119TH CONGRESS
1ST SESSION

S. 3447

To amend the Financial Stability Act of 2010 to establish an advisory committee on economic impacts of military escalation by the People's Republic of China toward Taiwan, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 11, 2025

Mr. MCCORMICK (for himself and Mrs. SHAHEEN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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A BILL

To amend the Financial Stability Act of 2010 to establish an advisory committee on economic impacts of military escalation by the People's Republic of China toward Taiwan, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fortifying United States Markets Against PRC Military Escalation Act of 2025".

SEC. 2. ADVISORY COMMITTEE ON ECONOMIC IMPACTS OF MILITARY ESCALATION BY THE PEOPLE'S REPUBLIC OF CHINA TOWARD TAIWAN.

Section 111 of the Financial Stability Act of 2010 (12 U.S.C. 5321) is amended by adding at the end the following:

"(k) ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—There is established, to advise the Financial Stability Oversight Council, an Advisory Committee on Economic Impacts of Military Escalation by the People's Republic of China toward Taiwan (in this subsection referred to as the 'Advisory Committee') to—

"(A) study and report on the market implications and vulnerabilities related to military escalation by the People's Republic of China toward Taiwan; and

"(B) open lines of communication between policy makers, government agencies, and capital market constituents to prepare for a potential response to, and to mitigate economic strain and market volatility related to, any such escalation.

"(2) MEMBERS.—

"(A) IN GENERAL.—The Advisory Committee shall consist of—

"(i) a designee of the Securities and Exchange Commission;

"(ii) a designee of the Commodity Futures Trading Commission;

"(iii) a designee of the Board of Governors of the Federal Reserve System; and

"(iv) 10 members to be appointed by the chairperson of the Advisory Committee from among persons who are—

"(I) nongovernmental participants in capital markets, including market makers, banks, asset managers, exchanges, and institutional investors; and

"(II) experts on geopolitical risk related to the People's Republic of China.

"(B) CHAIRPERSON.—The Secretary of the Treasury shall serve as the chairperson of the Advisory Committee.

"(C) PRIVATE SECTOR LEAD.—One of the members appointed under subparagraph (A)(iv) shall serve as the private sector lead for the Advisory Committee.

"(3) MEETINGS.—The Advisory Committee shall meet in person at least 2 times per year, with additional meetings at the call of the chairperson.

"(4) STUDY AND RECOMMENDATIONS.—Not later than 3 years after the date of the enactment of this subsection, and every 3 years thereafter, the Advisory Committee shall—

"(A) conduct a study of the vulnerabilities of the United States economy, markets, and the financial system related to military escalation of the People's Republic of China toward Taiwan that includes an assessment of—

"(i) the estimated total cost to the United States economy from such escalation;

"(ii) the market impacts and potential losses faced by United States and global markets related to such escalation;

"(iii) the capacity of United States markets to deal with volatility that could result from such escalation;

"(iv) the impact of such escalation on securities issued by entities organized under the laws of the People's Republic of China or Taiwan and listed on a national securities exchange in the United States; and

"(v) the likelihood and potential impact of reductions in holdings by the People's Republic of China of debt securities issued by the Department of the Treasury;

"(B) develop and submit to the Council recommendations and supporting analysis based on the results of the study;

"(C) brief Congress and the Secretary of State on the study conducted under subparagraph (A) and the recommendations developed under subparagraph (B); and

"(D) hold a public meeting to present the recommendations and analysis required by subparagraph (B), omitting any portions of such recommendations or analysis that implicate national security concerns.".

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