117TH CONGRESS
2D 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.

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IN THE HOUSE OF REPRESENTATIVES

Mr. Hill introduced the following bill; which was referred to the Committee on

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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,
SECTION 1. SHORT TITLE.

This Act may be cited as the “Taiwan Conflict Deterrence Act of 2022”.

SEC. 2. 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 description of such funds.

(B) A list of any financial institutions that—

(i) maintain an account in connection with significant funds described in subparagraph (A); or

(ii) otherwise provide significant financial services to a natural person covered by the report.

(2) BRIEFING REQUIRED.—Not later than 30 days after submitting a report described under paragraph (1), the Secretary of the Treasury, or a designee of the Secretary, shall brief the appropriate Members of Congress on the funds covered by the report, including a description of how the funds were acquired, 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 respect to a natural person or a financial institution upon reporting to the appropriate Members of Congress 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 Committee of the Chinese Communist Party.

(2) A member of the Politburo of the Chinese Communist Party that is not described under paragraph (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.

(e) FORM OF REPORT; PUBLIC AVAILABILITY.—

(1) FORM.—The report required under 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) 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. 3. PROHIBITION ON FINANCIAL SERVICES FOR CERTAIN IMMEDIATE FAMILY.

(a) IN GENERAL.—The Secretary of the Treasury may 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 2(a); or

(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) TERMINATION.—Subsection (a) 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 2(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 re-
port required under section 2(a)(1).

SEC. 4. DEFINITIONS.

For purposes of this Act:

(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 sisters of such person’s spouse.

(C) The spouse of a child, brother, or sister 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.