$288 billion of Western assets that are in Russia. So we take their money; they take our money. Where does the cycle end?

This bill will hand the Russians another tool to fuel resentment against us. American leaders speak of a rules-based international order, but the theory that the United States can confiscate the assets of another country we are not at war with is legally fraud.

Professor Mulder argues that economic reprisals are the prerogative of injured states, not of third parties. Rather than compel respect for international law, our actions will demonstrate to our adversaries that we are flouting it.

This bill will be used by the Kremlin to show the world that while Washington demands that others follow the rules, we are happy to break them when we see fit.

In a multipolar world, Washington can no longer expect to act with impunity, particularly when dealing with a nuclear power. We understood the serious dangers that our country faced during the Cold War, but three decades of hubris and repeated foreign policy disasters prove that Washington's foreign policy establishment is badly broken.

A good way to start on the road to fixing that broken foreign policy is rejecting this disastrous bill which will only delay and possibly end the peace negotiations.

Mr. President, I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from New Hampshire.

Mrs. SHAHEEN. Mr. President, I appreciate my colleague from Kentucky's longstanding efforts to object to sanctions and to any way to hold accountable states that commit atrocities like Vladimir Putin, but I think he is just wrong on how we end this war.

The way we end this war is by putting pressure on Vladimir Putin so that he is willing to come to the table. He has not been willing to come to the table to have serious negotiations.

And the President's rolling out the red carpet for him in Alaska, welcoming him back into the international community, also has not brought him to the table.

So the only thing Vladimir Putin understands—and I agree with my colleague about the Russian people. I have been to Russia. The Russian people are wonderful. They are being misled by a tyrant who will do anything to continue to expand Russia's influence, not only in Europe but around the world.

My colleague, I am sure, hasn't read some of the documents that show what

Russia is doing right now to meddle in the United States to try and influence public opinion about the war in Ukraine. So I think he is absolutely wrong.

That is why I am going to continue to ask for a unanimous consent to pass the third bill that came out of the Foreign Relations Committee because I think that Russia—not Ukraine, not U.S. taxpayers—should pay for the destruction it has caused.

What the REPO 2.0 bill would do would be to make clear that aggression carries lasting financial consequences.

UNANIMOUS CONSENT REQUEST—S. 2657

Mr. President, now, the other bill that I think is critical is the STOP China and Russia Act. This is bipartisan legislation that Senator CORNYN cosponsored with me that targets those Chinese entities that are supplying Russia's defense industrial base.

It focuses on machine tools, on electronics, on industrial inputs that have military applications, those inputs that are showing up in Russia in their armored vehicles, in their drones, and in the those missiles. Those inputs enable Russia to rebuild forces and to prepare for future conflict.

In fact, I don't know that my colleague from Kentucky who is on the Foreign Relations Committee with me was at the hearing that we had earlier this year where we heard expert testimony before the committee from both the majority and minority witnesses that made clear that the buildup that is happening in Russia right now goes beyond Ukraine.

As one of those experts said:

At this point, seeing the trends in Russia's military capabilities, reconstitution, adaptation, the buildup in Russian forces, there is no other reason to do that unless you are expecting a confrontation with a much larger potential adversary than Ukraine, because just to fight the war in Ukraine, Russia doesn't need to do what it's currently doing.

That is a quote from one of those experts.

That is exactly why this pressure matters, why it is important for us to make sure that Vladimir Putin is really willing to come and negotiate in good faith, which he has not been willing to do. Denying Russia money and weapons reduces the risk of a wider conflict later.

Congress should take swift action to advance the second bill and to target the resources that Putin needs to keep this war going because they raised the cost of continued aggression in terms that Putin can't ignore.

If my colleague from Kentucky thinks that nobody in America cares about what is happening in Ukraine, he needs to talk to the folks in New Hampshire who are part of Common Man for Ukraine who provide supplies and go to Ukraine on a regular basis to try to help the people who are effected.

Now, Mr. President, I ask unanimous consent that the Senate take up and pass S. 2654, the STOP China and Russia Act 2025.

As if in legislative session and notwithstanding rule XXII, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 241, S. 2657; further, that the committee-reported substitute amendment be agreed to; that the bill, as amended, be considered read a third time and passed; and that the motion to reconsider be considered made and laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

The Senator from Kentucky.

Mr. PAUL. Mr. President, reserving the right to object, it is a naive notion to think that we will yell and scream and gnash our teeth and tell China: Quit selling dual-use materiel to Russia and that they will immediately have a sanguine face and say: Oh, of course. What were we thinking? We will quit doing it.

That is what the logic of this legislation is. We are going to tell China to quit doing it.

Now, there is another way diplomacy could work. We have hundreds and hundreds of sanctions on China. If you want China to do something, you could offer to China to remove some sanctions in exchange for them not selling weapons that have dual-use or parts that have dual-use to Russia.

There are ways you can gain things through diplomacy, but they are transactional, and they include carrots and sticks. But just making sort of over-the-top statements about how evil China is and communist this, communist that, will not get you anything.

If you want something from China, you have to offer them something in exchange. If you want them to quit selling dual-use parts to Russia that they are using in the war, offer them some relief from the hundreds and hundreds of sanctions we have put on them.

Instead, what this body and the same people who are for this bill have advocated is, we are going to go one step further. Anybody who sells oil to Russia, we are going to put a 500-percent tariff on them.

How do you think China will respond to a 500-percent tariff? You think China is going to say: "Oh, we are so sorry. Our bad. We should not trade with Russia, and we will do whatever the U.S. tells us?"

No. They will react like anybody else that is a sovereign nation, and they will push back and they will say: "Hell no. We are not going to stop buying oil and gas from Russia."

Then there will be a 500-percent tariff on China, which means what? An embargo. We have got an embargo the President has already declared on Venezuela.

Do we want an embargo on goods with China? Do we want to defeat China by not trading with them? In fact, I think it is the opposite. I think you defeat and influence China by trading with them.

The moment we have no trade with China, is the moment, in all likelihood, they will say: We have got nothing to lose in going into Taiwan. The moment they go into Taiwan will be when we have absolutely no trade with China.

So it is the opposite. These people want to isolate us—isolate us from trade. They want a trade isolationism throughout the world. It is a mistake and won't work.

It is not that some of the goals or things that they advocate for aren't desirable. I agree, we should try to get China to quit selling dual-use parts to Russia. But guess what. When Secretary Yellen and Secretary Blinken went over there, what did they do? They went over there and publicly chastised China in their country. Do you think that worked? No. That made China mad. They did the opposite.

This is the opposite of diplomacy. If you want diplomacy, you don't call people names, you don't treat them like a stepchild, you don't treat them like a rebellious teenager and say: I am wagging my finger. You better quit selling dual-use parts to Russia.

No. You have to offer them something they want, and in exchange, they do something we want. That is the way diplomacy works. But in Washington, diplomacy works by "We will have a resolution, and this resolution will say how evil China is." It doesn't have any effect.

The sanctions haven't worked, taking Russia's money is not going to work, and chastising China is not going to work. If you want to have better relations, you have to have relations where it is a give-and-get relationship. That is what diplomacy is all about.

I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from New Hampshire.

Mrs. SHAHEEN. Mr. President, I think my colleague is confused. This bill would not tell China what to do; it would require sanctions that would prohibit the actions that I outlined about support to Russia. And there aren't any tariffs in this bill.

Again, my colleague is confused.

I don't think giving NVIDIA chips to China is the way to get China to cooperate with the United States. I think developing a relationship where China understands where we are on issues and we understand where they are is important, and that is what this bill is about. It is about helping China to understand that we stand in support of Ukraine and that we don't support China providing weapons and keeping Russia's war machine going.

So I am afraid my colleague from Kentucky is interested in appeasement rather than interested in trying to solve the issues.

We will come back to the floor and continue to try to raise these issues because it is important for Ukraine to understand that there are Members in this Congress who believe we need to support them in this unjust war that