

AMENDMENT TO RULES COMMITTEE PRINT 119–**8****OFFERED BY MRS. MCCLAIN OF MICHIGAN**

At the appropriate place in subtitle B of title XVII,
insert the following:

1 **SEC. 17 ____ . TAIWAN CONFLICT DETERRENCE.**

2 (a) REPORT ON FINANCIAL INSTITUTIONS AND AC-
3 COUNTS CONNECTED TO CERTAIN CHINESE GOVERN-
4 MENT OFFICIALS.—

5 (1) FINANCIAL INSTITUTIONS REPORT.—

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

17 (i) With respect to each of at least 10
18 natural persons described under paragraph

1 (2), at least 1 of whom is a natural person
2 listed under subparagraph (A) of such
3 paragraph (2) and at least 1 of whom is a
4 natural person listed under subparagraph
5 (B) of such paragraph (2), the estimated
6 total funds that are held in financial insti-
7 tutions and are under direct or indirect
8 control by such natural person and a de-
9 scription of such funds.

10 (ii) A list of any financial institutions
11 that—

12 (I) maintain an account in con-
13 nection with significant funds de-
14 scribed in clause (i); or

15 (II) otherwise provide significant
16 financial services to a natural person
17 covered by the report.

18 (B) BRIEFING REQUIRED.—Not later than
19 30 days after submitting a report described
20 under subparagraph (A), the Secretary of the
21 Treasury, or a designee of the Secretary, shall
22 provide to the appropriate Members of Congress
23 an unclassified or classified briefing (as deter-
24 mined appropriate by the Secretary) on the
25 funds covered by the report, including a de-

1 description of how the funds were acquired, and
2 any illicit or corrupt means employed to acquire
3 or use the funds.

4 (C) EXEMPTIONS.—The requirements de-
5 scribed under subparagraph (A) may not be ap-
6 plied with respect to a natural person or a fi-
7 nancial institution, as the case may be, if the
8 President determines:

9 (i) The funds described under sub-
10 paragraph (A)(i) were primarily acquired
11 through legal and noncorrupt means.

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

16 (iii) A financial institution has agreed
17 to—

18 (I) no longer maintain an ac-
19 count described under subparagraph
20 (A)(ii)(I);

21 (II) no longer provide significant
22 financial services to a natural person
23 covered by the report; or

24 (III) provide significant coopera-
25 tion to the United States for an im-

1 portant national security purpose with
2 respect to China.

3 (D) WAIVER.—The President may waive
4 any requirement described under subparagraph
5 (A) with respect to a natural person or a finan-
6 cial institution upon reporting to the appro-
7 priate Members of Congress that—

8 (i) the waiver would substantially pro-
9 mote the objective of ending the threat de-
10 scribed under subparagraph (A);

11 (ii) the threat described under sub-
12 paragraph (A) is no longer present; or

13 (iii) the waiver is essential to the na-
14 tional security interests of the United
15 States.

16 (2) NATURAL PERSONS DESCRIBED.—The nat-
17 ural persons described in this paragraph are persons
18 who, at the time of a report, are the following:

19 (A) A member of the Politburo Standing
20 Committee of the Chinese Communist Party.

21 (B) A member of the Politburo of the Chi-
22 nese Communist Party that is not described
23 under subparagraph (A).

24 (C) A member of the Central Committee of
25 the Chinese Communist Party that—

1 (i) is none of the foregoing; and

2 (ii) performs any official duty that di-
3 rectly or indirectly affects Taiwan.

4 (3) FORM OF REPORTS; PUBLIC AVAIL-
5 ABILITY.—

6 (A) FORM OF REPORTS.—The reports re-
7 quired under subparagraphs (A) and (D) of
8 paragraph (1) shall be submitted in unclassified
9 form but may contain a classified annex.

10 (B) PUBLIC AVAILABILITY.—The Secretary
11 of the Treasury shall make the unclassified por-
12 tion of the report required under paragraph
13 (1)(A) available to the public on the website
14 and social media accounts of the Department of
15 the Treasury—

16 (i) in English, Chinese, and any other
17 language that the Secretary finds appro-
18 priate; and

19 (ii) in precompressed, easily
20 downloadable versions that are made avail-
21 able in all appropriate formats.

22 (b) PROHIBITION ON FINANCIAL SERVICES FOR CER-
23 TAIN IMMEDIATE FAMILY.—

24 (1) IN GENERAL.—The Secretary of the Treas-
25 ury shall prohibit a United States financial institu-

1 tion, and any person owned or controlled by a
2 United States financial institution, from engaging in
3 a significant transaction with—

4 (A) a natural person covered by a report
5 made under subsection (a)(1); and

6 (B) the immediate family of a person de-
7 scribed under subparagraph (A), if the Sec-
8 retary finds that such immediate family benefits
9 from funds described in the report.

10 (2) EXCEPTIONS.—

11 (A) EXCEPTION FOR INTELLIGENCE, LAW
12 ENFORCEMENT, AND NATIONAL SECURITY AC-
13 TIVITIES.—Paragraph (1) shall not apply with
14 respect to any intelligence, law enforcement, or
15 national security activity of the United States.

16 (B) WAIVER.—The President may waive
17 the application of paragraph (1) with respect to
18 a person upon reporting to the appropriate
19 Members of Congress that—

20 (i) the waiver would substantially pro-
21 mote the objective of ending the threat de-
22 scribed under subsection (a)(1)(A);

23 (ii) the threat described under sub-
24 section (a)(1)(A) is no longer present; or

1 (iii) the waiver is essential to the na-
2 tional security interests of the United
3 States.

4 (C) FORM OF REPORTS.—The reports re-
5 quired under subparagraph (B) shall be sub-
6 mitted in unclassified form but may contain a
7 classified annex.

8 (D) EXCEPTION RELATING TO IMPORTA-
9 TION OF GOODS.—

10 (i) IN GENERAL.—The authorities and
11 requirements authorized under this sub-
12 section shall not include the authority or
13 requirement to impose sanctions on the im-
14 portation of goods.

15 (ii) GOOD DEFINED.—In this sub-
16 section, the term “good” means any arti-
17 cle, natural or man-made substance, mate-
18 rial, supply or manufactured product, in-
19 cluding inspection and test equipment, and
20 excluding technical data.

21 (3) IMPLEMENTATION; PENALTIES.—

22 (A) IMPLEMENTATION.—The President
23 may exercise all authorities provided to the
24 President under sections 203 and 205 of the
25 International Emergency Economic Powers Act

1 (50 U.S.C. 1702 and 1704) to carry out this
2 subsection. Not later than 60 days after issuing
3 a license pursuant to this subsection, the Presi-
4 dent shall submit a copy of the license to the
5 appropriate Members of Congress.

6 (B) PENALTIES.—A person that violates,
7 attempts to violate, conspires to violate, or
8 causes a violation of this subsection or any reg-
9 ulation, license, or order issued to carry out this
10 subsection shall be subject to the penalties set
11 forth in subsections (b) and (c) of section 206
12 of the International Emergency Economic Pow-
13 ers Act (50 U.S.C. 1705) to the same extent as
14 a person that commits an unlawful act de-
15 scribed in subsection (a) of that section 206.

16 (4) TERMINATION.—This subsection shall have
17 no force or effect on the earlier of—

18 (A) the date that is 30 days after the date
19 that the President reports to the appropriate
20 Members of Congress that the threat described
21 under subsection (a)(1)(A) is no longer present;
22 or

23 (B) the date that is 25 years after the date
24 that the Secretary of the Treasury submits the

1 final report required under subsection
2 (a)(1)(A).

3 (c) DEFINITIONS.—In this section:

4 (1) The term “appropriate Members of Con-
5 gress” means the Speaker and minority leader of the
6 House of Representatives, the majority leader and
7 minority leader of the Senate, the Chairman and
8 Ranking Member of the Committee on Financial
9 Services of the House of Representatives, and the
10 Chairman and Ranking Member of the Committee
11 on Banking, Housing, and Urban Affairs of the Sen-
12 ate.

13 (2) The term “financial institution” means a
14 United States financial institution or a foreign fi-
15 nancial institution.

16 (3) The term “foreign financial institution” has
17 the meaning given that term in section 561.308 of
18 title 31, Code of Federal Regulations.

19 (4) The term “funds” has the meaning given to
20 such term by the Secretary of the Treasury.

21 (5) The term “immediate family” of any nat-
22 ural person means the following (whether by the full
23 or half blood or by adoption):

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

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

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

5 (6) The term "United States financial institu-
6 tion" has the meaning given the term "U.S. finan-
7 cial institution" under section 561.309 of title 31,
8 Code of Federal Regulations.

