

U.S. Rep. Gallagher: Gallagher, Cotton introduce legislation to impose crippling sanctions on YMTC

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WASHINGTON, D.C. – Rep. Mike Gallagher (R-WI) and Senator Tom Cotton (R-AR) today introduced legislation that would impose crippling sanctions on Chinese memory chip manufacturer Yangtze Memory Technologies Co (YMTC). The bill would place YMTC on the Specially Designated Nationals List and would also direct the President to take similar actions against other advanced Chinese memory chip manufacturers of similar development.

Recent reports suggest that Apple may choose YMTC as a memory chip supplier for the latest iPhone, which would expose iPhone users to a number of security risks, give legitimacy to YMTC despite its ties to the Chinese Communist Party, and expand US dependency on Chinese semiconductors. This legislation would wall off YMTC from the U.S. economy and prevent Apple from moving forward with selecting YMTC memory chips.

“YMTC has well documented ties to the CCP, and their push to serve as Apple’s flash memory provider is just the Party’s latest attempt to increase our dependence on China and undermine our national security. In light of recent reports, it is long past time for us to take decisive action against this threat,” said Rep. Gallagher. “This bill will defend the security of our semiconductor supply chains and combat YMTC and other CCP-backed actors from using predatory pricing to crowd more secure options out of the critical flash memory market.”

“The Chinese Communist Party wants to use YMTC to dominate the global microchip market so the world depends on them for this critical technology. The United States can’t take that risk for security reasons alone—much less the dangers of

accompanying Chinese espionage, or YMTC's human rights record, or their likely violation of U.S. sanctions. Our bill would sanction YMTC and all similar Chinese manufacturers tied to the Chinese state," **said Sen. Cotton.**

Specifically, this bill would:

- Direct the President to impose sanctions on YMTC to the full extent that International Emergency Economic Powers Act allows, thus adding them to the SDN list, and
- Require the President to use sanctions on other advanced Chinese memory chip manufacturers.

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