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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To deter Chinese aggression towards Taiwan by requiring the Secretary of the Treasury to publish a report on financial institutions and accounts connected to senior officials of the People's Republic of China, to restrict financial services for certain immediate family of such officials, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To deter Chinese aggression towards Taiwan by requiring the Secretary of the Treasury to publish a report on financial institutions and accounts connected to senior officials of the People's Republic of China, to restrict financial services for certain immediate family of such officials, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Taiwan Conflict Deter-
3 rence Act of 2023”.

4 **SEC. 2. REPORT ON FINANCIAL INSTITUTIONS AND AC-
5 COUNTS CONNECTED TO CERTAIN CHINESE
6 GOVERNMENT OFFICIALS.**

7 (a) FINANCIAL INSTITUTIONS REPORT.—

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

18 (A) With respect to each of at least 10
19 natural persons described under subsection (b),
20 at least 1 of whom is a natural person listed
21 under paragraph (1) of such subsection (b) and
22 at least 1 of whom is a natural person listed
23 under paragraph (2) of such subsection (b), the
24 estimated total funds that are held in financial
25 institutions and are under direct or indirect

1 control by such natural person and a descrip-
2 tion of such funds.

3 (B) A list of any financial institutions
4 that—

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

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

11 (2) BRIEFING REQUIRED.—Not later than 30
12 days after submitting a report described under para-
13 graph (1), the Secretary of the Treasury, or a des-
14 ignee of the Secretary, shall brief the appropriate
15 Members of Congress on the funds covered by the
16 report, including a description of how the funds were
17 acquired, and any illicit or corrupt means employed
18 to acquire or use the funds.

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

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

1 (B) The natural person has agreed to pro-
2 vide significant cooperation to the United
3 States for an important national security pur-
4 pose with respect to China.

5 (C) A financial institution has agreed to—

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

8 (ii) no longer provide significant fi-
9 nancial services to a natural person cov-
10 ered by the report; or

11 (iii) provide significant cooperation to
12 the United States for an important na-
13 tional security purpose with respect to
14 China.

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

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

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

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

3 (b) NATURAL PERSONS DESCRIBED.—The natural
4 persons described in this subsection are persons who, at
5 the time of a report, are the following:

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

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

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

13 (A) is none of the foregoing; and

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

16 (c) FORM OF REPORT; PUBLIC AVAILABILITY.—

17 (1) FORM.—The report required under sub-
18 section (a) shall be submitted in unclassified form
19 but may contain a classified annex.

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

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

3 (B) in precompressed, easily downloadable
4 versions that are made available in all appro-
5 priate formats.

6 **SEC. 3. PROHIBITION ON FINANCIAL SERVICES FOR CER-**
7 **TAIN IMMEDIATE FAMILY.**

8 (a) IN GENERAL.—The Secretary of the Treasury
9 may prohibit a United States financial institution, and any
10 person owned or controlled by a United States financial
11 institution, from engaging in a significant transaction
12 with—

13 (1) a natural person covered by a report made
14 under section 2(a); or

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

19 (b) TERMINATION.—Subsection (a) shall have no
20 force or effect on the earlier of—

21 (1) the date that is 30 days after the date that
22 the President reports to the appropriate Members of
23 Congress that the threat described under section
24 2(a)(1) is no longer present; or

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

4 **SEC. 4. DEFINITIONS.**

5 For purposes of this Act:

6 (1) **APPROPRIATE MEMBERS OF CONGRESS.**—

7 The term “appropriate Members of Congress”
8 means the Speaker and minority leader of the House
9 of Representatives, the majority leader and minority
10 leader of the Senate, the Chairman and Ranking
11 Member of the Committee on Financial Services of
12 the House of Representatives, and the Chairman
13 and Ranking Member of the Committee on Banking,
14 Housing, and Urban Affairs of the Senate.

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

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

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

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

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

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

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

10 (6) UNITED STATES FINANCIAL INSTITUTION.—
11 The term “United States financial institution” has
12 the meaning given the term “U.S. financial institu-
13 tion” under section 561.309 of title 31, Code of
14 Federal Regulations.