

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1716  
OFFERED BY MRS. MCCLAIN OF MICHIGAN**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Taiwan Conflict Deter-  
3 rence Act of 2025”.

**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:

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

11          (B) A list of any financial institutions  
12          that—

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

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

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

1 including a description of how the funds were ac-  
2 quired, and any illicit or corrupt means employed to  
3 acquire or use the funds.

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

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

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

15 (C) A financial institution has agreed to—

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

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

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

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

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

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

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

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

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

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

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

23                           (A) is none of the foregoing; and

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

1 (c) FORM OF REPORTS; PUBLIC AVAILABILITY.—

2 (1) FORM OF REPORTS.—The reports required  
3 under paragraphs (1) and (4) of subsection (a) shall  
4 be submitted in unclassified form but may contain a  
5 classified annex.

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

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

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

16 **SEC. 3. PROHIBITION ON FINANCIAL SERVICES FOR CER-**  
17 **TAIN IMMEDIATE FAMILY.**

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

23 (1) a natural person covered by a report made  
24 under section 2(a); and

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

5           (b) EXCEPTIONS.—

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

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

15                (A) the waiver would substantially promote  
16                the objective of ending the threat described  
17                under section 2(a)(1);

18                (B) the threat described under section  
19                2(a)(1) is no longer present; or

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

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

25          (4) RULE OF CONSTRUCTION.—

1 (A) IN GENERAL.—Nothing in this section  
2 shall be construed as authorizing or requiring  
3 any sanction with respect to the importation of  
4 any good.

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

10 (c) IMPLEMENTATION; PENALTIES.—

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

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

1 tent as a person that commits an unlawful act de-  
2 scribed in subsection (a) of that section 206.

3 (d) **TERMINATION.**—This section shall have no force  
4 or effect on the earlier of—

5 (1) the date that is 30 days after the date that  
6 the President reports to the appropriate Members of  
7 Congress that the threat described under section  
8 2(a)(1) is no longer present; or

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

12 **SEC. 4. DEFINITIONS.**

13 For purposes of this Act:

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

15 The term “appropriate Members of Congress”  
16 means the Speaker and minority leader of the House  
17 of Representatives, the majority leader and minority  
18 leader of the Senate, the Chairman and Ranking  
19 Member of the Committee on Financial Services of  
20 the House of Representatives, and the Chairman  
21 and Ranking Member of the Committee on Banking,  
22 Housing, and Urban Affairs of the Senate.

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



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

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

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

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

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

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

17           (6) UNITED STATES FINANCIAL INSTITUTION.—  
18 The term “United States financial institution” has  
19 the meaning given the term “U.S. financial institu-  
20 tion” under section 561.309 of title 31, Code of  
21 Federal Regulations.

