

115TH CONGRESS  
1ST SESSION

# H. R. 4235

To authorize a review of financial services industry requirements of the People's Republic of China and the implications of such requirements on national security interests of the United States.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 2, 2017

Mr. SMITH of New Jersey (for himself and Mr. ESTES of Kansas) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Foreign Affairs, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To authorize a review of financial services industry requirements of the People's Republic of China and the implications of such requirements on national security interests of the United States.

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. NATIONAL SECURITY REVIEW OF INTER-**  
2 **NATIONAL FINANCIAL SERVICES REQUIRE-**  
3 **MENTS.**

4 (a) REVIEW.—The Secretary of the Treasury, in con-  
5 sultation with the Secretary of Defense, the Secretary of  
6 Commerce and the Secretary of Homeland Security, shall  
7 conduct a review of financial services industry require-  
8 ments of the People’s Republic of China and the implica-  
9 tions of such requirements on the national security, polit-  
10 ical, or economic interests of the United States, includ-  
11 ing—

12 (1) an assessment regarding potential threats  
13 to national security posed by a United States finan-  
14 cial services company owned or controlled by a com-  
15 pany organized, incorporated, or whose primary  
16 place of business is in the People’s Republic of  
17 China having access to personal financial informa-  
18 tion of United States military servicemembers or  
19 Federal employees or contractors holding security  
20 clearances who utilize such company’s United States  
21 locations to make a money transfer or other form of  
22 payment;

23 (2) an assessment regarding potential  
24 vulnerabilities to personal privacy posed by a United  
25 States financial services company owned or con-  
26 trolled by a company organized, incorporated, or

1 whose primary place of business is in the People's  
2 Republic of China having access to personal finan-  
3 cial information of customers who are using one of  
4 such company's United States locations to make a  
5 money transfer or other form of payment;

6 (3) an examination of the United States finan-  
7 cial services policy and foreign policy as it relates to  
8 ensuring competition in global financial markets;

9 (4) an examination of the relationship between  
10 the United States and the People's Republic of  
11 China as it relates to ensuring reciprocity in access  
12 to and investment in financial markets in each na-  
13 tion;

14 (5) an examination of the appropriate laws, reg-  
15 ulations, and policies of the People's Republic of  
16 China to determine whether a United States domes-  
17 tic corporation would be permitted to purchase, ac-  
18 quire, merge, or otherwise establish a joint relation-  
19 ship with an entity whose primary place of business  
20 is in the People's Republic of China; and

21 (6) an examination of the appropriate laws and  
22 regulations of the People's Republic of China to de-  
23 termine the extent to which United States domestic  
24 corporations are limited with respect to their ability  
25 to provide money transmission, payment processing,

1 and other financial services inside the People’s Re-  
2 public of China.

3 (b) REPORT AND RECOMMENDATIONS.—Not later  
4 than 90 days after the date of enactment of this Act, the  
5 Secretary of the Treasury, in consultation with the Sec-  
6 retary of Defense, the Secretary of Commerce, and the  
7 Secretary of Homeland Security, shall report to the Presi-  
8 dent and the Congress on the findings of the study de-  
9 scribed in subsection (a) and any recommendations the  
10 Secretaries consider appropriate.

11 (c) REGULATORY EFFECT.—Notwithstanding any  
12 other provision of law, the Committee on Foreign Invest-  
13 ment in the United States shall not conclude a national  
14 security review or investigation related to the acquisition  
15 of a United States domestic corporation that provides  
16 money transfer or payment processing services by an enti-  
17 ty organized, incorporated, or whose primary place of busi-  
18 ness is in the People’s Republic of China until the report  
19 described in subsection (b) has been provided to the Presi-  
20 dent and the Congress.

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