

118TH CONGRESS  
1ST SESSION

# H. R. 554

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

JANUARY 26, 2023

Mr. HILL (for himself and Mr. SHERMAN) introduced the following bill; which was referred to the Committee on Financial Services

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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,*

3 **SECTION 1. SHORT TITLE.**

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

1 **SEC. 2. REPORT ON FINANCIAL INSTITUTIONS AND AC-**  
2 **COUNTS CONNECTED TO CERTAIN CHINESE**  
3 **GOVERNMENT OFFICIALS.**

4 (a) FINANCIAL INSTITUTIONS REPORT.—

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

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

25 (B) A list of any financial institutions  
26 that—

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

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

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

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

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

22 (B) The natural person has agreed to pro-  
23 vide significant cooperation to the United  
24 States for an important national security pur-  
25 pose with respect to China.

1 (C) A financial institution has agreed to—

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

4 (ii) no longer provide significant fi-  
5 nancial services to a natural person cov-  
6 ered by the report; or

7 (iii) provide significant cooperation to  
8 the United States for an important na-  
9 tional security purpose with respect to  
10 China.

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

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

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

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

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

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

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

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

8                   (A) is none of the foregoing; and

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

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

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

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

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

22                   (B) in precompressed, easily downloadable  
23           versions that are made available in all appro-  
24           priate formats.

1 **SEC. 3. PROHIBITION ON FINANCIAL SERVICES FOR CER-**  
2 **TAIN IMMEDIATE FAMILY.**

3 (a) IN GENERAL.—The Secretary of the Treasury  
4 may prohibit a United States financial institution, and any  
5 person owned or controlled by a United States financial  
6 institution, from engaging in a significant transaction  
7 with—

8 (1) a natural person covered by a report made  
9 under section 2(a); or

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

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

16 (1) the date that is 30 days after the date that  
17 the President reports to the appropriate Members of  
18 Congress that the threat described under section  
19 2(a)(1) is no longer present; or

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

23 **SEC. 4. DEFINITIONS.**

24 For purposes of this Act:

25 (1) APPROPRIATE MEMBERS OF CONGRESS.—

26 The term “appropriate Members of Congress”

1 means the Speaker and minority leader of the House  
2 of Representatives, the majority leader and minority  
3 leader of the Senate, the Chairman and Ranking  
4 Member of the Committee on Financial Services of  
5 the House of Representatives, and the Chairman  
6 and Ranking Member of the Committee on Banking,  
7 Housing, and Urban Affairs of the Senate.

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

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

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

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

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

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

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

3                   (6) UNITED STATES FINANCIAL INSTITUTION.—

4                   The term “United States financial institution” has  
5                   the meaning given the term “U.S. financial institu-  
6                   tion” under section 561.309 of title 31, Code of  
7                   Federal Regulations.

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