

117TH CONGRESS
2D SESSION

S. 3526

To require the imposition of sanctions with respect to the People’s Republic of China if the People’s Liberation Army initiates a military invasion of Taiwan, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 19 (legislative day, JANUARY 18), 2022

Mr. SULLIVAN introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require the imposition of sanctions with respect to the People’s Republic of China if the People’s Liberation Army initiates a military invasion of Taiwan, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Sanctions Targeting Aggressors of Neighboring Democ-
6 racies with Taiwan Act of 2022” or the “STAND with
7 Taiwan Act of 2022”.

1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Sense of Congress.
- Sec. 4. Statement of policy.
- Sec. 5. Definitions.
- Sec. 6. Determination of the initiation of a military invasion by the People's Liberation Army or its proxies.
- Sec. 7. Imposition of sanctions with respect to members of the Chinese Communist Party.
- Sec. 8. Imposition of sanctions with respect to financial institutions affiliated with the Chinese Communist Party.
- Sec. 9. Imposition of sanctions with respect to entities owned by or affiliated with the Chinese Communist Party.
- Sec. 10. Prohibition on transfers of funds involving the People's Republic of China.
- Sec. 11. Prohibition on listing or trading of Chinese entities on United States securities exchanges.
- Sec. 12. Prohibition on investments by United States financial institutions that benefit the Chinese Communist Party.
- Sec. 13. Prohibition on importation of certain goods made in the People's Republic of China.
- Sec. 14. Exceptions; waiver.
- Sec. 15. Implementation; penalties.

3 **SEC. 2. FINDINGS.**

4 Congress makes the following findings:

5 (1) Taiwan is a free and prosperous democracy
 6 of nearly 24,000,000 people, an important contrib-
 7 utor to peace and stability around the world, and
 8 continues to embody and promote democratic values,
 9 freedom, and human rights in Asia.

10 (2) The policy of the United States toward Tai-
 11 wan is guided by the Taiwan Relations Act (22
 12 U.S.C. 3301 et seq.), the United States-People's Re-
 13 public of China joint communiqués concluded in
 14 1972, 1978, and 1982, and the Six Assurances that

1 President Ronald Reagan communicated to Taiwan
2 in 1982.

3 (3) Under section 2 of the Taiwan Relations
4 Act (22 U.S.C. 3301), it is the policy of the United
5 States—

6 (A) “to preserve and promote extensive,
7 close, and friendly commercial, cultural, and
8 other relations between the people of the United
9 States and the people on Taiwan, as well as the
10 people on the China mainland and all other peo-
11 ples of the Western Pacific area”;

12 (B) “to declare that peace and stability in
13 the area are in the political, security, and eco-
14 nomic interests of the United States, and are
15 matters of international concern”;

16 (C) “to make clear that the United States
17 decision to establish diplomatic relations with
18 the People’s Republic of China rests upon the
19 expectation that the future of Taiwan will be
20 determined by peaceful means”;

21 (D) “to consider any effort to determine
22 the future of Taiwan by other than peaceful
23 means, including by boycotts or embargoes, a
24 threat to the peace and security of the Western

1 Pacific area and of grave concern to the United
2 States”;

3 (E) “to provide Taiwan with arms of a de-
4 fensive character”; and

5 (F) “to maintain the capacity of the
6 United States to resist any resort to force or
7 other forms of coercion that would jeopardize
8 the security, or the social or economic system,
9 of the people on Taiwan”.

10 (4) Since the election of President Tsai Ing-wen
11 as President of Taiwan in 2016, the Chinese Com-
12 munist Party has employed a variety of coercive
13 military and nonmilitary tactics short of armed con-
14 flict in its efforts to exert existential pressure on
15 Taiwan, including through diplomatic isolation, re-
16 stricting tourism, cyberattacks, spreading
17 disinformation, and controlling the ability of Taiwan
18 to purchase COVID–19 vaccines from other coun-
19 tries.

20 (5) In 2021, there was a notable increase in
21 military provocations by the People’s Liberation
22 Army against Taiwan, including increased flights of
23 military aircraft within Taiwan’s air defense identi-
24 fication zone, holding military exercises in the vicin-

1 ity of Taiwan’s controlled waters, and performing
2 live-fire exercises in the South China Sea.

3 (6) In March 2021, then Commander of the
4 United States Indo-Pacific Command Admiral Philip
5 Davidson testified that the threat of a military inva-
6 sion of Taiwan by the People’s Liberation Army “is
7 manifest during this decade, in fact in the next six
8 years”.

9 (7) In March 2021, then Commander of the
10 United States Pacific Fleet Admiral John Aquilino
11 testified that the threat of a military invasion by the
12 People’s Liberation Army of Taiwan is “much closer
13 to us than most think” and could materialize well
14 before 2035.

15 (8) In October 2021, President Joseph R.
16 Biden publicly affirmed that the United States
17 would come to the defense of Taiwan, saying, “yes,
18 we have a commitment to do that”.

19 (9) In addition to military power, economic and
20 financial instruments of United States power and
21 their potential use can have an important deterrent
22 effect on the actions of other countries.

23 **SEC. 3. SENSE OF CONGRESS.**

24 It is the sense of Congress that—

1 (1) it is in the interests of the United States to
2 maintain a free and open Indo-Pacific region, with
3 peace and stability in the Taiwan Strait as a critical
4 component;

5 (2) efforts by the Chinese Communist Party to
6 unilaterally determine the future of Taiwan through
7 non-peaceful means, including threats and the direct
8 use of force, military coercion, economic boycotts or
9 embargoes, and efforts to internationally isolate or
10 annex Taiwan—

11 (A) directly undermine the spirit, intent,
12 and purpose of the Taiwan Relations Act (22
13 U.S.C. 3301 et seq.);

14 (B) undermine peace and stability in the
15 Taiwan Strait;

16 (C) limit a free and open Indo-Pacific re-
17 gion; and

18 (D) are of grave concern to the Govern-
19 ment of the United States;

20 (3) the initiation of a military invasion of Tai-
21 wan by the People's Liberation Army would—

22 (A) disrupt the peace and stability of the
23 region and threaten the peace and stability of
24 the entire globe; and

1 (B) undermine core the political, security,
2 and economic interests of the United States;
3 and

4 (4) as an important deterrent measure against
5 a military invasion of Taiwan, the Chinese Com-
6 munist Party must understand that initiating such
7 an invasion will result in catastrophic economic and
8 financial consequences for the People's Republic of
9 China.

10 **SEC. 4. STATEMENT OF POLICY.**

11 The policy of the Government of the United States
12 on Taiwan is guided by the Taiwan Relations Act (22
13 U.S.C. 3301 et seq.), the United States-People's Republic
14 of China joint communiqués concluded in 1972, 1978, and
15 1982, and the Six Assurances that President Ronald
16 Reagan communicated to Taiwan in 1982, but in the event
17 of the initiation of a military invasion of Taiwan by the
18 People's Liberation Army, it is the policy of the United
19 States—

20 (1) to use and deploy all economic, commercial,
21 and financial instruments and levers of power, in-
22 cluding—

23 (A) the imposition of sanctions with re-
24 spect to members of the Chinese Communist
25 Party and financial institutions and other enti-

ties affiliated with the Chinese Communist Party;

(B) prohibiting the listing or trading of the securities of Chinese entities on United States securities exchanges;

(C) prohibiting investments by United States financial institutions in economic sectors of the People's Republic of China; and

(D) prohibiting the importation of certain goods mined, produced, or manufactured in the People's Republic of China into the United States; and

(2) to work in close coordination with allies and partners of the United States to encourage those allies and partners to undertake similar economic, commercial, and financial actions against the Chinese Communist Party.

SEC. 5. DEFINITIONS.

In this Act:

(1) ACCOUNT; CORRESPONDENT ACCOUNT; PAYABLE-THROUGH ACCOUNT.—The terms “account”, “correspondent account”, and “payable-through account” have the meanings given those terms in section 5318A of title 31, United States Code.

1 (2) ADMISSION; ADMITTED; ALIEN.—The terms
2 “admission”, “admitted”, and “alien” have the
3 meanings given those terms in section 101 of the
4 Immigration and Nationality Act (8 U.S.C. 1101).

5 (3) APPROPRIATE CONGRESSIONAL COMMIT-
6 TEES.—The term “appropriate congressional com-
7 mittees” means—

8 (A) the Committee on Foreign Relations,
9 the Committee on Armed Services, and the
10 Committee on Banking, Housing, and Urban
11 Affairs of the Senate; and

12 (B) the Committee on Foreign Affairs, the
13 Committee on Armed Services, and the Com-
14 mittee on Financial Services of the House of
15 Representatives.

16 (4) COVERED DETERMINATION.—The term
17 “covered determination” has the meaning given that
18 term in section 6(a).

19 (5) FINANCIAL INSTITUTION.—The term “fi-
20 nancial institution” means a financial institution
21 specified in subparagraph (A), (B), (C), (D), (E),
22 (F), (G), (H), (I), (J), (M), or (Y) of section
23 5312(a)(2) of title 31, United States Code.

24 (6) FOREIGN FINANCIAL INSTITUTION.—The
25 term “foreign financial institution” has the meaning

1 given that term in regulations prescribed by the Sec-
2 retary of the Treasury.

3 (7) FOREIGN PERSON.—The term “foreign per-
4 son” means an individual or entity that is not a
5 United States person.

6 (8) KNOWINGLY.—The term “knowingly” with
7 respect to conduct, a circumstance, or a result,
8 means that a person had actual knowledge, or
9 should have known, of the conduct, the cir-
10 cumstance, or the result.

11 (9) MILITARY INVASION.—The term “military
12 invasion” includes—

13 (A) an amphibious landing or assault;

14 (B) an airborne operation or air assault;

15 (C) an aerial bombardment or blockade;

16 (D) missile attacks, including rockets, bal-
17 listic missiles, cruise missiles, and hypersonic
18 missiles; and

19 (E) a naval bombardment or blockade.

20 (10) UNITED STATES PERSON.—The term
21 “United States person” means—

22 (A) a United States citizen or an alien law-
23 fully admitted for permanent residence to the
24 United States; or

1 (B) an entity organized under the laws of
2 the United States or any jurisdiction within the
3 United States, including a foreign branch of
4 such an entity.

5 **SEC. 6. DETERMINATION OF THE INITIATION OF A MILI-**
6 **TARY INVASION BY THE PEOPLE’S LIBERA-**
7 **TION ARMY OR ITS PROXIES.**

8 (a) COVERED DETERMINATION DEFINED.—In this
9 Act, the term “covered determination” means—

10 (1) a determination by the President, not later
11 than 24 hours after a military invasion of Taiwan by
12 the People’s Liberation Army or any of its proxies,
13 that such an invasion has occurred; or

14 (2) the enactment of a joint resolution pursuant
15 to subsection (b).

16 (b) DETERMINATION BY JOINT RESOLUTION.—

17 (1) COVERED JOINT RESOLUTION DEFINED.—

18 In this subsection, the term “covered joint resolu-
19 tion” means only a joint resolution of either House
20 of Congress the sole matter after the resolving
21 clause of which is as follows: “That Congress deter-
22 mines that the People’s Liberation Army or one of
23 its proxies initiated a military invasion of Taiwan on
24 _____.”, with the blank space being filled with the
25 appropriate date.

1 (2) INTRODUCTION.—A covered joint resolution
2 may be introduced—

3 (A) in the House of Representatives, by
4 the majority leader (or the majority leader's
5 designee) or the minority leader (or the minor-
6 ity leader's designee); and

7 (B) in the Senate, by the majority leader
8 (or the majority leader's designee) or the mi-
9 nority leader (or the minority leader's des-
10 ignee).

11 (3) FLOOR CONSIDERATION IN HOUSE OF REP-
12 RESENTATIVES.—

13 (A) DISCHARGE FROM COMMITTEE.—If a
14 committee of the House of Representatives to
15 which a covered joint resolution has been re-
16 ferred has not reported the joint resolution
17 within 2 calendar days after the date of referral
18 of the joint resolution, the committee shall be
19 discharged from further consideration of the
20 joint resolution and the joint resolution shall be
21 placed on the appropriate calendar.

22 (B) MOVING TO CONSIDERATION.—At any
23 time after a covered joint resolution has been
24 placed on the appropriate calendar, it is in
25 order for the sponsor of the joint resolution (or

1 a designee) to move for the consideration of
2 that joint resolution.

3 (C) POINTS OF ORDER; MOTIONS.—All
4 points of order against the covered joint resolu-
5 tion and its consideration are waived. If the mo-
6 tion under subparagraph (B) is agreed to, the
7 joint resolution shall remain the unfinished
8 business of the House until disposed of, except
9 as provided in paragraph (5).

10 (D) NO AMENDMENTS.—A covered joint
11 resolution shall not be subject to amendment in
12 the House of Representatives.

13 (E) DEBATE.—General debate on a cov-
14 ered joint resolution shall not exceed 4 hours,
15 which shall be equally divided and controlled by
16 the sponsor of the joint resolution (or a des-
17 ignee) and an opponent.

18 (F) FINAL PASSAGE.—At the conclusion of
19 debate, the previous question shall be consid-
20 ered as ordered on the resolution, and the
21 House of Representatives shall vote on final
22 passage without intervening motion.

23 (4) CONSIDERATION IN THE SENATE.—

24 (A) REPORTING AND DISCHARGE.—If the
25 committee of the Senate to which a covered

1 joint resolution was referred has not reported
2 the joint resolution within 2 calendar days after
3 the date of referral of the joint resolution, that
4 committee shall be discharged from further con-
5 sideration of the joint resolution and the joint
6 resolution shall be placed on the appropriate
7 calendar.

8 (B) PROCEEDING TO CONSIDERATION.—
9 Notwithstanding Rule XXII of the Standing
10 Rules of the Senate, it is in order at any time
11 after the committee of the Senate to which a
12 covered joint resolution was referred reports the
13 joint resolution to the Senate or has been dis-
14 charged from consideration of the joint resolu-
15 tion (even though a previous motion to the
16 same effect has been disagreed to) to move to
17 proceed to the consideration of the joint resolu-
18 tion, and all points of order against the joint
19 resolution (and against consideration of the
20 joint resolution) are waived. The motion to pro-
21 ceed is not debatable. The motion is not subject
22 to a motion to postpone.

23 (C) NO AMENDMENTS.—An amendment to
24 a covered joint resolution, or a motion to post-
25 pone, or a motion to proceed to the consider-

1 ation of other business, or a motion to recom-
2 mit a covered joint resolution, is not in order.

3 (D) CONSIDERATION.—

4 (i) LIMITATION ON DEBATE.—Consid-
5 eration in the Senate of a covered joint
6 resolution shall be limited to not more than
7 10 hours, which shall be equally divided
8 between, and controlled by, the majority
9 leader and the minority leader, or by their
10 designees.

11 (ii) VOTE ON ADOPTION.—Whenever
12 all the time for debate on a covered joint
13 resolution has been used or yielded back,
14 the vote on the adoption of the resolution
15 shall occur without any intervening motion
16 or amendment, except that a single
17 quorum call at the conclusion of the debate
18 if requested in accordance with the Rules
19 of the Senate may occur immediately be-
20 fore such vote.

21 (E) RULINGS OF THE CHAIR ON PROCE-
22 DURE.—Appeals from the decisions of the Chair
23 relating to the application of the rules of the
24 Senate, as the case may be, to the procedure re-

1 lating to a covered joint resolution shall be de-
2 cided without debate.

3 (F) CONSIDERATION OF VETO MES-
4 SAGES.—Debate in the Senate of any veto mes-
5 sage with respect to a covered joint resolution,
6 including all debatable motions and appeals in
7 connection with the joint resolution, shall be
8 limited to 10 hours, to be equally divided be-
9 tween, and controlled by, the majority leader
10 and the minority leader or their designees.

11 (5) RULES RELATING TO SENATE AND HOUSE
12 OF REPRESENTATIVES.—

13 (A) TREATMENT OF SENATE JOINT RESO-
14 LUTION IN HOUSE.—In the House of Rep-
15 resentatives, the following procedures shall
16 apply to a covered joint resolution received from
17 the Senate (unless the House has already
18 passed a joint resolution relating to the same
19 proposed action):

20 (i) The joint resolution shall be re-
21 ferred to the appropriate committees.

22 (ii) If a committee to which a joint
23 resolution has been referred has not re-
24 ported the joint resolution within 2 cal-
25 endar days after the date of referral, that

1 committee shall be discharged from further
2 consideration of the joint resolution.

3 (iii) Beginning on the third legislative
4 day after the committee to which a joint
5 resolution has been referred reports the
6 joint resolution to the House or has been
7 discharged from further consideration
8 thereof, it shall be in order to move to pro-
9 ceed to consider the joint resolution in the
10 House. All points of order against the mo-
11 tion are waived. Such a motion shall not be
12 in order after the House has disposed of a
13 motion to proceed on the joint resolution.
14 The previous question shall be considered
15 as ordered on the motion to its adoption
16 without intervening motion. The motion
17 shall not be debatable. A motion to recon-
18 sider the vote by which the motion is dis-
19 posed of shall not be in order.

20 (iv) The joint resolution shall be con-
21 sidered as read. All points of order against
22 the joint resolution and against its consid-
23 eration are waived. The previous question
24 shall be considered as ordered on the joint
25 resolution to final passage without inter-

1 vening motion except 4 hours of debate
2 equally divided and controlled by the spon-
3 sor of the joint resolution (or a designee)
4 and an opponent. A motion to reconsider
5 the vote on passage of the joint resolution
6 shall not be in order.

7 (B) TREATMENT OF HOUSE JOINT RESO-
8 LUTION IN SENATE.—

9 (i) RECEIPT BEFORE PASSAGE.—If,
10 before the passage by the Senate of a cov-
11 ered joint resolution, the Senate receives
12 an identical joint resolution from the
13 House of Representatives, the following
14 procedures shall apply:

15 (I) That joint resolution shall not
16 be referred to a committee.

17 (II) With respect to that joint
18 resolution—

19 (aa) the procedure in the
20 Senate shall be the same as if no
21 joint resolution had been received
22 from the House of Representa-
23 tives; but

24 (bb) the vote on passage
25 shall be on the joint resolution

1 from the House of Representa-
2 tives.

3 (ii) RECEIPT AFTER PASSAGE.—If,
4 following passage of a covered joint resolu-
5 tion in the Senate, the Senate receives an
6 identical joint resolution from the House of
7 Representatives, that joint resolution shall
8 be placed on the appropriate Senate cal-
9 endar.

10 (iii) NO COMPANION MEASURE.—If a
11 covered joint resolution is received from
12 the House, and no companion joint resolu-
13 tion has been introduced in the Senate, the
14 Senate procedures under this subsection
15 shall apply to the House joint resolution.

16 (C) APPLICATION TO REVENUE MEAS-
17 URES.—The provisions of this paragraph shall
18 not apply in the House of Representatives to a
19 covered joint resolution that is a revenue meas-
20 ure.

21 (6) RULES OF HOUSE OF REPRESENTATIVES
22 AND SENATE.—This subsection is enacted by Con-
23 gress—

24 (A) as an exercise of the rulemaking power
25 of the Senate and the House of Representa-

tives, respectively, and as such is deemed a part of the rules of each House, respectively, and supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

**SEC. 7. IMPOSITION OF SANCTIONS WITH RESPECT TO
MEMBERS OF THE CHINESE COMMUNIST
PARTY.**

(a) IMPOSITION OF SANCTIONS.—Not later than 3 days after a covered determination is made, the President shall—

(1) impose the sanctions described in subsection (b) with respect to any foreign person the President determines is a member of the Chinese Communist Party, including any branch of the armed forces or intelligence agencies of the Chinese Communist Party; and

(2) impose the sanctions described in subsection (c) with respect to—

1 (A) any foreign person identified under
2 paragraph (1);

3 (B) any successor entity to that foreign
4 person; and

5 (C) any foreign person that is a parent or
6 subsidiary of that foreign person.

7 (b) SANCTIONS DESCRIBED.—The sanctions de-
8 scribed in this subsection are the following:

9 (1) BLOCKING OF PROPERTY.—

10 (A) IN GENERAL.—The President shall ex-
11 ercise all of the powers granted by the Inter-
12 national Emergency Economic Powers Act (50
13 U.S.C. 1701 et seq.) to block and prohibit all
14 transactions in all property and interests in
15 property of a foreign person described in sub-
16 section (a)(1) if such property and interests in
17 property are in the United States, come within
18 the United States, or are or come within the
19 possession or control of a United States person.

20 (B) INAPPLICABILITY OF NATIONAL EMER-
21 GENCY REQUIREMENT.—The requirements of
22 section 202 of the International Emergency
23 Economic Powers Act (50 U.S.C. 1701) shall
24 not apply for purposes of this section.

1 (2) INCLUSION ON ENTITY LIST.—The Presi-
 2 dent shall include a foreign person described in sub-
 3 section (a)(1) on the entity list maintained by the
 4 Bureau of Industry and Security of the Department
 5 of Commerce and set forth in Supplement No. 4 to
 6 part 744 of title 15, Code of Federal Regulations,
 7 for activities contrary to the national security or for-
 8 eign policy interests of the United States.

9 (3) BANKING TRANSACTIONS.—The President
 10 shall, pursuant to such regulations as the President
 11 may prescribe, prohibit any transfers of credit or
 12 payments between financial institutions or by,
 13 through or to any financial institution, to the extent
 14 that such transfers or payments are subject to the
 15 jurisdiction of the United States and involve any in-
 16 terest of a foreign person described in subsection
 17 (a)(1).

18 (c) INELIGIBILITY FOR VISAS, ADMISSION, OR PA-
 19 ROLE.—

20 (1) VISAS, ADMISSION, OR PAROLE.—An alien
 21 described in subsection (a)(2) shall be—

22 (A) inadmissible to the United States;

23 (B) ineligible to receive a visa or other doc-
 24 umentation to enter the United States; and

1 (C) otherwise ineligible to be admitted or
2 paroled into the United States or to receive any
3 other benefit under the Immigration and Na-
4 tionality Act (8 U.S.C. 1101 et seq.).

5 (2) CURRENT VISAS REVOKED.—

6 (A) IN GENERAL.—The visa or other entry
7 documentation of an alien described in sub-
8 section (a)(2) shall be revoked, regardless of
9 when such visa or other entry documentation is
10 or was issued.

11 (B) IMMEDIATE EFFECT.—A revocation
12 under subparagraph (A) shall—

13 (i) take effect immediately; and

14 (ii) automatically cancel any other
15 valid visa or entry documentation that is in
16 the alien's possession.

17 (d) EXCEPTION FOR COMPLIANCE WITH INTER-
18 NATIONAL OBLIGATIONS AND LAW ENFORCEMENT AC-
19 TIVITIES.—Sanctions under subsection (c) shall not apply
20 with respect to an alien if—

21 (1) admitting or paroling the alien into the
22 United States is necessary—

23 (A) to permit the United States to comply
24 with the Agreement regarding the Head-
25 quarters of the United Nations, signed at Lake

1 Success on June 26, 1947, and entered into
2 force November 21, 1947, between the United
3 Nations and the United States, or other appli-
4 cable international obligations of the United
5 States; or

6 (B) to carry out or assist law enforcement
7 activity in the United States; or

8 (2) the alien holds a valid, unexpired A-1, A-
9 2, C-2, G-1, or G-2 visa.

10 **SEC. 8. IMPOSITION OF SANCTIONS WITH RESPECT TO FI-**
11 **NANCIAL INSTITUTIONS AFFILIATED WITH**
12 **THE CHINESE COMMUNIST PARTY.**

13 (a) IN GENERAL.—Not later than 3 days after a cov-
14 ered determination is made, the Secretary of the Treasury
15 shall impose the sanctions described in subsection (c) with
16 respect to a foreign financial institution described in sub-
17 section (b).

18 (b) FOREIGN FINANCIAL INSTITUTIONS DE-
19 SCRIBED.—A foreign financial institution is described in
20 this subsection if the Chinese Communist Party has a ma-
21 jority ownership interest in the financial institution or the
22 financial institution is otherwise affiliated with the Chi-
23 nese Communist Party, including the following financial
24 institutions and their subsidiaries and successor entities:

25 (1) The People's Bank of China.

1 (2) The Industrial and Commercial Bank of
2 China.

3 (3) The China Construction Bank.

4 (4) The Bank of China.

5 (5) The Bank of Communications.

6 (6) The Agricultural Bank of China.

7 (7) The China CITIC Bank.

8 (c) SANCTIONS DESCRIBED.—The sanctions de-
9 scribed in this subsection are the following:

10 (1) BLOCKING OF PROPERTY.—

11 (A) IN GENERAL.—The President shall ex-
12 ercise all of the powers granted to the President
13 under the International Emergency Economic
14 Powers Act (50 U.S.C. 1701 et seq.) to the ex-
15 tent necessary to block and prohibit all trans-
16 actions in property and interests in property of
17 a foreign financial institution subject to sub-
18 section (a) if such property and interests in
19 property are in the United States, come within
20 the United States, or are or come within the
21 possession or control of a United States person.

22 (B) INAPPLICABILITY OF NATIONAL EMER-
23 GENCY REQUIREMENT.—The requirements of
24 section 202 of the International Emergency

1 Economic Powers Act (50 U.S.C. 1701) shall
 2 not apply for purposes of this section.

3 (2) RESTRICTIONS ON CORRESPONDENT AND
 4 PAYABLE-THROUGH ACCOUNTS.—The President
 5 shall prohibit the opening, and prohibit or impose
 6 strict conditions on the maintaining, in the United
 7 States of a correspondent account or payable-
 8 through account by a foreign financial institution
 9 subject to subsection (a).

10 **SEC. 9. IMPOSITION OF SANCTIONS WITH RESPECT TO EN-**
 11 **TITIES OWNED BY OR AFFILIATED WITH THE**
 12 **CHINESE COMMUNIST PARTY.**

13 (a) IN GENERAL.—Not later than 3 days after a cov-
 14 ered determination is made, the Secretary of the Treasury
 15 shall impose the sanctions described in subsection (b) with
 16 respect to any entity that—

17 (1) the Chinese Communist Party has an own-
 18 ership interest in; or

19 (2) is otherwise affiliated with the Chinese
 20 Communist Party.

21 (b) BLOCKING OF PROPERTY.—

22 (1) IN GENERAL.—The President shall exercise
 23 all of the powers granted to the President under the
 24 International Emergency Economic Powers Act (50
 25 U.S.C. 1701 et seq.) to the extent necessary to block

1 and prohibit all transactions in property and inter-
 2 ests in property of an entity in an industry subject
 3 to subsection (a) if such property and interests in
 4 property are in the United States, come within the
 5 United States, or are or come within the possession
 6 or control of a United States person.

7 (2) INAPPLICABILITY OF NATIONAL EMER-
 8 GENCY REQUIREMENT.—The requirements of section
 9 202 of the International Emergency Economic Pow-
 10 ers Act (50 U.S.C. 1701) shall not apply for pur-
 11 poses of this section.

12 **SEC. 10. PROHIBITION ON TRANSFERS OF FUNDS INVOLV-**
 13 **ING THE PEOPLE’S REPUBLIC OF CHINA.**

14 (a) IN GENERAL.—Except as provided by subsection
 15 (b), a depository institution (as defined in section
 16 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C.
 17 461(b)(1)(A))) or a broker or dealer in securities reg-
 18 istered with the Securities and Exchange Commission
 19 under the Securities Exchange Act of 1934 (15 U.S.C.
 20 78a et seq.) may not process transfers of funds—

21 (1) to or from the People’s Republic of China;

22 or

23 (2) for the direct or indirect benefit of members
 24 of the Chinese Communist Party.

1 (b) EXCEPTION.—A depository institution, broker, or
 2 dealer described in subsection (a) may process a transfer
 3 described in that subsection if the transfer—

4 (1) arises from, and is ordinarily incident and
 5 necessary to give effect to, an underlying transaction
 6 that is authorized by a specific or general license;
 7 and

8 (2) does not involve debiting or crediting an
 9 Chinese account.

10 **SEC. 11. PROHIBITION ON LISTING OR TRADING OF CHI-**
 11 **NESE ENTITIES ON UNITED STATES SECURI-**
 12 **TIES EXCHANGES.**

13 (a) IN GENERAL.—The Securities and Exchange
 14 Commission shall prohibit the securities of an issuer de-
 15 scribed in subsection (b) from being traded on a national
 16 securities exchange on and after the date that is 3 days
 17 after a covered determination is made.

18 (b) ISSUERS.—An issuer described in this subsection
 19 is an issuer that is—

20 (1) an official of or individual affiliated with the
 21 Chinese Communist Party; or

22 (2) an entity that—

23 (A) the Chinese Communist Party has an
 24 ownership interest in; or

1 (B) is otherwise affiliated with the Chinese
2 Communist Party.

3 (c) DEFINITIONS.—In this section:

4 (1) ISSUER; SECURITY.—The terms “issuer”
5 and “security” have the meanings given those terms
6 in section 3(a) of the Securities Exchange Act of
7 1934 (15 U.S.C. 78c).

8 (2) NATIONAL SECURITIES EXCHANGE.—The
9 term “national securities exchange” means an ex-
10 change registered as a national securities exchange
11 in accordance with section 6 of the Securities Ex-
12 change Act of 1934 (15 U.S.C. 78f).

13 **SEC. 12. PROHIBITION ON INVESTMENTS BY UNITED**
14 **STATES FINANCIAL INSTITUTIONS THAT BEN-**
15 **EFIT THE CHINESE COMMUNIST PARTY.**

16 (a) IN GENERAL.—Not later than 3 days after a cov-
17 ered determination is made, the Secretary of the Treasury
18 shall prohibit any United States financial institution from
19 making any investments described in subsection (b).

20 (b) INVESTMENTS DESCRIBED.—An investment de-
21 scribed in this subsection is a monetary investment—

22 (1) to—

23 (A) an entity owned or controlled by the
24 Chinese Communist Party; or

25 (B) the People’s Liberation Army; or

1 (2) for the benefit of any priority industrial sec-
2 tor identified by the Chinese Communist Party in
3 the “Made in China 2025” plan or the “14th Five
4 Year Smart Manufacturing Development Plan”, in-
5 cluding—

6 (A) agriculture machinery;

7 (B) information technology;

8 (C) artificial intelligence, machine learning,
9 and robotics;

10 (D) green energy and green vehicles;

11 (E) aerospace equipment;

12 (F) ocean engineering and high tech ships;

13 (G) railway equipment;

14 (H) power equipment;

15 (I) new materials;

16 (J) medicine and medical devices;

17 (K) fifth generation and future generation
18 telecommunications and other advanced wireless
19 networking technologies;

20 (L) semiconductor manufacturing;

21 (M) biotechnology;

22 (N) quantum computing;

23 (O) surveillance technologies, including fa-
24 cial recognition technologies and censorship
25 software;

1 (P) fiber optic cables; and

2 (Q) mining and resource development.

3 (c) UNITED STATES FINANCIAL INSTITUTION DE-
4 FINED.—In this section, the term “United States financial
5 institution”—

6 (1) means any financial institution that is a
7 United States person; and

8 (2) includes an investment company, private eq-
9 uity company, venture capital company, or hedge
10 fund that is a United States person.

11 **SEC. 13. PROHIBITION ON IMPORTATION OF CERTAIN**
12 **GOODS MADE IN THE PEOPLE’S REPUBLIC OF**
13 **CHINA.**

14 (a) IN GENERAL.—Except as provided in subsection
15 (b), on and after the date that is 3 days after a covered
16 determination is made, all goods mined, produced, or man-
17 ufactured wholly or in part in the People’s Republic of
18 China, or by a person working for or affiliated with an
19 entity or industry wholly financed by the Chinese Com-
20 munist Party or in which the Chinese Communist Party
21 has a majority ownership interest, shall not be entitled to
22 entry at any of the ports of the United States and the
23 importation of such goods is prohibited.

1 (b) EXCEPTION.—The prohibition under subsection
2 (a) shall not apply with respect to a good if the Presi-
3 dent—

4 (1) determines that the good is necessary to the
5 national security, economic security, or public health
6 of the United States; and

7 (2) submits to the appropriate congressional
8 committees and make available to the public a report
9 on that determination.

10 **SEC. 14. EXCEPTIONS; WAIVER.**

11 (a) EXCEPTION FOR INTELLIGENCE ACTIVITIES.—
12 This Act shall not apply with respect to activities subject
13 to the reporting requirements under title V of the National
14 Security Act of 1947 (50 U.S.C. 3091 et seq.) or any au-
15 thorized intelligence activities of the United States.

16 (b) NATIONAL SECURITY WAIVER.—The President
17 may waive the imposition of sanctions under this Act with
18 respect to a person if the President—

19 (1) determines that such a waiver is in the na-
20 tional security interests of the United States; and

21 (2) submits to the appropriate congressional
22 committees a notification of the waiver and the rea-
23 sons for the waiver.

1 **SEC. 15. IMPLEMENTATION; PENALTIES.**

2 (a) IMPLEMENTATION.—The President may exercise
3 all authorities provided under sections 203 and 205 of the
4 International Emergency Economic Powers Act (50
5 U.S.C. 1702 and 1704) to carry out this Act.

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

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