

**AMENDMENT TO THE RULES COMMITTEE PRINT**

**118-10**

**OFFERED BY MR. HILL OF ARKANSAS**

In title XVIII of division A, add at the end the following:

1           **Subtitle D—Taiwan Conflict**  
2                           **Deterrence**

3   **SEC. 1861. REPORT ON FINANCIAL INSTITUTIONS AND AC-**  
4                           **COUNTS CONNECTED TO CERTAIN CHINESE**  
5                           **GOVERNMENT OFFICIALS.**

6           (a) FINANCIAL INSTITUTIONS REPORT.—

7                   (1) IN GENERAL.—Not later than 90 days after  
8           the date that the President, pursuant to section 3(c)  
9           of the Taiwan Relations Act (22 U.S.C. 3302(c)),  
10          informs the Congress of a threat resulting from ac-  
11          tions of the People’s Republic of China and any dan-  
12          ger to the interests of the United States arising  
13          therefrom, and annually thereafter for 3 years, the  
14          Secretary of the Treasury shall submit a report to  
15          the appropriate Members of Congress containing the  
16          following:

17                           (A) With respect to each of at least 10  
18                           natural persons described under subsection (b),

1 at least 1 of whom is a natural person listed  
2 under paragraph (1) of such subsection (b) and  
3 at least 1 of whom is a natural person listed  
4 under paragraph (2) of such subsection (b), the  
5 estimated total funds that are held in financial  
6 institutions and are under direct or indirect  
7 control by such natural person and a descrip-  
8 tion of such funds.

9 (B) A list of any financial institutions  
10 that—

11 (i) maintain an account in connection  
12 with significant funds described in sub-  
13 paragraph (A); or

14 (ii) otherwise provide significant fi-  
15 nancial services to a natural person cov-  
16 ered by the report.

17 (2) BRIEFING REQUIRED.—Not later than 30  
18 days after submitting a report described under para-  
19 graph (1), the Secretary of the Treasury, or a des-  
20 ignee of the Secretary, shall provide to the appro-  
21 priate Members of Congress an unclassified or clas-  
22 sified briefing (as determined appropriate by the  
23 Secretary) on the funds covered by the report, in-  
24 cluding a description of how the funds were ac-

1       quired, and any illicit or corrupt means employed to  
2       acquire or use the funds.

3           (3) EXEMPTIONS.—The requirements described  
4       under paragraph (1) may not be applied with re-  
5       spect to a natural person or a financial institution,  
6       as the case may be, if the President determines:

7           (A) The funds described under paragraph  
8       (1)(A) were primarily acquired through legal  
9       and noncorrupt means.

10          (B) The natural person has agreed to pro-  
11       vide significant cooperation to the United  
12       States for an important national security pur-  
13       pose with respect to China.

14          (C) A financial institution has agreed to—

15           (i) no longer maintain an account de-  
16       scribed under paragraph (1)(B)(i);

17           (ii) no longer provide significant fi-  
18       nancial services to a natural person cov-  
19       ered by the report; or

20           (iii) provide significant cooperation to  
21       the United States for an important na-  
22       tional security purpose with respect to  
23       China.

24          (4) WAIVER.—The President may waive any re-  
25       quirement described under paragraph (1) with re-

1       spect to a natural person or a financial institution  
2       upon reporting to the appropriate Members of Con-  
3       gress that—

4               (A) the waiver would substantially promote  
5       the objective of ending the threat described  
6       under paragraph (1);

7               (B) the threat described under paragraph  
8       (1) is no longer present; or

9               (C) the waiver is essential to the national  
10       security interests of the United States.

11       (b) **NATURAL PERSONS DESCRIBED.**—The natural  
12       persons described in this subsection are persons who, at  
13       the time of a report, are the following:

14               (1) A member of the Politburo Standing Com-  
15       mittee of the Chinese Communist Party.

16               (2) A member of the Politburo of the Chinese  
17       Communist Party that is not described under para-  
18       graph (1).

19               (3) A member of the Central Committee of the  
20       Chinese Communist Party that—

21               (A) is none of the foregoing; and

22               (B) performs any official duty that directly  
23       or indirectly affects Taiwan.

24       (c) **FORM OF REPORTS; PUBLIC AVAILABILITY.**—

1 (1) FORM.—The reports required under para-  
2 graphs (1) and (4) of subsection (a) shall be sub-  
3 mitted in unclassified form but may contain a classi-  
4 fied annex.

5 (2) PUBLIC AVAILABILITY.—The Secretary of  
6 the Treasury shall make the unclassified portion of  
7 the report required under subsection (a)(1) available  
8 to the public on the website and social media ac-  
9 counts of the Department of the Treasury—

10 (A) in English, Chinese, and any other lan-  
11 guage that the Secretary finds appropriate; and

12 (B) in precompressed, easily downloadable  
13 versions that are made available in all appro-  
14 priate formats.

15 **SEC. 1862. PROHIBITION ON FINANCIAL SERVICES FOR**  
16 **CERTAIN IMMEDIATE FAMILY.**

17 (a) IN GENERAL.—The Secretary of the Treasury  
18 shall prohibit a United States financial institution, and  
19 any person owned or controlled by a United States finan-  
20 cial institution, from engaging in a significant transaction  
21 with—

22 (1) a natural person covered by a report made  
23 under section 1861(a); and

24 (2) the immediate family of a person described  
25 under paragraph (1), if the Secretary finds that

1       such immediate family benefits from funds described  
2       in the report.

3       (b) EXCEPTIONS.—

4             (1) EXCEPTION FOR INTELLIGENCE, LAW EN-  
5       FORCEMENT, AND NATIONAL SECURITY ACTIVI-  
6       TIES.—Subsection (a) shall not apply with respect to  
7       any intelligence, law enforcement, or national secu-  
8       rity activity of the United States.

9             (2) WAIVER.—The President may waive the ap-  
10       plication of subsection (a) with respect to a person  
11       upon reporting to the appropriate Members of Con-  
12       gress that—

13             (A) the waiver would substantially promote  
14       the objective of ending the threat described  
15       under section 1861(a)(1);

16             (B) the threat described under section  
17       1861(a)(1) is no longer present; or

18             (C) the waiver is essential to the national  
19       security interests of the United States.

20             (3) FORM OF REPORTS.—The reports required  
21       under paragraph (2) shall be submitted in unclassi-  
22       fied form but may contain a classified annex.

23             (4) RULE OF CONSTRUCTION.—

24             (A) IN GENERAL.—Nothing in this section  
25       shall be construed as authorizing or requiring

1           any sanction with respect to the importation of  
2           any good.

3           (B) GOOD DEFINED.—In this paragraph,  
4           the term “good” means any article, natural or  
5           manmade substance, material, supply or manu-  
6           factured product, including inspection and test  
7           equipment, and excluding technical data.

8           (c) IMPLEMENTATION; PENALTIES.—

9           (1) IMPLEMENTATION.—The President may ex-  
10          ercise all authorities provided to the President under  
11          sections 203 and 205 of the International Emer-  
12          gency Economic Powers Act (50 U.S.C. 1702 and  
13          1704) to carry out this section. Not later than 60  
14          days after issuing a license pursuant to this section,  
15          the President shall submit a copy of the license to  
16          the appropriate Members of Congress.

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

1 (d) EXCEPTION RELATING TO IMPORTATION OF  
2 GOODS.—

3 (1) IN GENERAL.—The authorities and require-  
4 ments to impose sanctions authorized under this sec-  
5 tion shall not include the authority or requirement  
6 to impose sanctions on the importation of goods.

7 (2) GOOD DEFINED.—In this subsection, the  
8 term “good” means any article, natural or manmade  
9 substance, material, supply, or manufactured prod-  
10 uct, including inspection and test equipment, and ex-  
11 cluding technical data.

12 (e) TERMINATION.—This section shall have no force  
13 or effect on the earlier of—

14 (1) the date that is 30 days after the date that  
15 the President reports to the appropriate Members of  
16 Congress that the threat described under section  
17 1861(a)(1) is no longer present; or

18 (2) the date that is 25 years after the date that  
19 the Secretary of the Treasury submits the final re-  
20 port required under section 1861(a)(1).

21 **SEC. 1863. DEFINITIONS.**

22 For purposes of this subtitle:

23 (1) APPROPRIATE MEMBERS OF CONGRESS.—  
24 The term “appropriate Members of Congress”  
25 means the Speaker and minority leader of the House



1 of Representatives, the majority leader and minority  
2 leader of the Senate, the Chairman and Ranking  
3 Member of the Committee on Financial Services of  
4 the House of Representatives, and the Chairman  
5 and Ranking Member of the Committee on Banking,  
6 Housing, and Urban Affairs of the Senate.

7 (2) FINANCIAL INSTITUTION.—The term “fi-  
8 nancial institution” means a United States financial  
9 institution or a foreign financial institution.

10 (3) FOREIGN FINANCIAL INSTITUTION.—The  
11 term “foreign financial institution” has the meaning  
12 given that term in section 561.308 of title 31, Code  
13 of Federal Regulations.

14 (4) FUNDS.—The term “funds” has the mean-  
15 ing given to such term by the Secretary of the  
16 Treasury.

17 (5) IMMEDIATE FAMILY.—The term “immediate  
18 family” of any natural person means the following  
19 (whether by the full or half blood or by adoption):

20 (A) Such person’s spouse, father, mother,  
21 children, brothers, sisters, and grandchildren.

22 (B) The father, mother, brothers, and sis-  
23 ters of such person’s spouse.

24 (C) The spouse of a child, brother, or sis-  
25 ter of such person.

1           (6) UNITED STATES FINANCIAL INSTITUTION.—  
2           The term “United States financial institution” has  
3           the meaning given the term “U.S. financial institu-  
4           tion” under section 561.309 of title 31, Code of  
5           Federal Regulations.

