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:

Subtitle D—Taiwan Conflict

Deterrence

SEC. 1861. REPORT ON FINANCIAL INSTITUTIONS AND ACCOUNTS CONNECTED TO CERTAIN CHINESE GOVERNMENT OFFICIALS.

(a) FINANCIAL INSTITUTIONS REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date that the President, pursuant to section 3(c) of the Taiwan Relations Act (22 U.S.C. 3302(c)), informs the Congress of a threat resulting from actions of the People’s Republic of China and any danger to the interests of the United States arising therefrom, and annually thereafter for 3 years, the Secretary of the Treasury shall submit a report to the appropriate Members of Congress containing the following:

(A) With respect to each of at least 10 natural persons described under subsection (b),
at least 1 of whom is a natural person listed
under paragraph (1) of such subsection (b) and
at least 1 of whom is a natural person listed
under paragraph (2) of such subsection (b), the
estimated total funds that are held in financial
institutions and are under direct or indirect
control by such natural person and a descrip-
tion of such funds.

(B) A list of any financial institutions
that—

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

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

(2) BRIEFING REQUIRED.—Not later than 30
days after submitting a report described under para-
graph (1), the Secretary of the Treasury, or a des-
ignee of the Secretary, shall provide to the appro-
priate Members of Congress an unclassified or clas-
sified briefing (as determined appropriate by the
Secretary) on the funds covered by the report, in-
cluding a description of how the funds were ac-
quired, and any illicit or corrupt means employed to acquire or use the funds.

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

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

(B) The natural person has agreed to provide significant cooperation to the United States for an important national security purpose with respect to China.

(C) A financial institution has agreed to—

(i) no longer maintain an account described under paragraph (1)(B)(i);

(ii) no longer provide significant financial services to a natural person covered by the report; or

(iii) provide significant cooperation to the United States for an important national security purpose with respect to China.

(4) WAIVER.—The President may waive any requirement described under paragraph (1) with re-
spect to a natural person or a financial institution
upon reporting to the appropriate Members of Con-
gress that—

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

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

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

(b) Natural Persons Described.—The natural
persons described in this subsection are persons who, at
the time of a report, are the following:

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

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

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

(A) is none of the foregoing; and

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

(c) Form of Reports; Public Availability.—
(1) **FORM.**—The reports required under paragraphs (1) and (4) of subsection (a) shall be submitted in unclassified form but may contain a classified annex.

(2) **PUBLIC AVAILABILITY.**—The Secretary of the Treasury shall make the unclassified portion of the report required under subsection (a)(1) available to the public on the website and social media accounts of the Department of the Treasury—

(A) in English, Chinese, and any other language that the Secretary finds appropriate; and

(B) in precompressed, easily downloadable versions that are made available in all appropriate formats.

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

(a) **IN GENERAL.**—The Secretary of the Treasury shall prohibit a United States financial institution, and any person owned or controlled by a United States financial institution, from engaging in a significant transaction with—

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

(2) the immediate family of a person described under paragraph (1), if the Secretary finds that
such immediate family benefits from funds described
in the report.

(b) Exceptions.—

(1) Exception for Intelligence, Law Enforcement, and National Security Activities.—Subsection (a) shall not apply with respect to any intelligence, law enforcement, or national security activity of the United States.

(2) Waiver.—The President may waive the application of subsection (a) with respect to a person upon reporting to the appropriate Members of Congress that—

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

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

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

(3) Form of Reports.—The reports required under paragraph (2) shall be submitted in unclassified form but may contain a classified annex.

(4) Rule of Construction.—

(A) In General.—Nothing in this section shall be construed as authorizing or requiring
any sanction with respect to the importation of any good.

(B) **GOOD DEFINED.**—In this paragraph, the term “good” means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data.

(c) **IMPLEMENTATION; PENALTIES.**—

(1) **IMPLEMENTATION.**—The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C. 1702 and 1704) to carry out this section. Not later than 60 days after issuing a license pursuant to this section, the President shall submit a copy of the license to the appropriate Members of Congress.

(2) **PENALTIES.**—A person that violates, attempts to violate, conspires to violate, or causes a violation of this section or any regulation, license, or order issued to carry out this section shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section 206.
(d) Exception Relating To Importation Of Goods.—

(1) IN GENERAL.—The authorities and requirements to impose sanctions authorized under this section shall not include the authority or requirement to impose sanctions on the importation of goods.

(2) GOOD DEFINED.—In this subsection, the term “good” means any article, natural or manmade substance, material, supply, or manufactured product, including inspection and test equipment, and excluding technical data.

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

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

(2) the date that is 25 years after the date that the Secretary of the Treasury submits the final report required under section 1861(a)(1).

SEC. 1863. DEFINITIONS.

For purposes of this subtitle:

(1) APPROPRIATE MEMBERS OF CONGRESS.—

The term “appropriate Members of Congress” means the Speaker and minority leader of the House
of Representatives, the majority leader and minority
leader of the Senate, the Chairman and Ranking
Member of the Committee on Financial Services of
the House of Representatives, and the Chairman
and Ranking Member of the Committee on Banking,
Housing, and Urban Affairs of the Senate.

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

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

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

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

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

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

(C) The spouse of a child, brother, or sis-
ter of such person.
(6) United States financial institution.—

The term “United States financial institution” has the meaning given the term “U.S. financial institution” under section 561.309 of title 31, Code of Federal Regulations.