



Hong Kong Autonomy Act

S.3798: Sen. Toomey, Sen. Van Hollen

Background: US relations with the Hong Kong Special Administrative Region (HKSAR, or Hong Kong) are governed by the United States-Hong Kong Policy Act of 1992 (PL 102-383). Also known as the Hong Kong Policy Act, it commits the United States to treat the HKSAR as separate from the rest of China in a variety of political, economic, trade, and other areas so long as Hong Kong remains “sufficiently autonomous.”

The Hong Kong Policy Act demonstrates a strong US commitment to human rights and democracy in Hong Kong. China has committed to Hong Kong’s special status in the 1984 Sino-British Joint Declaration, which allows Hong Kong a “high degree of autonomy” and guarantees that democracy, the rule of law, and basic human rights will be maintained under the “one country, two systems” model. The Joint Declaration itself guarantees rights and freedoms in Hong Kong, “including those of the person, of speech, of the press, of assembly, of association, of travel, of movement, of correspondence, of strike, of choice of occupation, of academic research and religious belief.”

The bipartisan Hong Kong Human Rights and Democracy Act (2019) has amended and updated the 1992 policy by requiring the U.S. to regularly certify if Hong Kong continues to enjoy sufficient autonomy from China.

On May 27th, 2020, Secretary of State Mike Pompeo claimed that as a result of the Beijing government’s ongoing and serious encroachment and its announcement to impose a new national security law bypassing the Hong Kong’s Legislative Council, Hong Kong no longer enjoys the “high degree of autonomy” as promised and granted under “one country two systems”.

The Hong Kong Autonomy Act authorizes, and in some cases mandates, the imposition of sanctions on foreign individuals on an annual list of individuals found subverting Hong Kong’s autonomy. If the State Department identifies such individuals a second time, they must be sanctioned in the form of property seizures and visa bans.

The State Department is also required to identify foreign financial institutions that have conducted significant transactions with foreign individuals and entities involved in undermining Hong Kong’s autonomy. These banks are to be subjected to a range of financial sanctions of the President’s choice. If the State Department identifies such financial institutions a second time, the President must impose all the sanctions outlined in the bill, including:

- denial of access to loans from US financial institution;
- ban from being designated as “primary dealer” by US Federal Reserve;
- prohibition from serving as a depository of US government funds;
- prohibition from transactions in foreign exchange;
- denial of banking transactions and any transfer of credit or payments;
- prohibition from certain property transactions;
- restrictions on exports;
- ban on investment in equities or debts;
- visa denials of corporate officers;
- sanctions on principal executive officers.

HKDC is a Washington, DC-based nonpartisan, nonprofit organization dedicated to preserving Hong Kong’s basic freedoms, the rule of law, and autonomy as promised under the “one country two systems” model and enshrined in the Basic Law and the Sino-British Joint Declaration.

www.hkdc.us/
[info@hkdc.us/](mailto:info@hkdc.us)
 202.878.2955