

S. 2657, Severing Technology Transfer Operations and Partnerships between China and Russia Act of 2025

As reported by the Senate Committee on Foreign Relations on October 30, 2025

By Fiscal Year, Millions of Dollars	2026	2026-2030	2026-2035
Direct Spending (Outlays)	*	*	*
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	< \$2.5 billion	Statutory pay-as-you-go procedures apply?	Yes
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Mandate Effects	
		Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
* = between -\$500,000 and \$500,000.			

S. 2657 would require the Administration to impose sanctions on persons from the People’s Republic of China or the Russian Federation who have knowingly engaged in any of the following:

- Providing or facilitating the provision of goods and services from the People’s Republic of China for the armed forces or defense industrial base of the Russian Federation,
- Procuring or facilitating the procurement of weapons or training for the armed forces of the Russian Federation, or
- Procuring or facilitating the procurement of weapons or training from the Russian Federation to enhance the capabilities of the People’s Liberation Army for military operations in the Taiwan Strait.

The bill also would require the Administration to develop a strategy to deter and undermine military and defense industrial cooperation between the People’s Republic of China and the Russian Federation and to report to the Congress each quarter on the Administration’s progress in implementing that strategy.

See also

[CBO’s Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Under current law, the Administration can impose sanctions on foreign persons who disrupt international security, undermine the peace and territorial integrity of an ally or partner of the United States, or are engaged in the Chinese defense, defense-related material, or surveillance technology industries. If the enactment of S. 2657 leads the Administration to broaden those sanctions, more people would be denied visas by the Department of State, resulting in an insignificant decrease in revenues from visa fees. Although most visa fees are retained by the Department of State and spent, some collections are deposited into the Treasury as revenues. Denying foreign nationals entry into the United States also would reduce direct spending on federal benefits (emergency Medicaid or federal subsidies for health insurance, for example) for which those people might otherwise be eligible.

The bill would block transactions involving certain assets either in the United States or under the control of people or entities in the United States. Under the bill, any person or entity violating those prohibitions would be subject to civil or criminal monetary penalties. Such penalties are recorded as revenues, and a portion can be spent without further appropriation.

On the basis of data about similar sanctions, CBO estimates that any additional sanctions imposed under the bill would affect a small number of people. Thus, enacting S. 2657 would have insignificant effects on revenues and direct spending, and would, on net, reduce deficits by less than \$500,000 over the 2026-2035 period.

Using information about the cost of reports similar to those required by the bill, CBO estimates that implementing S. 2657 would cost less than \$500,000 over the 2026-2030 period. Such spending would be subject to the availability of appropriated funds.

S. 2657 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by expanding the scope of authority for the Administration to regulate transactions between entities in the United States and foreign entities that would be subject to sanctions under the bill. That expansion would result in additional burdens on individuals and entities, such as banks, in the United States that are required to monitor and report on foreign transactions and block access to certain assets owned by sanctioned entities. It also would prohibit transactions between entities in the United States and sanctioned parties that otherwise would be permitted under current law.

The cost of the mandate would be any income or profit lost as a result of the bill's enactment. CBO expects that because a small number of people or entities would be affected, the loss of income from any incremental increase in restrictions imposed by the bill would be small as well. CBO estimates that the cost of the mandate would fall well below the annual threshold established in UMRA for private-sector mandates (\$206 million in 2025, adjusted annually for inflation).

S. 2657 contains no intergovernmental mandates as defined in UMRA.



The CBO staff contacts for this estimate are David Rafferty (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by Christina Hawley Anthony, Deputy Director of Budget Analysis.

A handwritten signature in black ink that reads "Phillip L. Swagel". The signature is fluid and cursive, with a long, sweeping tail.

Phillip L. Swagel
Director, Congressional Budget Office