

117TH CONGRESS
2D SESSION

S. 4428

To support the security of Taiwan and its right of self-determination, and
for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 16, 2022

Mr. MENENDEZ (for himself and Mr. GRAHAM) introduced the following bill;
which was read twice and referred to the Committee on Foreign Relations

A BILL

To support the security of Taiwan and its right of self-
determination, 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 “Taiwan Policy Act of 2022”.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.

TITLE I—UNITED STATES POLICY TOWARD TAIWAN

Sec. 101. Declaration of policy.

- Sec. 102. Treatment of the Government of Taiwan.
- Sec. 103. Taiwan symbols of sovereignty.
- Sec. 104. Designation and references to Taiwan Representative Office.
- Sec. 105. Senate confirmation of the Director of the Taipei office of the American Institute in Taiwan.

TITLE II—IMPLEMENTATION OF AN ENHANCED DEFENSE PARTNERSHIP BETWEEN THE UNITED STATES AND TAIWAN

- Sec. 201. Amendments to the Taiwan Relations Act.
- Sec. 202. Anticipatory planning and annual review of the United States strategy to defend Taiwan.
- Sec. 203. Joint assessment.
- Sec. 204. Taiwan Security Assistance Initiative.
- Sec. 205. Requirements regarding definition of counter intervention capabilities.
- Sec. 206. Comprehensive training program.
- Sec. 207. Military planning mechanism.
- Sec. 208. Assessment of Taiwan's needs for civilian defense and resilience.
- Sec. 209. Prioritizing excess defense article transfers for Taiwan.
- Sec. 210. Fast-tracking sales to Taiwan under the Foreign Military Sales program.
- Sec. 211. Whole-of-government deterrence measures to respond to the People's Republic of China's force against Taiwan.
- Sec. 212. Increase in annual war reserves stockpile additions and support for Taiwan.
- Sec. 213. Designation of Taiwan as a major non-NATO ally.

TITLE III—COUNTERING PEOPLE'S REPUBLIC OF CHINA'S AGGRESSION AND INFLUENCE CAMPAIGNS

- Sec. 301. Strategy to respond to influence and information operations targeting Taiwan.
- Sec. 302. Strategy to counter economic coercion by the People's Republic of China targeting countries and entities that support Taiwan.

TITLE IV—INCLUSION OF TAIWAN IN INTERNATIONAL ORGANIZATIONS

- Sec. 401. Participation of Taiwan in international organizations.
- Sec. 402. Participation of Taiwan in the Inter-American Development Bank.
- Sec. 403. Plan for Taiwan's participation in the Inter-American Development Bank.
- Sec. 404. Report concerning member state status for Taiwan at the Inter-American Development Bank.
- Sec. 405. Clarification regarding United Nations General Assembly Resolution 2758 (XXVI).

TITLE V—ENHANCED DEVELOPMENT AND ECONOMIC COOPERATION BETWEEN THE UNITED STATES AND TAIWAN

- Sec. 501. Findings.
- Sec. 502. Sense of Congress on a free trade agreement with Taiwan, the Indo-Pacific Economic Framework, and CBP Preeclearance.

TITLE VI—SUPPORTING UNITED STATES EDUCATIONAL AND EXCHANGE PROGRAMS WITH TAIWAN

- Sec. 601. Short title.
- Sec. 602. Findings.
- Sec. 603. Purposes.
- Sec. 604. Definitions.
- Sec. 605. Taiwan Fellowship Program.
- Sec. 606. Reports and audits.
- Sec. 607. Taiwan fellows on detail from government service.
- Sec. 608. Funding.
- Sec. 609. Supporting United States educational and exchange programs with Taiwan.

TITLE VII—MISCELLANEOUS PROVISIONS

- Sec. 701. Invitation of Taiwanese counterparts to high-level bilateral and multi-lateral forums and exercises.
- Sec. 702. Report on Taiwan Travel Act.
- Sec. 703. Prohibitions against undermining United States policy regarding Taiwan.

TITLE VIII—SANCTIONS MEASURES FOR CROSS-STRAIT STABILITY

- Sec. 801. Definitions.
- Sec. 802. Determinations with respect to activities of the People's Republic of China impacting Taiwan.
- Sec. 803. Imposition of sanctions on officials of the Government of the People's Republic of China relating to operations in Taiwan.
- Sec. 804. Imposition of sanctions with respect to financial institutions of the People's Republic of China.
- Sec. 805. Imposition of sanctions with respect to provision of specialized financial messaging services to sanctioned People's Republic of China financial institutions.
- Sec. 806. Imposition of sanctions with respect to People's Republic of China extractive industries.
- Sec. 807. Additional sanctions.
- Sec. 808. Sanctions described.
- Sec. 809. Implementation; regulations; penalties.
- Sec. 810. Exceptions; waiver.
- Sec. 811. Termination.

TITLE IX—RULE OF CONSTRUCTION

- Sec. 901. Rule of construction.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

- 3 (1) Since 1949, the close relationship between
- 4 the United States and Taiwan has been of enormous
- 5 benefit to both parties and to the Indo-Pacific region
- 6 as a whole.

1 (2) The Taiwan Relations Act (Public Law 96–
2 8; 22 U.S.C. 3301 et seq.) has enabled the people
3 of the United States and the people of Taiwan to
4 maintain a strong and important relationship that
5 promotes regional security, prosperity, and shared
6 democratic values.

7 (3) The security of Taiwan and the ability for
8 the people of Taiwan to determine their own future
9 is fundamental to United States interests and val-
10 ues.

11 (4) The Taipei Economic and Cultural Rep-
12 resentative Office in the United States and the
13 American Institute in Taiwan facilitate critical con-
14 sular relations that—

15 (A) protect the interests of the people of
16 the United States and the people of Taiwan;
17 and

18 (B) strengthen people-to-people ties.

19 (5) Increased engagement between public offi-
20 cials, commercial interests, civil society leaders, and
21 others enhances Taiwanese-American relations and
22 its economic, security, and democratic dimensions.

23 (6) Taiwan serves as a critical partner on re-
24 gional and transnational issues, such as public
25 health, climate change, critical and emerging tech-

1 nologies, cybersecurity, trade, and freedom of navi-
2 gation.

3 (7) Taiwan exemplifies a thriving democracy
4 consisting of more than 23,000,000 people who
5 value their suffrage, free markets, right to due proc-
6 ess, freedom of expression, and other individual lib-
7 erties.

8 (8) President Xi Jinping of the People’s Repub-
9 lic of China (referred to in this Act as the “PRC”)
10 continues to repeat his desire to stifle the freedom
11 of Taiwan, as evidenced by his July 2021 proclama-
12 tion, in which he stated, “All sons and daughters of
13 China, including compatriots on both sides of the
14 Taiwan Strait, must work together and move for-
15 ward in solidarity, resolutely smashing any Taiwan
16 independence plots.”.

17 (9) As President Xi Jinping concentrates his
18 power in the Chinese Communist Party (referred to
19 in this Act as the “CCP”), he is escalating the
20 PRC’s campaign of coercion and intimidation
21 against Taiwan, as evidenced by—

22 (A) the accelerated preparations made by
23 the PRC and its People’s Liberation Army (re-
24 ferred to in this Act as the “PLA”) for an of-
25 fensive attack against Taiwan, such as the

1 PLA's January 2022 incursion of nearly 40
2 fighters, bombers, and other warplanes into
3 Taiwan's air defense identification zone;

4 (B) the PLA's growing offensive prepara-
5 tions in the Taiwan Strait, such as amphibious
6 assault and live-fire exercises and record-scale
7 incursions into Taiwanese air space;

8 (C) the Foreign Ministry's diplomatic ef-
9 forts to isolate Taiwan, such as abusing its po-
10 sition in international intuitions and multilat-
11 eral fora to exclude Taiwanese participation de-
12 spite Taiwan's demonstrated expertise in rel-
13 evant subjects, such as public health;

14 (D) threats and actions to compromise
15 Taiwan's economy and critical suppliers, such
16 as draconian export controls and the "31 Meas-
17 ures" intended to lure Taiwanese talent to
18 mainland China and away from Taiwan;

19 (E) persistent and targeted cyberattacks,
20 numbering nearly 20,000,000 per month, which
21 are intended to compromise Taiwan's critical
22 infrastructure and inflict civilian harm; and

23 (F) political and economic pressure on
24 other countries who seek closer ties with Tai-
25 wan, such as recent export controls related to

1 Lithuania after Lithuania announced a perma-
2 nent Taiwanese Representative Office in Lith-
3 uania.

4 (10) On multiple occasions, through both for-
5 mal and informal channels, the United States has
6 expressed its concern for the PRC's destabilizing ac-
7 tivities in the Taiwan Strait and on the international
8 stage that aim to subvert Taiwan's democratic intui-
9 tions.

10 (11) The Indo-Pacific Strategy of the United
11 States—

12 (A) identifies Taiwan as an important
13 leading regional partner;

14 (B) seeks to bolster Taiwan's self-defense
15 capabilities; and

16 (C) reaffirms that Taiwan's future must be
17 determined peacefully and in accordance with
18 the wishes and best interests of the people of
19 Taiwan.

20 (12) The PRC considers stifling the freedom of
21 Taiwan as a critical and necessary step to displacing
22 the United States as the preeminent military power
23 in the Indo-Pacific and continues its modernization
24 campaign to enhance the power-projection capabili-

1 ties of the PLA and its ability to conduct joint oper-
2 ations.

3 (13) Taiwan maintains a modern, ready, self-
4 defense force that adheres to the highest democratic
5 principles and benefits from continued state of the
6 art security assistance.

7 (14) It is a vital national security interest of
8 the United States to defend Taiwan for the purposes
9 of—

10 (A) mitigating the PLA's ability to project
11 power and establish contested zones within the
12 First and Second Island Chains and limiting
13 the PLA's freedom of maneuver to conduct un-
14 constrained power projection capabilities beyond
15 the First Island Chain in order to protect
16 United States territory, such as Hawaii and
17 Guam;

18 (B) defending the territorial integrity of
19 Indo-Pacific allies, such as Japan;

20 (C) deterring other countries and competi-
21 tors from exercising force as a means to revise
22 the established status quo;

23 (D) championing democratic institutions
24 and societies in the Indo-Pacific region and
25 throughout the world; and

1 (E) maintaining a rules-based international
2 order that—

3 (i) constrains authoritarian powers;

4 (ii) enshrines collective security;

5 (iii) promotes democracy and respect
6 for human rights and fundamental free-
7 doms; and

8 (iv) promotes peace and prosperity.

9 **SEC. 3. DEFINITIONS.**

10 In this Act:

11 (1) APPROPRIATE COMMITTEES OF CON-
12 GRESS.—Except as otherwise provided in this Act,
13 the term “appropriate committees of Congress”
14 means—

15 (A) the Committee on Foreign Relations of
16 the Senate;

17 (B) the Committee on Armed Services of
18 the Senate;

19 (C) the Committee on Appropriations of
20 the Senate;

21 (D) the Committee on Foreign Affairs of
22 the House of Representatives;

23 (E) the Committee on Armed Services of
24 the House of Representatives; and

1 (F) the Committee on Appropriations of
2 the House of Representatives.

3 (2) COUNTER INTERVENTION CAPABILITIES.—

4 The term “counter intervention capabilities” in-
5 cludes, in such quantities as the Secretary of State,
6 in consultation with the Secretary of Defense, deter-
7 mines to be necessary to achieve the purpose de-
8 scribed in section 204(c)—

9 (A) mobile, ground-based coastal defense
10 cruise missiles and launchers;

11 (B) mobile, ground-based short-range and
12 medium-range air defense systems;

13 (C) smart, self-propelled naval mines and
14 coastal minelaying platforms;

15 (D) missile boats and fast-attack craft
16 equipped with anti-ship and anti-landing craft
17 missiles;

18 (E) manned and unmanned aerial and
19 other mobile, resilient surveillance systems to
20 support coastal and air defense operations;

21 (F) equipment to support target location,
22 tracking, identification, and targeting, especially
23 at the local level, in communications degraded
24 or denied environments;

1 (G) man-portable anti-armor weapons,
2 mortars, and small arms for ground combat op-
3 erations;

4 (H) equipment and technical assistance for
5 the purpose of developing civil defense forces,
6 composed of civilian volunteers and militia;

7 (I) training and equipment, including ap-
8 propriate war reserves, required for Taiwan
9 forces to independently maintain, sustain, and
10 employ the capabilities described in subpara-
11 graphs (A) through (H);

12 (J) concept development for coastal de-
13 fense, air defense, decentralized command and
14 control, civil defense, logistics, planning, and
15 other critical military functions, with an empha-
16 sis on operations in a communications degraded
17 or denied environment; and

18 (K) any other capability that the Secretary
19 of State, in consultation with the Secretary of
20 Defense, considers appropriate for the purpose
21 described in section 204(d).

22 (3) REPUBLIC OF CHINA.—The term “Republic
23 of China” means the East Asia island country com-
24 monly known as “Taiwan”.

1 (4) SHARP POWER.—The term “sharp power”
 2 means the coordinated and often concealed applica-
 3 tion of disinformation, media manipulation, eco-
 4 nomic coercion, cyber-intrusions, targeted invest-
 5 ments, and academic censorship that is intended—

6 (A) to corrupt political and nongovern-
 7 mental institutions and interfere in democratic
 8 elections and encourage self-censorship of views
 9 at odds with those of the Government of the
 10 People’s Republic of China or the Chinese Com-
 11 munist Party; or

12 (B) to foster attitudes, behavior, decisions,
 13 or outcomes in Taiwan and elsewhere that sup-
 14 port the interests of the Government of the
 15 People’s Republic of China or the Chinese Com-
 16 munist Party.

17 **TITLE I—UNITED STATES** 18 **POLICY TOWARD TAIWAN**

19 **SEC. 101. DECLARATION OF POLICY.**

20 It is the policy of the United States—

21 (1) to support the security of Taiwan, the sta-
 22 bility of cross-Strait relations, and the freedom of
 23 the people of Taiwan to determine their own future
 24 and to strenuously oppose any action by the PRC to
 25 use force to change the status quo of Taiwan;

1 (2) to cooperate with Taiwan as an important
2 partner of the United States in promoting a free and
3 open Indo-Pacific;

4 (3) to deter the use of force by the PRC to
5 change the status quo of Taiwan by coordinating
6 with allies and partners to identify and develop sig-
7 nificant economic, diplomatic, and other measures
8 that will deter and impose costs on any such use of
9 force and support and cooperate with Taiwan to im-
10 plement, resource, and modernize its military capa-
11 bilities, including an asymmetric defense strategy,
12 through security assistance and increases in defense
13 spending;

14 (4) to strengthen cooperation with the military
15 of Taiwan under the framework of the Taiwan Rela-
16 tions Act (Public Law 96–8; 22 U.S.C. 3301 et seq.)
17 and the Six Assurances, with consideration of the
18 ongoing military buildup in China and the imbalance
19 in the security environment in the Taiwan Strait,
20 and to transfer defense articles to Taiwan to en-
21 hance its capabilities, including its efforts to under-
22 take defensive operations, such as undersea warfare
23 and air defense capabilities, and maintain the ability
24 to deny PRC coercion and invasion;

1 (5) to urge Taiwan to increase its own invest-
2 ments in military capabilities, including those that
3 support the implementation of an asymmetric de-
4 fense strategy;

5 (6) to advance and finalize key provisions of the
6 United States-Taiwan Trade and Investment Frame-
7 work Agreement and deepen economic ties between
8 the United States and Taiwan and advance the in-
9 terests of the United States by negotiating a bilat-
10 eral free trade agreement as soon as possible that
11 will include appropriate levels of labor rights and en-
12 vironmental protections;

13 (7) to include Taiwan as a partner in the Indo-
14 Pacific Economic Framework;

15 (8) to welcome Taiwan's meaningful participa-
16 tion in important international organizations, includ-
17 ing organizations that address global health, civilian
18 air safety, and efforts to counter transnational crime
19 and bilateral and multilateral security summits, mili-
20 tary exercises, and economic dialogues and forums;

21 (9) to support the Government of Taiwan as a
22 representative democratic government, constituted
23 through free and fair elections that reflect the will
24 of the people of Taiwan and promote dignity and re-
25 spect for the democratically elected leaders of Tai-

1 wan, who represent more than 23,000,000 citizens,
2 by using the full range of diplomatic and financial
3 tools available to promote Taiwan's international
4 space;

5 (10) to ensure that distinctions in practice re-
6 garding relations with Taiwan are consistent with
7 the longstanding, comprehensive, strategic, and val-
8 ues-based relationship the United States shares with
9 Taiwan, and contribute to the peaceful resolution of
10 cross-Strait issues; and

11 (11) to create and execute a plan for enhancing
12 our relationship with Taiwan by forming a robust
13 partnership that—

14 (A) meets the challenges of the 21st cen-
15 tury;

16 (B) fully accounts for Taiwan's democratic
17 status; and

18 (C) remains faithful to United States prin-
19 ciples and values, consistent with the Taiwan
20 Relations Act and the Six Assurances.

21 **SEC. 102. TREATMENT OF THE GOVERNMENT OF TAIWAN.**

22 (a) IN GENERAL.—The Secretary of State and other
23 Federal departments and agencies shall—

1 (1) engage with the democratically elected gov-
 2 ernment of Taiwan as the legitimate representative
 3 of the people of Taiwan; and

4 (2) end the outdated practice of referring to the
 5 government in Taiwan as the “Taiwan authorities”.

6 (b) NO RESTRICTIONS ON BILATERAL INTER-
 7 ACTIONS.—Notwithstanding the continued supporting role
 8 of the American Institute in Taiwan in carrying out
 9 United States foreign policy and protecting United States
 10 interests in Taiwan, the United States Government shall
 11 not place any undue restrictions on the ability of officials
 12 of the Department of State or other Federal departments
 13 and agencies to interact directly and routinely with their
 14 counterparts in the Government of Taiwan.

15 **SEC. 103. TAIWAN SYMBOLS OF SOVEREIGNTY.**

16 (a) DEFINED TERM.—In this section, the term “offi-
 17 cial purposes” means—

18 (1) the wearing of official uniforms;

19 (2) conducting government-hosted ceremonies
 20 or functions; and

21 (3) appearances on Department of State social
 22 media accounts promoting engagements with Tai-
 23 wan.

24 (b) IN GENERAL.—Not later than 90 days after the
 25 date of the enactment of this Act, the Secretary of State

1 shall rescind any contact guideline, internal restriction,
 2 section of the Foreign Affairs Manual or the Foreign Af-
 3 fairs Handbook, or related guidance or policies that, ex-
 4 plicitly or implicitly, including through restrictions or limi-
 5 tations on activities of United States Government per-
 6 sonnel, limits the ability of members of the armed forces
 7 of the Republic of China (Taiwan) and government rep-
 8 resentatives from the Taipei Economic and Cultural Rep-
 9 resentative Office to display, for official purposes, symbols
 10 of Republic of China sovereignty, including—

- 11 (1) the flag of the Republic of China (Taiwan);
- 12 and
- 13 (2) the corresponding emblems or insignia of
- 14 military units.

15 **SEC. 104. DESIGNATION AND REFERENCES TO TAIWAN REP-**
 16 **RESENTATIVE OFFICE.**

17 (a) STATEMENT OF POLICY.—It shall be the policy
 18 of the United States, consistent with the Taiwan Relations
 19 Act (Public Law 96–8; 22 U.S.C. 3301 et seq.) and the
 20 Six Assurances—

- 21 (1) to provide the people of Taiwan with de
- 22 facto diplomatic treatment equivalent to foreign
- 23 countries, nations, states, governments, or similar
- 24 entities; and

1 (2) to rename the “Taipei Economic and Cul-
2 tural Representative Office” in the United States as
3 the “Taiwan Representative Office”.

4 (b) RENAMING.—The Secretary of State shall seek
5 to enter into negotiations with the Taipei Economic and
6 Cultural Representative Office to rename its office in
7 Washington, DC, the “Taiwan Representative Office”.

8 (c) REFERENCES.—If the negotiations under sub-
9 section (b) results in the renaming of the Taipei Economic
10 and Cultural Representative Office as the Taiwan Rep-
11 resentative Office, any reference in a law, map, regulation,
12 document, paper, or other record of the United States
13 Government to the Taipei Economic and Cultural Rep-
14 resentative Office shall be deemed to be a reference to the
15 Taiwan Representative Office, including for all official
16 purposes of the United States Government, all courts of
17 the United States, and any proceedings by such Govern-
18 ment or in such courts.

19 **SEC. 105. SENATE CONFIRMATION OF THE DIRECTOR OF**
20 **THE TAIPEI OFFICE OF THE AMERICAN INSTI-**
21 **TUTE IN TAIWAN.**

22 The appointment of an individual to the position of
23 Director of the American Institute in Taiwan’s Taipei of-
24 fice shall be subject to the advice and consent of the Sen-

1 ate. Upon Senate confirmation, such individual shall have
 2 the title of Representative.

3 **TITLE II—IMPLEMENTATION OF**
 4 **AN ENHANCED DEFENSE**
 5 **PARTNERSHIP BETWEEN THE**
 6 **UNITED STATES AND TAIWAN**

7 **SEC. 201. AMENDMENTS TO THE TAIWAN RELATIONS ACT.**

8 (a) DECLARATION OF POLICY.—Section 2(b) of the
 9 Taiwan Relations Act (22 U.S.C. 3301(b)) is amended—

10 (1) in paragraph (5), by inserting “and arms
 11 conducive to deterring acts of aggression by the Peo-
 12 ple’s Liberation Army” after “arms of a defensive
 13 character”; and

14 (2) in paragraph (6), by striking “to maintain
 15 the capacity of the United States”.

16 (b) PROVISION OF DEFENSE ARTICLES AND SERV-
 17 ICES.—Section 3(a) of the Taiwan Relations Act (22
 18 U.S.C. 3302(a)) is amended by striking “to maintain a
 19 sufficient self-defense capability” and inserting “to imple-
 20 ment a strategy to deny and deter acts of coercion or ag-
 21 gression by the People’s Liberation Army”.

22 (c) RULE OF CONSTRUCTION.—Section 4 of the Tai-
 23 wan Relations Act (22 U.S.C. 3303) is amended by adding
 24 at the end the following:

1 “(e) RULE OF CONSTRUCTION.—Nothing in this Act,
 2 nor the President’s action in extending diplomatic recogni-
 3 tion to the People’s Republic of China, nor the absence
 4 of diplomatic relations between the people of Taiwan and
 5 the United States, and nor the lack of formal recognition
 6 of Taiwan by the United States, and any related cir-
 7 cumstances, may be construed to constitute a legal or
 8 practical obstacle to any otherwise lawful action of the
 9 President or of any United States Government agency
 10 that is needed to advance or protect United States inter-
 11 ests pertaining to Taiwan, including actions intended to
 12 strengthen security cooperation between the United States
 13 and Taiwan or to otherwise deter the use of force against
 14 Taiwan by the People’s Liberation Army.”.

15 **SEC. 202. ANTICIPATORY PLANNING AND ANNUAL REVIEW**
 16 **OF THE UNITED STATES STRATEGY TO DE-**
 17 **FEND TAIWAN.**

18 (a) IN GENERAL.—Not later than 180 days after the
 19 date of the enactment of this Act, and annually thereafter
 20 for 10 years, the Secretary of Defense shall—

- 21 (1) conduct a classified review of the United
- 22 States strategy to defend Taiwan; and
- 23 (2) share the results of such review with the
- 24 Chairman and Ranking Member of the appropriate
- 25 committees of Congress.

1 (b) ELEMENTS.—The review conducted pursuant to
2 subsection (a) shall include—

3 (1) an assessment of Taiwan’s current and
4 near-term capabilities, United States force readiness,
5 and the adequacy of the United States strategy to
6 enable the defense of Taiwan;

7 (2) a detailed strategy of denial to defend Tai-
8 wan against aggression by the People’s Liberation
9 Army, including an effort to seize and hold the is-
10 land of Taiwan;

11 (3) a comprehensive assessment of risks to the
12 United States and United States interests, including
13 readiness shortfalls that pose strategic risk;

14 (4) a review of indicators of the near-term like-
15 lihood of the use of force by the People’s Liberation
16 Army against Taiwan; and

17 (5) a list of military capabilities, including ca-
18 pabilities that enable a strategy of denial, that—

19 (A) would suit the operational environment
20 and allow Taiwan to respond effectively to a va-
21 riety of contingencies across all potential phases
22 of conflict involving the People’s Liberation
23 Army; and

1 (B) would reduce the threat of conflict,
2 thwart an invasion, and mitigate other risks to
3 the United States and Taiwan.

4 **SEC. 203. JOINT ASSESSMENT.**

5 (a) IN GENERAL.—The Secretary of State, in con-
6 sultation with the Secretary of Defense, shall establish a
7 mechanism with Taiwan—

8 (1) to develop a joint assessment of the threats
9 Taiwan faces from the People’s Republic of China
10 across the spectrum of possible military action; and

11 (2) to identify nonmaterial and material solu-
12 tions to deter and defeat such threats.

13 (b) INTEGRATED PRIORITIES LIST.—In carrying out
14 subsection (a), the Secretary of Defense, in consultation
15 with the Secretary of State, shall develop with Taiwan—

16 (1) an integrated priorities list;

17 (2) relevant plans for acquisition and training
18 for relevant nonmaterial and material solutions; and

19 (3) other measures to appropriately prioritize
20 the defense needs of Taiwan to maintain effective
21 deterrence across the spectrum of possible military
22 action by the People’s Republic of China.

23 (c) REPORT.—Not later than 180 days after the date
24 of the enactment of this Act, the Secretary of Defense,
25 in consultation with the Secretary of State, shall submit

1 a report to the appropriate committees of Congress that
 2 describes the joint assessment developed pursuant to sub-
 3 section (a)(1).

4 **SEC. 204. TAIWAN SECURITY ASSISTANCE INITIATIVE.**

5 (a) TAIWAN SECURITY PROGRAMS.—The Secretary
 6 of State, in consultation with the Secretary of Defense,
 7 shall establish an initiative, to be known as the “Taiwan
 8 Security Assistance Initiative” (referred to in this section
 9 as the “Initiative”), that provides a Foreign Military Fi-
 10 nancing Program for Taiwan and other measures to
 11 strengthen the United States-Taiwan defense relationship,
 12 and to accelerate the modernization of Taiwan’s defense
 13 capabilities required to deter or, if necessary, to defeat an
 14 invasion of Taiwan by the People’s Republic of China.

15 (b) ANNUAL REPORT ON ADVANCING THE DEFENSE
 16 OF TAIWAN.—

17 (1) APPROPRIATE CONGRESSIONAL COMMIT-
 18 TEES DEFINED.—In this subsection, the term “ap-
 19 propriate congressional committees” means—

20 (A) the Committee on Foreign Relations of
 21 the Senate; and

22 (B) the Committee on Foreign Affairs of
 23 the House of Representatives.

24 (2) IN GENERAL.—Not later than 180 days
 25 after the date of the enactment of this Act, and an-

1 nually thereafter for 7 years, the Secretary of State
2 and the Secretary of Defense shall jointly submit a
3 report to the appropriate congressional committees
4 that describes Taiwan's enhancement of its self-de-
5 fense capabilities.

6 (3) MATTERS TO BE INCLUDED.—Each report
7 required under paragraph (2) shall include—

8 (A) an assessment of the commitment of
9 Taiwan to implementing the tenets of the Over-
10 all Defense Concept, including the steps that
11 Taiwan has taken and the steps that Taiwan
12 has not taken to implement those tenets;

13 (B) an assessment of the efforts of Taiwan
14 to acquire and employ within its forces asym-
15 metric capabilities, including—

- 16 (i) long-range precision fires;
17 (ii) integrated air and missile defense
18 systems;
19 (iii) anti-ship cruise missiles;
20 (iv) land-attack cruise missiles;
21 (v) coastal defense;
22 (vi) anti-armor;
23 (vii) undersea warfare;
24 (viii) survivable swarming maritime
25 assets;

- 1 (ix) manned and unmanned aerial sys-
2 tems;
- 3 (x) mining and countermining capa-
4 bilities;
- 5 (xi) intelligence, surveillance, and re-
6 connaissance capabilities;
- 7 (xii) command and control systems;
- 8 and
- 9 (xiii) any other defense capabilities
10 that the United States and Taiwan jointly
11 determine are crucial to the defense of Tai-
12 wan, in accordance with the process devel-
13 oped pursuant to section 203(a);
- 14 (C) an evaluation of the balance between
15 conventional and counter intervention capabili-
16 ties in the defense force of Taiwan as of the
17 date on which the report is submitted;
- 18 (D) an assessment of steps taken by Tai-
19 wan to enhance the overall readiness of its de-
20 fense forces, including—
- 21 (i) the extent to which Taiwan is re-
22 quiring and providing regular training to
23 such forces;

1 (ii) the extent to which such training
2 is realistic to the security environment that
3 Taiwan faces; and

4 (iii) the sufficiency of the financial
5 and budgetary resources Taiwan is putting
6 toward readiness of such forces;

7 (E) an assessment of steps taken by Tai-
8 wan to ensure that the Taiwan Reserve Com-
9 mand can recruit, train, and equip its forces;

10 (F) an evaluation of—

11 (i) the severity of manpower shortages
12 in the military of Taiwan, including in the
13 reserve forces;

14 (ii) the impact of such shortages in
15 the event of a conflict scenario; and

16 (iii) the efforts made by Taiwan to
17 address such shortages;

18 (G) an assessment of the efforts made by
19 Taiwan to boost its civilian defenses, including
20 any informational campaigns to raise awareness
21 among the population of Taiwan of the risks of
22 Taiwan's security environment;

23 (H) an assessment of the efforts made by
24 Taiwan to secure its critical infrastructure, in-

cluding in transportation, telecommunications networks, and energy;

(I) an assessment of the efforts made by Taiwan to enhance its cybersecurity, including the security of civilian government and military networks;

(J) an assessment of any significant gaps in any of the matters described in subparagraphs (A) through (I) with respect to which the United States assesses that additional action is needed;

(K) a description of cooperative efforts between the United States and Taiwan on the matters described in subparagraphs (A) through (J); and

(L) a description of any resistance within the Government of Taiwan to—

(i) implementing the matters described in subparagraphs (A) through (I);

or

(ii) United States support or engagement with regard to such matters.

(4) FORM.—The report required under paragraph (2) shall be submitted in classified form, but shall include a detailed unclassified summary.

1 (5) SHARING OF SUMMARY.—The Secretary of
2 State and the Secretary of Defense shall jointly
3 share the unclassified summary required under para-
4 graph (4) with the government and military of Tai-
5 wan.

6 (c) AUTHORITY TO PROVIDE ASSISTANCE.—The Sec-
7 retary of State, in consultation with the Secretary of De-
8 fense, shall use amounts appropriated pursuant to sub-
9 section (i) to provide assistance to the Government of Tai-
10 wan to achieve the purpose described in subsection (d).

11 (d) PURPOSE.—The purpose of the Foreign Military
12 Financing Program shall be to provide assistance, includ-
13 ing equipment, training, and other support, to enable the
14 Government of Taiwan—

15 (1) to accelerate the modernization of its de-
16 fense capabilities, including for asymmetric oper-
17 ations, that will delay, degrade, and deny attempts
18 by People’s Liberation Army forces—

19 (A) to conduct coercive or grey zone activi-
20 ties;

21 (B) to enter or transit the Taiwan Strait
22 and adjoining seas; or

23 (C) to secure a lodgment on Taiwan and
24 expand or otherwise use such lodgment to seize

1 control of a population center or other key ter-
2 ritory in Taiwan; and

3 (2) to prevent the People's Republic of China
4 from decapitating, seizing control of, or otherwise
5 neutralizing or rendering ineffective the Government
6 of Taiwan.

7 (e) WAR RESERVE STOCKPILE.—Of the amounts ap-
8 propriated pursuant to subsection (i)(2), not more than
9 \$100,000,000 may be used during each of the fiscal years
10 2023 through 2032 to maintain a stockpile (if established
11 under section 213), in accordance with section 514 of the
12 Foreign Assistance Act of 1961 (22 U.S.C. 2321h), as
13 amended by section 212.

14 (f) AVAILABILITY OF FUNDS.—

15 (1) ANNUAL SPENDING PLAN.—Not later than
16 December 1, 2022, and annually thereafter, the Sec-
17 retary of State, in coordination with the Secretary of
18 Defense, shall submit a plan to the appropriate com-
19 mittees of Congress describing how funds appro-
20 priated pursuant to subsection (i)(2) will be used to
21 achieve the purpose described in subsection (d).

22 (2) CERTIFICATION.—Amounts appropriated
23 for each fiscal year pursuant to subsection (i)(2)
24 shall be made available for the purpose described in
25 such subsection after the Secretary of State certifies

1 to the appropriate committees of Congress that Tai-
 2 wan has increased its defense spending relative to
 3 Taiwan's defense spending in its prior fiscal year,
 4 excepting accounts in Taiwan's defense budget re-
 5 lated to personnel expenditures (other than military
 6 training and education).

7 (3) REMAINING FUNDS.—

8 (A) IN GENERAL.—Subject to subpara-
 9 graph (B), amounts appropriated for a fiscal
 10 year pursuant to subsection (i)(2) that are not
 11 obligated and expended during such fiscal year
 12 shall be added to the amount that may be used
 13 for the Initiative in the subsequent fiscal year.

14 (B) RESCISSION.—Amounts appropriated
 15 pursuant to subsection (i)(2) that remain unob-
 16 ligated on September 30, 2027, shall be re-
 17 scinded and deposited into the general fund of
 18 the Treasury.

19 (g) DEFENSE ARTICLES AND SERVICES FROM THE
 20 UNITED STATES INVENTORY AND OTHER SOURCES.—

21 (1) IN GENERAL.—In addition to assistance
 22 provided pursuant to subsection (c), the Secretary of
 23 State, in coordination with the Secretary of Defense,
 24 may make available to the Government of Taiwan,
 25 in such quantities as the Secretary of State con-

1 siders appropriate for the purpose described in sub-
2 section (d)—

3 (A) weapons and other defense articles
4 from the United States inventory and other
5 sources;

6 (B) excess defense articles from the United
7 States inventory; and

8 (C) defense services.

9 (2) REPLACEMENT.—The Secretary of State
10 may use amounts appropriated pursuant to sub-
11 section (i)(2) for the cost of replacing any item pro-
12 vided to the Government of Taiwan pursuant to
13 paragraph (1)(A).

14 (h) FOREIGN MILITARY FINANCING LOAN AND LOAN
15 GUARANTEE AUTHORITY.—

16 (1) DIRECT LOANS.—

17 (A) IN GENERAL.—Notwithstanding sec-
18 tion 23(c)(1) of the Arms Export Control Act
19 (22 U.S.C. 2763), during fiscal years 2022 and
20 2023, the Secretary of State may make direct
21 loans available for Taiwan pursuant to section
22 23 of such Act.

23 (B) MAXIMUM OBLIGATIONS.—Gross obli-
24 gations for the principal amounts of loans au-

1 thorized under subparagraph (A) may not ex-
2 ceed \$2,000,000,000.

3 (C) SOURCE OF FUNDS.—

4 (i) DEFINED TERM.—In this subpara-
5 graph, the term “cost”—

6 (I) has the meaning given such
7 term in section 502(5) of the Congres-
8 sional Budget Act of 1974 (2 U.S.C.
9 661a(5));

10 (II) shall include the cost of
11 modifying a loan authorized under
12 subparagraph (A); and

13 (III) may include the costs of
14 selling, reducing, or cancelling any
15 amounts owed to the United States or
16 to any agency of the United States.

17 (ii) IN GENERAL.—Amounts appro-
18 priated pursuant to subsection (i)(1) may
19 be made available to pay for the cost of
20 loans authorized under subparagraph (A).

21 (D) FEES AUTHORIZED.—

22 (i) IN GENERAL.—The Government of
23 the United States may charge fees for
24 loans made pursuant to subparagraph (A),
25 which shall be collected from borrowers

1 through a financing account (as defined in
2 section 502(7) of the Congressional Budget
3 Act of 1974 (2 U.S.C. 661a(7)).

4 (ii) LIMITATION ON FEE PAYMENTS.—
5 Amounts made available under any appro-
6 priations Act for any fiscal year may not
7 be used to pay any fees associated with a
8 loan authorized under subparagraph (A).

9 (E) REPAYMENT.—Loans made pursuant
10 to subparagraph (A) shall be repaid not later
11 than 12 years after the loan is received by the
12 borrower, including a grace period of not more
13 than 1 year on repayment of principal.

14 (F) INTEREST.—

15 (i) IN GENERAL.—Notwithstanding
16 section 23(c)(1) of the Arms Export Con-
17 trol Act (22 U.S.C. 2763(c)(1)), interest
18 for loans made pursuant to subparagraph
19 (A) may be charged at a rate determined
20 by the Secretary of State, except that such
21 rate may not be less than the prevailing in-
22 terest rate on marketable Treasury securi-
23 ties of similar maturity.

24 (ii) TREATMENT OF LOAN AMOUNTS
25 USED TO PAY INTEREST.—Amounts made

1 available under this paragraph for interest
2 costs shall not be considered assistance for
3 the purposes of any statutory limitation on
4 assistance to a country.

5 (2) LOAN GUARANTEES.—

6 (A) IN GENERAL.—Amounts appropriated
7 pursuant to subsection (i)(1) may be made
8 available for the costs of loan guarantees for
9 Taiwan under section 24 of the Arms Export
10 Control Act (22 U.S.C. 2764) for Taiwan to
11 subsidize gross obligations for the principal
12 amount of commercial loans and total loan
13 principal, any part of which may be guaranteed,
14 not to exceed \$2,000,000,000.

15 (B) MAXIMUM AMOUNTS.—A loan guar-
16 antee authorized under subparagraph (A)—

17 (i) may not guarantee a loan that ex-
18 ceeds \$2,000,000,000; and

19 (ii) may not exceed 80 percent of the
20 loan principal with respect to any single
21 borrower.

22 (C) SUBORDINATION.—Any loan guaran-
23 teed pursuant to subparagraph (A) may not be
24 subordinated to—

1 (i) another debt contracted by the
2 borrower; or

3 (ii) any other claims against the bor-
4 rower in the case of default.

5 (D) REPAYMENT.—Repayment in United
6 States dollars of any loan guaranteed under
7 this paragraph shall be required not later than
8 12 years after the loan agreement is signed.

9 (E) FEES.—Notwithstanding section 24 of
10 the Arms Export Control Act (22 U.S.C. 2764),
11 the Government of the United States may
12 charge fees for loan guarantees authorized
13 under subparagraph (A), which shall be col-
14 lected from borrowers, or from third parties on
15 behalf of such borrowers, through a financing
16 account (as defined in section 502(7) of the
17 Congressional Budget Act of 1974 (2 U.S.C.
18 661a(7))).

19 (F) TREATMENTS OF LOAN GUARAN-
20 TEES.—Amounts made available under this
21 paragraph for the costs of loan guarantees au-
22 thorized under subparagraph (A) shall not be
23 considered assistance for the purposes of any
24 statutory limitation on assistance to a country.

1 (3) NOTIFICATION REQUIREMENT.—Amounts
 2 appropriated to carry out this subsection may not be
 3 expended without prior notification of the appro-
 4 priate committees of Congress.

5 (i) AUTHORIZATION OF APPROPRIATIONS.—

6 (1) FOREIGN MILITARY FINANCING PRO-
 7 GRAM.—There is authorized to be appropriated,
 8 under the heading “Foreign Military Financing Pro-
 9 gram”, such sums as may be necessary to carry out
 10 the program authorized under subsection (c).

11 (2) AUTHORIZATION OF APPROPRIATIONS.—In
 12 addition to amounts appropriated pursuant to para-
 13 graph (1), there is authorized to be appropriated to
 14 the Department of State to carry out the Initia-
 15 tive—

16 (A) \$250,000,000 for fiscal year 2023;

17 (B) \$750,000,000 for fiscal year 2024;

18 (C) \$1,500,000,000 for fiscal year 2025;

19 and

20 (D) \$2,000,000,000 for fiscal year 2026.

21 (j) SUNSET PROVISION.—Assistance may not be pro-
 22 vided under this section after September 30, 2032.

1 **SEC. 205. REQUIREMENTS REGARDING DEFINITION OF**
2 **COUNTER INTERVENTION CAPABILITIES.**

3 (a) STATEMENT OF POLICY.—It is the policy of the
4 United States—

5 (1) to ensure that requests by Taiwan to pur-
6 chase arms from the United States are not pre-
7 maturely rejected or dismissed before Taiwan sub-
8 mits a letter of request or other formal documenta-
9 tion, particularly when such requests are for capa-
10 bilities that are not included on any United States
11 Government priority lists of necessary capabilities
12 for the defense of Taiwan; and

13 (2) to ensure close consultation among rep-
14 resentatives of Taiwan, Congress, industry, and the
15 Executive branch about requests referred to in para-
16 graph (1) and the needs of Taiwan before Taiwan
17 submits formal requests for such purchases.

18 (b) REQUIREMENT.—Not later than 45 days after the
19 date of the enactment of this Act, the Secretary of State
20 and the Secretary of Defense shall jointly submit to the
21 appropriate committees of Congress—

22 (1) a list of categories of counter intervention
23 capabilities and a justification for each such cat-
24 egory; and

25 (2) a description of the degree to which the
26 United States has a policy of openness or flexibility

1 for the consideration of capabilities that may not fall
 2 within the scope of counter intervention capabilities
 3 included in the list required under paragraph (1),
 4 due to potential changes, such as—

5 (A) the evolution of defense technologies;

6 (B) the identification of new concepts of
 7 operation or ways to employ certain capabilities;
 8 and

9 (C) other factors that might change assess-
 10 ments by the United States and Taiwan of
 11 what constitutes counter intervention capabili-
 12 ties.

13 **SEC. 206. COMPREHENSIVE TRAINING PROGRAM.**

14 (a) IN GENERAL.—The Secretary of State, in con-
 15 sultation with the Secretary of Defense, shall establish a
 16 comprehensive training program with the Government of
 17 Taiwan that is designed—

18 (1) to achieve interoperability;

19 (2) to familiarize the militaries of the United
 20 States and Taiwan with each other; and

21 (3) to improve Taiwan’s defense capabilities.

22 (b) ELEMENTS.—The training program established
 23 pursuant to subsection (a) shall include joint United
 24 States-Taiwan—

25 (1) contingency tabletop exercises;

1 (2) war games; and

2 (3) robust, operationally relevant, or full-scale
3 military exercises.

4 (c) ANNUAL REPORT.—Not later than 180 days after
5 the date of the enactment of this Act, and annually there-
6 after for the following 10 years, the Secretary of State,
7 in consultation with the Secretary of Defense, shall submit
8 a report to the appropriate committees of Congress that
9 describes the establishment and implementation of the
10 training program established pursuant to subsection (a).

11 **SEC. 207. MILITARY PLANNING MECHANISM.**

12 The Secretary of Defense, in consultation with the
13 Secretary of State, shall establish a high-level military
14 planning mechanism between the United States and Tai-
15 wan that—

16 (1) is designed to oversee a Joint and Com-
17 bined Exercise Program and to coordinate Inter-
18 national Military Education and Training assistance
19 and professional exchanges aimed at determining
20 and coordinating the acquisition of capabilities for
21 United States and Taiwan military forces to address
22 the needs of currently anticipated and future contin-
23 gencies; and

24 (2) may be modeled after the Joint United
25 States Military Advisory Group Thailand, or any

1 such similar existing arrangement, as determined by
2 the Secretary of Defense.

3 **SEC. 208. ASSESSMENT OF TAIWAN’S NEEDS FOR CIVILIAN**
4 **DEFENSE AND RESILIENCE.**

5 (a) **ASSESSMENT REQUIRED.**—Not later than 120
6 days after the date of enactment of this Act, the Secretary
7 of State and the Secretary of Defense, in consultation with
8 heads of other relevant Federal departments and agencies,
9 shall submit a written, classified assessment of Taiwan’s
10 needs in the areas of civilian defense and resilience to the
11 appropriate committees of Congress, the Committee on
12 Appropriations of the Senate, and the Committee on Ap-
13 propriations of the House of Representatives.

14 (b) **MATTERS TO BE INCLUDED.**—The assessment
15 required under subsection (a) shall—

16 (1) analyze the potential role of Taiwan’s public
17 and civilian assets in defending against various sce-
18 narios to coerce or conduct military aggression
19 against Taiwan;

20 (2) carefully analyze Taiwan’s needs for en-
21 hancing its defensive capabilities through the sup-
22 port of civilians and civilian sectors, including—

23 (A) greater utilization of Taiwan’s high
24 tech labor force;

1 (B) the creation of clear structures and lo-
2 gistics support for civilian defense role alloca-
3 tion;

4 (C) recruitment and skills training for Tai-
5 wan's defense and civilian sectors; and

6 (D) other defense needs and considerations
7 at the provincial, city, and neighborhood levels;

8 (3) analyze Taiwan's needs for enhancing resil-
9 iency among its people and in key economic sectors;
10 and

11 (4) identify the areas and means through which
12 the United States could provide training and assist-
13 ance to support the needs discovered through the as-
14 sessment and fill any critical gaps where capacity
15 falls short of such needs.

16 (c) FORM OF REPORT.—Notwithstanding the classi-
17 fied nature of the assessment required under subsection
18 (a), the assessment shall be shared with appropriate offi-
19 cials of the Government of Taiwan to facilitate coopera-
20 tion.

21 (d) AUTHORIZATION OF APPROPRIATIONS.—

22 (1) IN GENERAL.—There is authorized to be
23 appropriated to complete the assessment required
24 under subsection (a)—

1 (A) \$500,000 for the Department of State;
2 and
3 (B) \$500,000 for the Department of De-
4 fense.

5 (2) TRANSFER AUTHORITY.—The Secretary of
6 State and the Secretary of Defense are authorized to
7 transfer any funds appropriated to their respective
8 departments pursuant to paragraph (1) to other
9 Federal departments and agencies for the purposes
10 of facilitating the contributions of such departments
11 and agencies to the assessment required under sub-
12 section (a).

13 **SEC. 209. PRIORITIZING EXCESS DEFENSE ARTICLE TRANS-**
14 **FERS FOR TAIWAN.**

15 (a) SENSE OF CONGRESS.—It is the sense of Con-
16 gress that the United States Government should appro-
17 priately prioritize the review of excess defense article
18 transfers to Taiwan.

19 (b) FIVE-YEAR PLAN.—Not later than 90 days after
20 the date of the enactment of this Act, the President
21 shall—

22 (1) develop a 5-year plan to appropriately
23 prioritize excess defense article transfers to Taiwan;
24 and

1 (2) submit a report to the appropriate commit-
2 tees of Congress that describes such plan.

3 (c) REQUIRED COORDINATION.—The United States
4 Government shall coordinate and align excess defense arti-
5 cle transfers with capacity building efforts of Taiwan.

6 (d) TRANSFER AUTHORITY.—

7 (1) IN GENERAL.—Section 516(c)(2) of the
8 Foreign Assistance Act of 1961 (22 U.S.C.
9 2321j(c)(2)) is amended by striking “and to the
10 Philippines” and inserting “, to the Philippines, and
11 to Taiwan”.

12 (2) TREATMENT OF TAIWAN.—With respect to
13 the transfer of excess defense articles under section
14 516(c)(2) of the Foreign Assistance Act of 1961, as
15 amended by paragraph (1), Taiwan shall receive the
16 same benefits as the other countries referred to in
17 such section.

18 **SEC. 210. FAST-TRACKING SALES TO TAIWAN UNDER THE**
19 **FOREIGN MILITARY SALES PROGRAM.**

20 (a) PRIORITIZED PROCESSING OF FOREIGN MILI-
21 TARY SALES REQUESTS FROM TAIWAN.—The Secretary
22 of State, in coordination with the Secretary of Defense
23 shall appropriately prioritize and expedite the processing
24 of requests from Taiwan under the Foreign Military Sales

1 program and may not delay the processing of such re-
2 quests for bundling purposes.

3 (b) ANNUAL REPORT.—Not later than 180 days after
4 the date of the enactment of this Act, and annually there-
5 after for the following 10 years, the Secretary of State,
6 in coordination with the Secretary of Defense, shall submit
7 a report to the appropriate committees of Congress that
8 describes the steps that have been taken to carry out sub-
9 section (a).

10 **SEC. 211. WHOLE-OF-GOVERNMENT DETERRENCE MEAS-**
11 **URES TO RESPOND TO THE PEOPLE'S REPUB-**
12 **LIC OF CHINA'S FORCE AGAINST TAIWAN.**

13 (a) BRIEFING REQUIRED.—Not later than 180 days
14 after the date of the enactment of this Act, and annually
15 thereafter for the following 5 years, the Secretary of State,
16 the Secretary of the Treasury, the Secretary of Defense,
17 the Secretary of Commerce, the Director of National Intel-
18 ligence, and any other relevant heads of Federal depart-
19 ments and agencies shall provide a detailed briefing to the
20 appropriate committees of Congress regarding—

21 (1) all available economic, diplomatic, and other
22 strategic measures to deter the use of force by the
23 People's Republic of China, including coercion, grey-
24 zone tactics, assertions, shows of force, quarantines,

1 embargoes, or other measures to change the status
2 quo of Taiwan;

3 (2) efforts by the United States Government to
4 deter the use of force by the People’s Republic of
5 China to change the status quo of Taiwan; and

6 (3) progress to date of all coordination efforts
7 between the United States Government and its allies
8 and partners with respect to deterring the use of
9 force to change the status quo of Taiwan.

10 (b) COORDINATED CONSEQUENCES WITH ALLIES
11 AND PARTNERS.—The Secretary of State shall coordinate
12 with United States allies and partners to identify and de-
13 velop significant economic, diplomatic, and other measures
14 to deter the use of force by the People’s Republic of China
15 to change the status quo of Taiwan.

16 **SEC. 212. INCREASE IN ANNUAL WAR RESERVES STOCK-**
17 **PILE ADDITIONS AND SUPPORT FOR TAIWAN.**

18 (a) IN GENERAL.—Section 514(b)(2)(A) of the For-
19 eign Assistance Act of 1961 (22 U.S.C. 2321j(b)(2)(A))
20 is amended by striking “\$200,000,000” and all that fol-
21 lows and inserting “\$500,000,000 for any of the fiscal
22 years 2023, 2024, or 2025.”.

23 (b) ESTABLISHMENT.—Subject to section 514 of the
24 Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the

1 President may establish a war reserve stockpile for Tai-
 2 wan that consists primarily of munitions.

3 (c) INCLUSION OF TAIWAN AMONG OTHER ALLIES
 4 ELIGIBLE FOR DEFENSE ARTICLES.—Chapter 2 of part
 5 II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311
 6 et seq.) is amended—

7 (1) in section 514(c)(2) (22 U.S.C.
 8 2321h(c)(2)), by inserting “Taiwan,” after “Thai-
 9 land,”; and

10 (2) in section 516(c)(2) (22 U.S.C.
 11 2321j(c)(2)), by inserting “to Taiwan,” after “major
 12 non-NATO allies on such southern and southeastern
 13 flank,”.

14 (d) ANNUAL BRIEFING.—Not later than 1 year after
 15 the date of enactment of this Act, and annually thereafter
 16 for 7 years, the President shall provide a briefing to the
 17 appropriate committees of Congress regarding the status
 18 of a war reserve stockpile established under subsection (b).

19 **SEC. 213. DESIGNATION OF TAIWAN AS A MAJOR NON-NATO**
 20 **ALLY.**

21 Section 517 of the Foreign Assistance Act of 1961
 22 (22 U.S.C. 2321k) is amended by adding at the end the
 23 following:

24 “(c) ADDITIONAL DESIGNATIONS.—

1 “(1) IN GENERAL.—Taiwan is designated as a
 2 major non-NATO ally for purposes of this Act, the
 3 Arms Export Control Act (22 U.S.C. 2751 et seq.),
 4 and section 2350a of title 10, United States Code.

5 “(2) NOTICE OF TERMINATION OF DESIGNA-
 6 TION.—The President shall notify Congress in ac-
 7 cordance with subsection (a)(2) before terminating
 8 the designation specified in paragraph (1).”.

9 **TITLE III—COUNTERING PEO-**
 10 **PLE’S REPUBLIC OF CHINA’S**
 11 **AGGRESSION AND INFLU-**
 12 **ENCE CAMPAIGNS**

13 **SEC. 301. STRATEGY TO RESPOND TO INFLUENCE AND IN-**
 14 **FORMATION OPERATIONS TARGETING TAI-**
 15 **WAN.**

16 (a) IN GENERAL.—Not later than 180 days after the
 17 date of the enactment of this Act, the Secretary of State
 18 shall develop and implement a strategy to respond to—

19 (1) the Chinese Communist Party’s United
 20 Front; and

21 (2) information and disinformation campaigns,
 22 cyber attacks, and nontraditional propaganda meas-
 23 ures supported by the Government of the People’s
 24 Republic of China and the Chinese Communist

1 Party that are directed toward persons or entities in
2 Taiwan.

3 (b) ELEMENTS.—The strategy required under sub-
4 section (a) shall include—

5 (1) the development of a response to propa-
6 ganda and disinformation campaigns by the People’s
7 Republic of China and cyber-intrusions targeting
8 Taiwan, including—

9 (A) assistance in building the capacity of
10 the Government of Taiwan and private-sector
11 entities to document and expose propaganda
12 and disinformation supported by the Govern-
13 ment of the People’s Republic of China, the
14 Chinese Communist Party, or affiliated entities;

15 (B) assistance to enhance the Government
16 of Taiwan’s ability to develop a whole-of-govern-
17 ment strategy to respond to sharp power oper-
18 ations, including election interference; and

19 (C) media training for Taiwan officials and
20 other Taiwan entities targeted by
21 disinformation campaigns;

22 (2) the development of a response to political
23 influence operations that includes an assessment of
24 the extent of influence exerted by the Government of
25 the People’s Republic of China and the Chinese

1 Communist Party in Taiwan on local political par-
 2 ties, financial institutions, media organizations, and
 3 other entities;

4 (3) support for exchanges and other technical
 5 assistance to strengthen the Taiwan legal system's
 6 ability to respond to sharp power operations; and

7 (4) the establishment of a coordinated partner-
 8 ship, through the American Institute in Taiwan's
 9 Global Cooperation and Training Framework, with
 10 like-minded governments to share data and best
 11 practices with the Government of Taiwan regarding
 12 ways to address sharp power operations supported
 13 by the Government of the People's Republic of
 14 China and the Chinese Communist Party.

15 **SEC. 302. STRATEGY TO COUNTER ECONOMIC COERCION**
 16 **BY THE PEOPLE'S REPUBLIC OF CHINA TAR-**
 17 **GETING COUNTRIES AND ENTITIES THAT**
 18 **SUPPORT TAIWAN.**

19 (a) IN GENERAL.—Not later than 90 days after the
 20 date of the enactment of this Act, and every 180 days
 21 thereafter for the following 5 years, the Secretary of State
 22 shall submit to the appropriate committees of Congress
 23 a description of the strategy being used by the Depart-
 24 ment of State to respond to the Government of the Peo-
 25 ple's Republic of China's increased economic coercion

1 against countries which have strengthened their ties with,
 2 or support for, Taiwan.

3 (b) ASSISTANCE FOR COUNTRIES AND ENTITIES
 4 TARGETED BY THE PEOPLE’S REPUBLIC OF CHINA FOR
 5 ECONOMIC COERCION.—The Department of State, the
 6 United States Agency for International Development, the
 7 United States International Development Finance Cor-
 8 poration, the Department of Commerce and the Depart-
 9 ment of the Treasury shall provide appropriate assistance
 10 to countries and entities that are subject to trade restric-
 11 tions and other forms of economic coercion by the People’s
 12 Republic of China to support its supply chain resilience
 13 and other economic measures in response to the trade re-
 14 strictions imposed by China.

15 **TITLE IV—INCLUSION OF TAI-** 16 **WAN IN INTERNATIONAL OR-** 17 **GANIZATIONS**

18 **SEC. 401. PARTICIPATION OF TAIWAN IN INTERNATIONAL** 19 **ORGANIZATIONS.**

20 (a) STATEMENT OF POLICY.—It is the policy of the
 21 United States to promote Taiwan’s inclusion and mean-
 22 ingful participation in meetings held by international orga-
 23 nizations.

24 (b) SUPPORT FOR MEANINGFUL PARTICIPATION.—
 25 The Permanent Representative of the United States to the

1 United Nations and other relevant United States officials
2 should actively support Taiwan’s meaningful participation
3 in all appropriate international organizations.

4 (c) REPORT.—Not later than 90 days after the date
5 of the enactment of this Act, the Secretary of State shall
6 submit a report to the appropriate congressional commit-
7 tees that—

8 (1) describes the People’s Republic of China’s
9 efforts at the United Nations and other international
10 bodies to block Taiwan’s meaningful participation
11 and inclusion; and

12 (2) recommends appropriate responses that
13 should be taken by the United States to carry out
14 the policy described in subsection (a).

15 **SEC. 402. PARTICIPATION OF TAIWAN IN THE INTER-AMER-**
16 **ICAN DEVELOPMENT BANK.**

17 It is the sense of Congress that—

18 (1) the United States fully supports Taiwan’s
19 participation in, and contribution to, international
20 organizations and understands the importance of the
21 relationship between Taiwan and the United States;

22 (2) diversifying the donor base of the Inter-
23 American Development Bank (referred to in this
24 title as the “IDB”) and increasing ally engagement

1 in the Western Hemisphere reinforces United States
2 national interests;

3 (3) Taiwan's significant contribution to the de-
4 velopment and economies of Latin America and the
5 Caribbean demonstrate that Taiwan's membership
6 in the IDB as a non-borrowing member would ben-
7 efit the IDB and the entire Latin American and
8 Caribbean region; and

9 (4) non-borrowing membership in the IDB
10 would allow Taiwan to substantially leverage and
11 channel the immense resources Taiwan already pro-
12 vides to Latin America and the Caribbean to reach
13 a larger number of beneficiaries.

14 **SEC. 403. PLAN FOR TAIWAN'S PARTICIPATION IN THE**
15 **INTER-AMERICAN DEVELOPMENT BANK.**

16 The Secretary of State, in coordination with the Sec-
17 retary of the Treasury, is authorized—

18 (1) to initiate a United States plan to endorse
19 non-borrowing IDB membership for Taiwan; and

20 (2) to instruct the United States Governor of
21 the IDB to work with the IDB Board of Governors
22 to admit Taiwan as a non-borrowing member of the
23 IDB.

1 **SEC. 404. REPORT CONCERNING MEMBER STATE STATUS**
2 **FOR TAIWAN AT THE INTER-AMERICAN DE-**
3 **VELOPMENT BANK.**

4 Not later than 90 days after the date of the enact-
5 ment of this Act, and not later than April 1 of each year
6 thereafter, the Secretary of State, in coordination with the
7 Secretary of the Treasury, shall submit an unclassified re-
8 port to the Committee on Foreign Relations of the Senate
9 and the Committee on Foreign Affairs of the House of
10 Representatives that—

11 (1) describes the United States plan to endorse
12 and obtain non-borrowing membership status for
13 Taiwan at the IDB;

14 (2) includes an account of the efforts made by
15 the Secretary of State and the Secretary of the
16 Treasury to encourage IDB member states to pro-
17 mote Taiwan's bid to obtain non-borrowing member-
18 ship at the IDB; and

19 (3) identifies the steps that the Secretary of
20 State and the Secretary of the Treasury will take to
21 endorse and obtain non-borrowing membership sta-
22 tus for Taiwan at the IDB in the following year.

1 **SEC. 405. CLARIFICATION REGARDING UNITED NATIONS**
2 **GENERAL ASSEMBLY RESOLUTION 2758**
3 **(XXVI).**

4 Section 2(a) of the Taiwan Allies International Pro-
5 tection and Enhancement Initiative (TAIPEI) Act of 2019
6 (Public Law 116–135) (relating to diplomatic relations
7 with Taiwan) is amended by adding at the end the fol-
8 lowing:

9 “(10) United Nations General Assembly Reso-
10 lution 2758 (1971)—

11 “(A) established the representatives of the
12 Government of the People’s Republic of China
13 as the only lawful representatives of China to
14 the United Nations;

15 “(B) did not address the issue of represen-
16 tation of Taiwan and its people in the United
17 Nations or in any related organizations; and

18 “(C) did not take a position on the rela-
19 tionship between the People’s Republic of China
20 and Taiwan or include any statement pertaining
21 to Taiwan’s sovereignty.

22 “(11) The United States opposes any initiative
23 that seeks to change Taiwan’s status without the
24 consent of the people of Taiwan.”.

1 **TITLE V—ENHANCED DEVELOP-**
2 **MENT AND ECONOMIC CO-**
3 **OPERATION BETWEEN THE**
4 **UNITED STATES AND TAIWAN**

5 **SEC. 501. FINDINGS.**

6 Congress makes the following findings:

7 (1) Taiwan has been an important trading part-
8 ner of the United States for many years, accounting
9 for \$114,000,000,000 in two-way trade in 2021.

10 (2) Taiwan has demonstrated the capacity to
11 hold a strong economic partnership with the United
12 States. Along with a robust trading profile of goods
13 and services, Taiwan supports an estimated 208,000
14 American jobs, a number that will only increase with
15 a comprehensive bilateral trade agreement.

16 (3) In addition to supplementing United States
17 goods and services, Taiwan is a reliable partner in
18 many of our Nation's industries, which is not only
19 critical for diversifying our Nation's supply chains,
20 but is also essential to reducing our Nation's reli-
21 ance on other countries, such as China, who seek to
22 leverage supply chain inefficiencies in their path to
23 regional and global dominance. Such diversification
24 of our Nation's supply chain is critical to United
25 States national security.

1 (4) The challenges to establishing an agreement
2 with Taiwan, such as reaching an agreement on ag-
3 ricultural standards, will not prevent the completion
4 of a bilateral trade agreement. Taiwan has already
5 taken steps to further the progress towards such an
6 agreement by announcing its intent to lift their re-
7 strictions on United States pork and beef products,
8 which will greatly increase the accessibility of Amer-
9 ican farmers and ranchers to Taiwan markets. In
10 light of this important development, the United
11 States should immediately move forward with sub-
12 stantial negotiations for a comprehensive bilateral
13 trade agreement with Taiwan.

14 (5) A free and open Indo-Pacific is a goal that
15 needs to be actively pursued to counter China's use
16 of unfair trading practices and other policies to ad-
17 vance its economic dominance in the Indo-Pacific re-
18 gion. An agreement with Taiwan would—

19 (A) help the United States accomplish this
20 goal by building a network of like-minded gov-
21 ernments dedicated to fair competition and
22 open markets that are free from government
23 manipulation; and

1 (B) serve as a signal to other nations that
2 Taiwan is a viable partner that is open for busi-
3 ness.

4 (6) Since November 2020, Taiwan and the
5 United States have engaged in the U.S.-Taiwan Eco-
6 nomic Prosperity Partnership Dialogue, covering a
7 broad range of economic issues including—

8 (A) 5G networks and telecommunications
9 security;

10 (B) supply chains resiliency;

11 (C) infrastructure cooperation;

12 (D) renewable energy;

13 (E) global health; and

14 (F) science and technology.

15 (7) A trade agreement between the United
16 States and Taiwan would promote security and eco-
17 nomic growth for the United States, Taiwan, and
18 the entire Indo-Pacific region.

19 (8) Leaving Taiwan out of the conversation on
20 Indo-Pacific Economic Framework would—

21 (A) create significant distortions for the
22 structure of the regional and global economic
23 architecture; and

24 (B) run counter to the United States eco-
25 nomic interests.

1 **SEC. 502. SENSE OF CONGRESS ON A FREE TRADE AGREE-**
2 **MENT WITH TAIWAN, THE INDO-PACIFIC ECO-**
3 **NOMIC FRAMEWORK, AND CBP**
4 **PRECLEARANCE.**

5 It is the sense of Congress that—

6 (1) the United States Trade Representative
7 should resume meetings under the United States
8 and Taiwan Trade and Investment Framework
9 Agreement with the goal of reaching a bilateral free
10 trade agreement with Taiwan;

11 (2) the United States Trade Representative and
12 the Secretary of Commerce should undertake efforts
13 to assure Taiwan's engagement and participation in
14 the Indo-Pacific Economic Framework; and

15 (3) the United States should utilize and expand
16 Preclearance programs to meet the needs of the
17 United States travel and tourism industry, including
18 by prioritizing the establishment of Preclearance fa-
19 cilities with Indo-Pacific allies and partners, includ-
20 ing Taiwan.

1 **TITLE VI—SUPPORTING UNITED**
2 **STATES EDUCATIONAL AND**
3 **EXCHANGE PROGRAMS WITH**
4 **TAIWAN**

5 **SEC. 601. SHORT TITLE.**

6 This title may be cited as the “Taiwan Fellowship
7 Act”.

8 **SEC. 602. FINDINGS.**

9 Congress makes the following findings:

10 (1) The Taiwan Relations Act (Public Law 96–
11 8; 22 U.S.C. 3301 et seq.) affirmed United States
12 policy “to preserve and promote extensive, close, and
13 friendly commercial, cultural, and other relations be-
14 tween the people of the United States and the people
15 on Taiwan, as well as the people on the China main-
16 land and all other peoples of the Western Pacific
17 area”.

18 (2) Consistent with the Asia Reassurance Ini-
19 tiative Act of 2018 (Public Law 115–409), the
20 United States has grown its strategic partnership
21 with Taiwan’s vibrant democracy of 23,000,000 peo-
22 ple.

23 (3) Despite a concerted campaign by the Peo-
24 ple’s Republic of China to isolate Taiwan from its
25 diplomatic partners and from international organiza-

1 tions, including the World Health Organization, Tai-
2 wan has emerged as a global leader in the
3 coronavirus global pandemic response, including by
4 donating more than 2,000,000 surgical masks and
5 other medical equipment to the United States.

6 (4) The creation of a United States fellowship
7 program with Taiwan would support a key priority
8 of expanding people-to-people exchanges, which was
9 outlined in the President's 2017 National Security
10 Strategy.

11 **SEC. 603. PURPOSES.**

12 The purposes of this title are—

13 (1) to further strengthen the United States-Tai-
14 wan strategic partnership and broaden under-
15 standing of the Indo-Pacific region by temporarily
16 assigning officials of any branch of the United
17 States Government to Taiwan for intensive study in
18 Mandarin and placement as Fellows with the gov-
19 erning authorities on Taiwan or a Taiwanese civic
20 institution;

21 (2) to provide for eligible United States per-
22 sonnel—

23 (A) to learn or strengthen Mandarin Chi-
24 nese language skills; and

1 (B) to expand their understanding of the
2 political economy of Taiwan and the Indo-Pa-
3 cific region; and

4 (3) to better position the United States to ad-
5 vance its economic, security, and human rights in-
6 terests and values in the Indo-Pacific region.

7 **SEC. 604. DEFINITIONS.**

8 In this title:

9 (1) **AGENCY HEAD.**—The term “agency head”
10 means—

11 (A) with respect to the executive branch of
12 United States Government or an agency of the
13 legislative branch other than the Senate or the
14 House of Representatives, the head of the re-
15 spective agency;

16 (B) with respect to the judicial branch of
17 United States Government, the chief judge of
18 the respective court;

19 (C) with respect to the Senate, the Presi-
20 dent pro tempore, in consultation with the ma-
21 jority leader and the minority leader of the Sen-
22 ate; and

23 (D) with respect to the House of Rep-
24 resentatives, the Speaker of the House, in con-

1 sultation with the majority leader and the mi-
2 nority leader of the House of Representatives.

3 (2) AGENCY OF THE UNITED STATES GOVERN-
4 MENT.—The term “agency of the United States
5 Government” includes—

6 (A) any agency of the legislative branch;

7 (B) any court of the judicial branch; and

8 (C) any agency of the executive branch.

9 (3) APPROPRIATE CONGRESSIONAL COMMIT-
10 TEES.—The term “appropriate congressional com-
11 mittees” means—

12 (A) the Committee on Foreign Relations of
13 the Senate;

14 (B) the Committee on Appropriations of
15 the Senate;

16 (C) the Committee on Foreign Affairs of
17 the House of Representatives; and

18 (D) the Committee on Appropriations of
19 the House of Representatives.

20 (4) DETAILEE.—The term “detailee”—

21 (A) means an employee of a branch of the
22 United States Government who is on loan to
23 the American Institute in Taiwan, without a
24 change of position from the agency at which he
25 or she is employed; and

1 (B) does not include employees of the leg-
 2 islative branch, who may separate from their
 3 branch in order to fulfill the terms of their fel-
 4 lowship pursuant to section 607(g).

5 (5) IMPLEMENTING PARTNER.—The term “im-
 6 plementing partner” means any United States orga-
 7 nization described in 501(c)(3) of the Internal Rev-
 8 enue Code of 1986 that—

9 (A) performs logistical, administrative, and
 10 other functions, as determined by the Depart-
 11 ment of State and the American Institute of
 12 Taiwan in support of the Taiwan Fellowship
 13 Program; and

14 (B) enters into a cooperative agreement
 15 with the American Institute in Taiwan to ad-
 16 minister the Taiwan Fellowship Program.

17 (6) PROGRAM.—The term “Program” means
 18 the Taiwan Fellowship Program established pursu-
 19 ant to section 605.

20 **SEC. 605. TAIWAN FELLOWSHIP PROGRAM.**

21 (a) ESTABLISHMENT.—The Secretary of State—

22 (1) shall establish the Taiwan Fellowship Pro-
 23 gram to provide eligible United States citizens with
 24 fellowship opportunities in Taiwan lasting up to 2
 25 years; and

1 (2) may modify the name of the Program, in
2 consultation with the American Institute in Taiwan
3 and the implementing partner.

4 (b) GRANTS.—

5 (1) IN GENERAL.—The American Institute in
6 Taiwan should use amounts appropriated pursuant
7 to section 608(a) to provide annual or multi-year
8 grants to an appropriate implementing partner.

9 (2) FELLOWSHIPS.—The Secretary of State, in
10 consultation with the American Institute in Taiwan
11 and, as appropriate, the implementing partner, sub-
12 ject to available funding, should award to eligible
13 United States citizens—

14 (A) not fewer than 5 fellowships during
15 each of the first 2 years of the Program; and

16 (B) not fewer than 10 fellowships during
17 each of the remaining years of the Program.

18 (c) INTERNATIONAL AGREEMENT; IMPLEMENTING
19 PARTNER.—Not later than 30 days after the date of the
20 enactment of this Act, the American Institute in Taiwan,
21 in consultation with the Secretary of State, should—

22 (1) begin negotiations with the Taipei Economic
23 and Cultural Representative Office, or with another
24 appropriate entity, for the purpose of entering into
25 an agreement to facilitate the placement of fellows

1 in an agency of the governing authorities on Taiwan;
2 and

3 (2) begin the process of selecting an imple-
4 menting partner, which—

5 (A) shall agree to meet all of the legal re-
6 quirements required to operate in Taiwan; and

7 (B) shall be composed of staff who dem-
8 onstrate significant experience managing ex-
9 change programs in the Indo-Pacific region.

10 (d) CURRICULUM.—

11 (1) FIRST YEAR.—During the first year of each
12 fellowship under this section, each fellow should
13 study—

14 (A) the Mandarin Chinese language;

15 (B) the people, history, and political cli-
16 mate on Taiwan; and

17 (C) the issues affecting the relationship be-
18 tween the United States and the Indo-Pacific
19 region.

20 (2) SECOND YEAR.—During the second year of
21 each fellowship under this section, each fellow, sub-
22 ject to the approval of the Secretary of State, the
23 American Institute in Taiwan, and the implementing
24 partner, and in accordance with the purposes of this
25 title, shall work in—

1 (A) a parliamentary office, ministry, or
 2 other agency of the governing authorities on
 3 Taiwan; or

4 (B) an organization outside of the gov-
 5 erning authorities on Taiwan, whose interests
 6 are associated with the interests of the fellow
 7 and the agency of the United States Govern-
 8 ment from which the fellow had been employed.

9 (e) FLEXIBLE FELLOWSHIP DURATION.—Notwith-
 10 standing any requirement under this section, the Sec-
 11 retary of State, in consultation with the American Insti-
 12 tute in Taiwan and, as appropriate, the implementing
 13 partner, may alter the curriculum requirements under
 14 subsection (d) for fellows whose placement in a parliamen-
 15 tary office, ministry, or other agency of the governing au-
 16 thorities on Taiwan is for a period shorter than 2 years.

17 (f) PROGRAM REQUIREMENTS.—

18 (1) ELIGIBILITY REQUIREMENTS.—A United
 19 States citizen is eligible for a fellowship under this
 20 section if he or she—

21 (A) is an employee of the United States
 22 Government;

23 (B) has at least 2 years of experience in
 24 any branch of the United States Government;

1 (C) has a demonstrated professional or
2 educational background in the relationship be-
3 tween the United States and countries in the
4 Indo-Pacific region; and

5 (D) has demonstrated his or her commit-
6 ment to further service in the United States
7 Government.

8 (2) RESPONSIBILITIES OF FELLOWS.—Each re-
9 cipient of a fellowship under this section shall agree,
10 as a condition of such fellowship—

11 (A) to maintain satisfactory progress in
12 language training and appropriate behavior in
13 Taiwan, as determined by the Department of
14 State, the American Institute in Taiwan and, as
15 appropriate, its implementing partner;

16 (B) to refrain from engaging in any intel-
17 ligence or intelligence-related activity on behalf
18 of the United States Government; and

19 (C) to continue Federal Government em-
20 ployment for a period of not shorter than 4
21 years after the conclusion of the fellowship or
22 for not shorter than 2 years for a fellowship
23 that is 1 year or shorter.

24 (3) RESPONSIBILITIES OF IMPLEMENTING
25 PARTNER.—

1 (A) SELECTION OF FELLOWS.—The imple-
2 menting partner, in close coordination with the
3 Department of State and the American Insti-
4 tute in Taiwan, shall—

5 (i) make efforts to recruit fellowship
6 candidates who reflect the diversity of the
7 United States;

8 (ii) select fellows for the Taiwan Fel-
9 lowship Program based solely on merit,
10 with appropriate supervision from the De-
11 partment of State and the American Insti-
12 tute in Taiwan; and

13 (iii) prioritize the selection of can-
14 didates willing to serve a fellowship lasting
15 1 year or longer.

16 (B) FIRST YEAR.—The implementing part-
17 ner should provide each fellow in the first year
18 (or shorter duration, as jointly determined by
19 the Department of State and the American In-
20 stitute in Taiwan for those who are not serving
21 a 2-year fellowship) with—

22 (i) intensive Mandarin Chinese lan-
23 guage training; and

1 (ii) courses in the political economy of
 2 Taiwan, China, and the broader Indo-Pa-
 3 cific.

4 (C) WAIVER OF REQUIRED TRAINING.—
 5 The Department of State, in coordination with
 6 the American Institute in Taiwan and, as ap-
 7 propriate, the implementing partner, may waive
 8 any of the training required under paragraph
 9 (2) to the extent that a fellow has Mandarin
 10 language skills, knowledge of the topic de-
 11 scribed in paragraph (2)(B), or for other re-
 12 lated reasons approved by the Department of
 13 State and the American Institute in Taiwan. If
 14 any of the training requirements are waived for
 15 a fellow serving a 2-year fellowship, the training
 16 portion of his or her fellowship may be short-
 17 ened to the extent appropriate.

18 (D) OFFICE; STAFFING.—The imple-
 19 menting partner, in consultation with the De-
 20 partment of State and the American Institute
 21 in Taiwan, shall maintain an office and at least
 22 1 full-time staff member in Taiwan—

23 (i) to liaise with the American Insti-
 24 tute in Taiwan and the governing authori-
 25 ties on Taiwan; and

1 (ii) to serve as the primary in-country
2 point of contact for the recipients of fellow-
3 ships under this Act and their dependents.

4 (E) OTHER FUNCTIONS.—The imple-
5 menting partner shall perform other functions
6 in association in support of the Taiwan Fellow-
7 ship Program, including logistical and adminis-
8 trative functions, as prescribed by the Depart-
9 ment of State and the American Institute in
10 Taiwan.

11 (4) NONCOMPLIANCE.—

12 (A) IN GENERAL.—Any fellow who fails to
13 comply with the requirements under this section
14 shall reimburse the American Institute in Tai-
15 wan for—

16 (i) the Federal funds expended for the
17 fellow's participation in the fellowship, as
18 set forth in paragraphs (2) and (3); and

19 (ii) interest accrued on such funds
20 (calculated at the prevailing rate).

21 (B) FULL REIMBURSEMENT.—Any fellow
22 who violates paragraph (1) or (2) of subsection
23 (b) shall reimburse the American Institute in
24 Taiwan in an amount equal to the sum of—

1 (i) all of the Federal funds expended
2 for the fellow's participation in the fellow-
3 ship; and

4 (ii) interest on the amount specified in
5 subparagraph (A), which shall be cal-
6 culated at the prevailing rate.

7 (C) PRO RATA REIMBURSEMENT.—Any fel-
8 low who violates subsection (b)(3) shall reim-
9 burse the American Institute in Taiwan in an
10 amount equal to the difference between—

11 (i) the amount specified in paragraph
12 (2); and

13 (ii) the product of—

14 (I) the amount the fellow re-
15 ceived in compensation during the
16 final year of the fellowship, including
17 the value of any allowances and bene-
18 fits received by the fellow; multiplied
19 by

20 (II) the percentage of the period
21 specified in subsection (b)(3) during
22 which the fellow did not remain em-
23 ployed by the Federal Government.

1 **SEC. 606. REPORTS AND AUDITS.**

2 (a) ANNUAL REPORT.—Not later than 90 days after
3 the selection of the first class of fellows under this title,
4 and annually thereafter, the Department of State shall
5 offer to brief the appropriate congressional committees re-
6 garding the following issues:

7 (1) An assessment of the performance of the
8 implementing partner in fulfilling the purposes of
9 this Act.

10 (2) The names and sponsoring agencies of the
11 fellows selected by the implementing partner and the
12 extent to which such fellows represent the diversity
13 of the United States.

14 (3) The names of the parliamentary offices,
15 ministries, other agencies of the governing authori-
16 ties on Taiwan, and nongovernmental institutions to
17 which each fellow was assigned during the second
18 year of the fellowship.

19 (4) Any recommendations, as appropriate, to
20 improve the implementation of the Taiwan Fellows
21 Program, including added flexibilities in the admin-
22 istration of the program.

23 (5) An assessment of the Taiwan Fellows Pro-
24 gram's value upon the relationship between the
25 United States and Taiwan or the United States and
26 Asian countries.

1 (b) ANNUAL FINANCIAL AUDIT.—

2 (1) IN GENERAL.—The financial records of any
3 implementing partner shall be audited annually in
4 accordance with generally accepted auditing stand-
5 ards by independent certified public accountants or
6 independent licensed public accountants who are cer-
7 tified or licensed by a regulatory authority of a State
8 or another political subdivision of the United States.

9 (2) LOCATION.—Each audit under paragraph
10 (1) shall be conducted at the place or places where
11 the financial records of the implementing partner
12 are normally kept.

13 (3) ACCESS TO DOCUMENTS.—The imple-
14 menting partner shall make available to the account-
15 ants conducting an audit under paragraph (1)—

16 (A) all books, financial records, files, other
17 papers, things, and property belonging to, or in
18 use by, the implementing partner that are nec-
19 essary to facilitate the audit; and

20 (B) full facilities for verifying transactions
21 with the balances or securities held by deposi-
22 tories, fiscal agents, and custodians.

23 (4) REPORT.—

24 (A) IN GENERAL.—Not later than 6
25 months after the end of each fiscal year, the

1 implementing partner shall provide a report
2 containing the findings of the audit conducted
3 for such fiscal year pursuant to paragraph (1)
4 to the Secretary of State and the American In-
5 stitute in Taiwan.

6 (B) CONTENTS.—Each audit report under
7 subparagraph (A) shall—

8 (i) set forth the scope of the audit;

9 (ii) include such statements, along
10 with the auditor's opinion of those state-
11 ments, as may be necessary to present fair-
12 ly the implementing partner's assets and
13 liabilities, surplus or deficit, with reason-
14 able detail;

15 (iii) include a statement of the imple-
16 menting partner's income and expenses
17 during the year; and

18 (iv) include a schedule of—

19 (I) all contracts and grants re-
20 quiring payments greater than
21 \$5,000; and

22 (II) any payments of compensa-
23 tion, salaries, or fees at a rate greater
24 than \$5,000 per year.

1 (C) COPIES.—Each audit report under
2 subparagraph (A) shall be produced in suffi-
3 cient copies for distribution to the public.

4 **SEC. 607. TAIWAN FELLOWS ON DETAIL FROM GOVERN-**
5 **MENT SERVICE.**

6 (a) IN GENERAL.—

7 (1) DETAIL AUTHORIZED.—With the approval
8 of the Secretary of State, an agency head may de-
9 tail, for a period of not more than 2 years, an em-
10 ployee of the agency of the United States Govern-
11 ment who has been awarded a fellowship under this
12 title, to the American Institute in Taiwan for the
13 purpose of assignment to the governing authorities
14 on Taiwan or an organization described in section
15 605(d)(2)(B).

16 (2) AGREEMENT.—Each detailee or legislative
17 branch employee who separates from service of the
18 sponsoring agency shall enter into a written agree-
19 ment with the Federal Government before receiving
20 a fellowship, in which the fellow shall agree—

21 (A) to continue in the service of the spon-
22 soring agency at the end of fellowship for a pe-
23 riod of at least 4 years (or at least 2 years if
24 the fellowship duration is 1 year or shorter) un-

1 less the detailee is involuntarily separated from
2 the service of such agency; and

3 (B) to pay to the American Institute in
4 Taiwan any additional expenses incurred by the
5 Federal Government in connection with the fel-
6 lowship if the detailee voluntarily separates
7 from service with the sponsoring agency before
8 the end of the period for which the detailee has
9 agreed to continue in the service of such agen-
10 cy.

11 (3) EXCEPTION.—The payment agreed to under
12 paragraph (2)(B) may not be required from—

13 (A) a detailee who leaves the service of the
14 sponsoring agency to enter into the service of
15 another agency of the United States Govern-
16 ment unless the head of the sponsoring agency
17 notifies the detailee before the effective date of
18 entry into the service of the other agency that
19 payment will be required under this subsection;
20 or

21 (B) a legislative branch employee who sep-
22 arates from service of such agency to partici-
23 pate in the fellowship.

24 (b) STATUS AS GOVERNMENT EMPLOYEE.—A
25 detailee—

1 (1) is deemed, for the purpose of preserving al-
2 lowances, privileges, rights, seniority, and other ben-
3 efits, to be an employee of the sponsoring agency;

4 (2) is entitled to pay, allowances, and benefits
5 from funds available to such agency, which is
6 deemed to comply with section 5536 of title 5,
7 United States Code; and

8 (3) may be assigned to a position with an entity
9 described in section 605(d)(2)(A) if acceptance of
10 such position does not involve—

11 (A) the taking of an oath of allegiance to
12 another government; or

13 (B) the acceptance of compensation or
14 other benefits from any foreign government by
15 such detailee.

16 (c) RESPONSIBILITIES OF SPONSORING AGENCY.—

17 (1) IN GENERAL.—The Federal agency from
18 which a detailee is detailed should provide the fellow
19 allowances and benefits that are consistent with De-
20 partment of State Standardized Regulations or other
21 applicable rules and regulations, including—

22 (A) a living quarters allowance to cover the
23 cost of housing in Taiwan;

24 (B) a cost of living allowance to cover any
25 possible higher costs of living in Taiwan;

1 (C) a temporary quarters subsistence al-
 2 lowance for up to 7 days if the fellow is unable
 3 to find housing immediately upon arriving in
 4 Taiwan;

5 (D) an education allowance to assist par-
 6 ents in providing the fellow's minor children
 7 with educational services ordinarily provided
 8 without charge by public schools in the United
 9 States;

10 (E) moving expenses to transport personal
 11 belongings of the fellow and his or her family
 12 in their move to Taiwan, which is comparable
 13 to the allowance given for American Institute in
 14 Taiwan employees assigned to Taiwan; and

15 (F) an economy-class airline ticket to and
 16 from Taiwan for each fellow and the fellow's
 17 immediate family.

18 (2) MODIFICATION OF BENEFITS.—The Amer-
 19 ican Institute in Taiwan and its implementing part-
 20 ner, with the approval of the Secretary of State, may
 21 modify the benefits set forth in paragraph (1) if
 22 such modification is warranted by fiscal cir-
 23 cumstances.

24 (d) NO FINANCIAL LIABILITY.—The American Insti-
 25 tute in Taiwan, the implementing partner, and any gov-

erning authorities on Taiwan or nongovernmental entities in Taiwan at which a fellow is detailed during the second year of the fellowship may not be held responsible for the pay, allowances, or any other benefit normally provided to the detailee.

(e) REIMBURSEMENT.—Fellows may be detailed under subsection (a)(1) without reimbursement to the United States by the American Institute in Taiwan.

(f) ALLOWANCES AND BENEFITS.—Detailees and legislative branch fellows who separate from service to participate in the fellowship may be paid by the American Institute in Taiwan for the allowances and benefits listed in subsection (c).

(g) SEPARATION OF LEGISLATIVE BRANCH PERSONNEL DURING THE FELLOWSHIPS.—

(1) IN GENERAL.—Under such terms and conditions as the agency head may direct, a legislative branch agency of the United States Government may separate from Government service for a specified period any officer or employee of such agency who accepts a fellowship under the Taiwan Fellowship Program and is not a detailee under subsection (a).

(2) RIGHTS AND BENEFITS.—

1 (A) IN GENERAL.—Notwithstanding sec-
2 tion 8347(o), 8713, or 8914 of title 5, United
3 States Code, and in accordance with regulations
4 of the Office of Personnel Management, a legis-
5 lative branch employee, while serving as a fellow
6 who is not a detailee under subsection (a), is
7 entitled to the rights and benefits described in
8 subsections (a) and (d) of section 3582 of title
9 5, United States Code.

10 (B) REIMBURSEMENT.—The American In-
11 stitute in Taiwan shall reimburse the employing
12 agency for any costs incurred for fellows under
13 subsections (a) and (d) of section 3582 of title
14 5, United States Code, during a fellowship
15 under this title and may provide any other pay
16 or allowances to such fellows.

17 **SEC. 608. FUNDING.**

18 (a) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated to the American Insti-
20 tute in Taiwan—

21 (1) for fiscal year 2023, \$2,900,000, of which—

22 (A) \$500,000 shall be used to launch the
23 Taiwan Fellowship Program through the
24 issuance of a competitive grant to an appro-
25 priate implementing partner;

1 (B) \$2,300,000 shall be used for a grant
 2 to the appropriate implementing partner; and

3 (C) \$100,000 shall be used for manage-
 4 ment expenses of the American Institute in Tai-
 5 wan related to the management of the Taiwan
 6 Fellowship Program; and

7 (2) for fiscal year 2023, and each succeeding
 8 fiscal year, \$2,400,000, of which—

9 (A) \$2,300,000 shall be used for a grant
 10 to the appropriate implementing partner; and

11 (B) \$100,000 shall be used for manage-
 12 ment expenses of the American Institute in Tai-
 13 wan related to the management of the Taiwan
 14 Fellowship Program.

15 (b) PRIVATE SOURCES.—The implementing partner
 16 selected to implement the Taiwan Fellowship Program
 17 may accept, use, and dispose of gifts or donations of serv-
 18 ices or property in carrying out such program, subject to
 19 the review and approval of the American Institute in Tai-
 20 wan.

21 **SEC. 609. SUPPORTING UNITED STATES EDUCATIONAL AND**
 22 **EXCHANGE PROGRAMS WITH TAIWAN.**

23 (a) ESTABLISHMENT OF THE UNITED STATES-TAI-
 24 WAN CULTURAL EXCHANGE FOUNDATION.—The Sec-

1 retary of State should consider establishing an inde-
 2 pendent nonprofit entity that—

3 (1) is dedicated to deepening ties between the
 4 future leaders of Taiwan and the future leaders of
 5 the United States; and

6 (2) works with State and local school districts
 7 and educational institutions to send high school and
 8 university students to Taiwan to study the Chinese
 9 language, culture, history, politics, and other rel-
 10 evant subjects.

11 (b) PARTNER.—State and local school districts and
 12 educational institutions, including public universities, are
 13 encouraged to partner with the Taipei Economic and Cul-
 14 tural Representative Office in the United States to estab-
 15 lish programs to promote more educational and cultural
 16 exchanges.

17 **TITLE VII—MISCELLANEOUS** 18 **PROVISIONS**

19 **SEC. 701. INVITATION OF TAIWANESE COUNTERPARTS TO** 20 **HIGH-LEVEL BILATERAL AND MULTILATERAL** 21 **FORUMS AND EXERCISES.**

22 (a) STATEMENT OF POLICY.—It is the policy of the
 23 United States to invite Taiwanese counterparts to partici-
 24 pate in high-level bilateral and multilateral summits, mili-
 25 tary exercises, and economic dialogues and forums.

1 (b) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that—

3 (1) the United States Government should invite
4 Taiwan to regional dialogues on issues of mutual
5 concern;

6 (2) the United States Government and Tai-
7 wanese counterparts should resume meetings under
8 the United States-Taiwan Trade and Investment
9 Framework Agreement and reach a bilateral free
10 trade agreement;

11 (3) the United States Government should invite
12 Taiwan to participate in bilateral and multilateral
13 military training exercises;

14 (4) the United States Government and Tai-
15 wanese counterparts should engage in a regular and
16 routine strategic bilateral dialogue on arms sales in
17 accordance with Foreign Military Sales mechanisms;
18 and

19 (5) the United States Government should sup-
20 port export licenses for direct commercial sales sup-
21 porting Taiwan's indigenous defensive capabilities.

22 **SEC. 702. REPORT ON TAIWAN TRAVEL ACT.**

23 (a) LIST OF HIGH-LEVEL VISITS.—Not later than
24 180 days after the date of the enactment of this Act, and
25 annually thereafter, the Secretary of State, in accordance

1 with the Taiwan Travel Act (Public Law 115–135), shall
2 submit to the appropriate congressional committees—

3 (1) a list of high-level officials from the United
4 States Government who have traveled to Taiwan;
5 and

6 (2) a list of high-level officials of Taiwan who
7 have entered the United States.

8 (b) ANNUAL REPORT.—Not later than 90 days after
9 the date of the enactment of this Act, and annually there-
10 after, the Secretary of State shall submit a report on the
11 implementation of the Taiwan Travel Act to the appro-
12 priate congressional committees.

13 **SEC. 703. PROHIBITIONS AGAINST UNDERMINING UNITED**
14 **STATES POLICY REGARDING TAIWAN.**

15 (a) FINDING.—Congress finds that the efforts by the
16 Government of the People’s Republic of China and the
17 Chinese Communist Party to compel private United States
18 businesses, corporations, and nongovernmental entities to
19 use language mandated by the People’s Republic of China
20 (referred to in this section as the “PRC”) to describe the
21 relationship between Taiwan and the PRC are an illegit-
22 imate attempt to enforce political censorship globally.

23 (b) SENSE OF CONGRESS.—It is the sense of Con-
24 gress that the United States Government, in coordination
25 with United States businesses and nongovernmental enti-

1 ties, should formulate a code of conduct for, and otherwise
 2 coordinate on, interacting with the Government of the
 3 PRC and the Chinese Communist Party and their affili-
 4 ated entities, the aim of which is—

5 (1) to counter PRC operations that threaten
 6 free speech, academic freedom, and the normal oper-
 7 ations of United States businesses and nongovern-
 8 mental entities; and

9 (2) to counter PRC efforts to censor the way
 10 the world refers to issues deemed sensitive to the
 11 PRC Government and Chinese Communist Party
 12 leaders, including issues related to Taiwan, Tibet,
 13 the Tiananmen Square Massacre, and the mass in-
 14 ternment of Uyghurs and other Turkic Muslims,
 15 among many other issues.

16 (c) PROHIBITION AGAINST RECOGNIZING THE PEO-
 17 PLE'S REPUBLIC OF CHINA'S CLAIMS TO SOVEREIGNTY
 18 OVER TAIWAN.—

19 (1) SENSE OF CONGRESS.—It is the sense of
 20 Congress that—

21 (A) issues related to the sovereignty of
 22 Taiwan are for the people of Taiwan to decide
 23 through the democratic process they have estab-
 24 lished;

1 (B) the dispute between the PRC and Tai-
2 wan must be resolved peacefully and with the
3 assent of the people of Taiwan;

4 (C) the 2 key obstacles to peaceful resolu-
5 tion are—

6 (i) the authoritarian nature of the
7 PRC political system under one-party rule
8 of the Chinese Communist Party, which is
9 fundamentally incompatible with Taiwan’s
10 democracy; and

11 (ii) the PRC’s pursuit of coercion and
12 aggression towards Taiwan, in potential
13 violation of the third United States-PRC
14 Joint Communiqué, which was completed
15 on August 17, 1982; and

16 (D) any attempt to coerce or force the peo-
17 ple of Taiwan to accept a political arrangement
18 that would subject them to direct or indirect
19 rule by the PRC, including a “one country, two
20 systems” framework, would constitute a grave
21 challenge to United States security interests in
22 the region.

23 (2) STATEMENT OF POLICY.—It is the policy of
24 the United States to oppose any attempt by the

1 PRC authorities to unilaterally impose a timetable
2 or deadline for unification on Taiwan.

3 (3) PROHIBITION ON RECOGNITION OF PRC
4 CLAIMS WITHOUT THE ASSENT OF PEOPLE OF TAI-
5 WAN.—No department or agency of the United
6 States Government may formally or informally rec-
7 ognize PRC claims to sovereignty over Taiwan with-
8 out the assent of the people of Taiwan, as expressed
9 directly through the democratic process.

10 (4) TREATMENT OF GOVERNMENT OF TAI-
11 WAN.—

12 (A) IN GENERAL.—The Department of
13 State and other United States Government
14 agencies shall—

15 (i) treat the democratically elected
16 government of Taiwan as the legitimate
17 representative of the people of Taiwan; and

18 (ii) end the outdated practice of refer-
19 ring to the Government in Taiwan as the
20 “authorities”.

21 (B) NO RESTRICTIONS.—Notwithstanding
22 the continued supporting role of the American
23 Institute in Taiwan in carrying out United
24 States foreign policy and protecting United
25 States interests in Taiwan, the United States

1 Government may not place any undue restric-
2 tions on the ability of officials of the Depart-
3 ment of State and other United States Govern-
4 ment agencies from interacting directly and
5 routinely with counterparts in the Taiwan gov-
6 ernment.

7 (C) RULE OF CONSTRUCTION.—Nothing in
8 this paragraph may be construed as—

9 (i) restoring diplomatic relations with
10 the Republic of China (Taiwan), which
11 were terminated on January 1, 1979; or

12 (ii) altering the United States Govern-
13 ment’s position on Taiwan’s international
14 status.

15 (d) STRATEGY TO PROTECT UNITED STATES BUSI-
16 NESSES AND NONGOVERNMENTAL ENTITIES FROM COER-
17 CION.—

18 (1) IN GENERAL.—Not later than 90 days after
19 the date of the enactment of this Act, the Secretary
20 of State, in consultation with the Secretary of Com-
21 merce, the Secretary of the Treasury, and the heads
22 of other relevant Federal agencies, shall submit an
23 unclassified report, with a classified annex, if nec-
24 essary, on how to protect United States businesses
25 and nongovernmental entities from PRC operations,

1 including coercion and threats that lead to censor-
2 ship or self-censorship, or which compel compliance
3 with political or foreign policy positions of the Gov-
4 ernment of the People's Republic of China and the
5 Chinese Communist Party.

6 (2) ELEMENTS.—The strategy shall include—

7 (A) information regarding efforts by the
8 PRC Government to censor the websites of
9 United States airlines, hotels, and other busi-
10 nesses regarding the relationship between Tai-
11 wan and the PRC;

12 (B) information regarding efforts by the
13 PRC Government to target United States non-
14 governmental entities through operations in-
15 tended to weaken support for Taiwan;

16 (C) information regarding United States
17 Government efforts to counter the threats posed
18 by Chinese state-sponsored propaganda and
19 disinformation, including information on best
20 practices, current successes, and existing bar-
21 riers to responding to such threat; and

22 (D) details of any actions undertaken to
23 create the code of conduct described in sub-
24 section (b), including a timetable for the imple-
25 mentation of such code of conduct.

1 **TITLE VIII—SANCTIONS MEAS-**
 2 **URES FOR CROSS-STRAIT**
 3 **STABILITY**

4 **SEC. 801. DEFINITIONS.**

5 In this title:

6 (1) ADMISSION; ADMITTED; ALIEN.—The terms
 7 “admission”, “admitted”, and “alien” have the
 8 meanings given such terms in section 101 of the Im-
 9 migration and Nationality Act (8 U.S.C. 1101).

10 (2) APPROPRIATE COMMITTEES OF CON-
 11 GRESS.—The term “appropriate committees of Con-
 12 gress” means—

13 (A) the Committee on Foreign Relations of
 14 the Senate;

15 (B) the Committee on Banking, Housing,
 16 and Urban Affairs of the Senate;

17 (C) the Committee on Foreign Affairs of
 18 the House of Representatives; and

19 (D) the Committee on Financial Services
 20 of the House of Representatives.

21 (3) CCP.—The term “CCP” means the Chinese
 22 Communist Party.

23 (4) FINANCIAL INSTITUTION.—The term “fi-
 24 nancial institution” means a financial institution
 25 specified in subparagraph (A), (B), (C), (D), (E),

1 (F), (G), (H), (I), (J), (M), or (Y) of section
2 5312(a)(2) of title 31, United States Code.

3 (5) FOREIGN FINANCIAL INSTITUTION.—The
4 term “foreign financial institution” has the meaning
5 given such term in regulations prescribed by the
6 Secretary of the Treasury.

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

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

15 (8) UNITED STATES PERSON.—The term
16 “United States person” means—

17 (A) a United States citizen or an alien law-
18 fully admitted for permanent residence to the
19 United States; or

20 (B) an entity organized under the laws of
21 the United States or of any jurisdiction within
22 the United States, including a foreign branch of
23 such an entity.

1 **SEC. 802. DETERMINATIONS WITH RESPECT TO ACTIVITIES**
2 **OF THE PEOPLE'S REPUBLIC OF CHINA IM-**
3 **PACTING TAIWAN.**

4 (a) IN GENERAL.—The President shall determine, in
5 accordance with subsection (b), whether—

6 (1) the Government of the People's Republic of
7 China, including through any of its proxies, is know-
8 ingly engaged in a significant escalation in hostile
9 action in or against Taiwan, compared to the level
10 of hostile action in or against Taiwan before Decem-
11 ber 1, 2021; and

12 (2) if such engagement exists, whether such es-
13 calation has the significant effect of—

14 (A) undermining, overthrowing, or disman-
15 tling the governing institutions in Taiwan;

16 (B) occupying the territory of Taiwan; or

17 (C) interfering with the territorial integrity
18 of Taiwan.

19 (b) TIMING OF DETERMINATIONS.—The President
20 shall make the determination described in subsection (a)—

21 (1) not later than 15 days after the date of the
22 enactment of this Act;

23 (2) after the first determination under para-
24 graph (1), not less frequently than once every 90
25 days (or more frequently, if warranted) during the

1 1-year period beginning on such date of enactment;
 2 and

3 (3) after the end of such 1-year period, not less
 4 frequently than once every 120 days.

5 (c) REPORT REQUIRED.—Upon making a determina-
 6 tion described in subsection (a), the President shall submit
 7 a report describing the factors influencing such determina-
 8 tion to—

9 (1) the appropriate committees of Congress;

10 (2) the Committee on Armed Services of the
 11 Senate; and

12 (3) the Committee on Armed Services of the
 13 House of Representatives.

14 **SEC. 803. IMPOSITION OF SANCTIONS ON OFFICIALS OF**
 15 **THE GOVERNMENT OF THE PEOPLE’S REPUB-**
 16 **LIC OF CHINA RELATING TO OPERATIONS IN**
 17 **TAIWAN.**

18 (a) IN GENERAL.—Not later than 60 days after mak-
 19 ing an affirmative determination under section 802, the
 20 President shall, to the extent they can be identified, im-
 21 pose the sanctions described in section 808 with respect
 22 to each of the officials specified in subsection (b).

23 (b) OFFICIALS SPECIFIED.—The officials specified in
 24 this subsection are—

1 (1) the President of the People's Republic of
2 China;

3 (2) the Premier of the People's Republic of
4 China;

5 (3) the Foreign Minister of the People's Repub-
6 lic of China;

7 (4) members of the CCP Politburo Standing
8 Committee;

9 (5) members of the CCP Party Central Military
10 Commission;

11 (6) members of the CCP Politburo;

12 (7) members of the CCP Central Committee;

13 (8) members of the CCP National Congress;

14 (9) members of the State Council of the Peo-
15 ple's Republic of China; and

16 (10) members of the State Central Military
17 Commission of the CCP.

18 (c) ADDITIONAL OFFICIALS.—

19 (1) LIST REQUIRED.—Not later than 30 days
20 after making an affirmative determination under
21 section 802 and every 90 days thereafter, the Presi-
22 dent shall submit a list to the appropriate commit-
23 tees of Congress that identifies any foreign persons
24 not specified in subsection (b) who the President de-
25 termines—

1 (A) are—

2 (i) senior officials of any branch of
3 the armed forces of the People’s Republic
4 of China leading any of the operations de-
5 scribed in section 802; or

6 (ii) senior officials of the Government
7 of the People’s Republic of China, includ-
8 ing any intelligence agencies or security
9 services of the People’s Republic of China,
10 who have significant roles in planning or
11 implementing such operations; and

12 (B) with respect to which sanctions should
13 be imposed in the interest of the national secu-
14 rity of the United States.

15 (2) IMPOSITION OF SANCTIONS.—Upon the sub-
16 mission of each list required under paragraph (1),
17 the President shall impose the sanctions described in
18 section 808 with respect to each foreign person in-
19 cluded on the list.

20 **SEC. 804. IMPOSITION OF SANCTIONS WITH RESPECT TO FI-**
21 **NANCIAL INSTITUTIONS OF THE PEOPLE’S**
22 **REPUBLIC OF CHINA.**

23 (a) IMPOSITION OF SANCTIONS.—

24 (1) IN GENERAL.—Not later than 30 days after
25 making an affirmative determination under section

802, the President shall impose the sanctions described in section 808(a) with respect to 3 or more of the following financial institutions:

(A) Industrial and Commercial Bank of China (ICBC).

(B) China Construction Bank.

(C) Bank of China.

(D) Agricultural Bank of China.

(E) Bank of Communications.

(F) China Development Bank.

(G) Postal Savings Bank of China (PSBC).

(H) Industrial Bank Co., Ltd.

(I) China CITIC Bank Corporation.

(J) China Merchants Bank.

(K) Export-Import Bank of China.

(L) Shanghai Pudong Development Bank Co., Ltd.

(M) China Everbright Bank Co., Ltd.

(N) Hua Xia Bank.

(O) Ping An Bank Co., Ltd.

(2) SUBSIDIARIES AND SUCCESSOR ENTITIES.—

The President may impose the sanctions described in section 808(a) with respect to any subsidiary of,

1 or successor entity to, a financial institution speci-
2 fied in paragraph (1).

3 (b) ADDITIONAL PEOPLE’S REPUBLIC OF CHINA FI-
4 NANCIAL INSTITUTIONS.—

5 (1) LIST REQUIRED.—Not later than 30 days
6 after making an affirmative determination under
7 section 802, and every 90 days thereafter, the Presi-
8 dent shall submit a list to the appropriate commit-
9 tees of Congress that identifies any foreign persons
10 that the President determines—

11 (A) are significant financial institutions
12 owned or operated by the Government of the
13 People’s Republic of China; and

14 (B) should be sanctioned in the interest of
15 United States national security.

16 (2) IMPOSITION OF SANCTIONS.—Upon the sub-
17 mission of each list required under paragraph (1),
18 the President shall impose the sanctions described in
19 section 808(a) with respect to each foreign person
20 identified on the list.

1 **SEC. 805. IMPOSITION OF SANCTIONS WITH RESPECT TO**
2 **PROVISION OF SPECIALIZED FINANCIAL MES-**
3 **SAGING SERVICES TO SANCTIONED PEOPLE'S**
4 **REPUBLIC OF CHINA FINANCIAL INSTITU-**
5 **TIONS.**

6 (a) LIST OF PROVIDERS OF SPECIALIZED FINANCIAL
7 MESSAGING SERVICES TO PRC FINANCIAL INSTITU-
8 TIONS.—Not later than 60 days after making an affirma-
9 tive determination under section 802, and not later than
10 30 days after the submission of any list of People's Repub-
11 lic of China financial institutions under section 804(b)(1),
12 the Secretary of State, in consultation with the Secretary
13 of the Treasury, shall submit a list to the appropriate com-
14 mittees of Congress that identifies all known persons that
15 provide specialized financial messaging services to, or that
16 enable or facilitate access to such services for, any finan-
17 cial institution specified in section 804(a) or that is on
18 the list required under section 804(b).

19 (b) REPORT ON EFFORTS TO TERMINATE THE PRO-
20 VISION OF SPECIALIZED FINANCIAL MESSAGING SERV-
21 ICES FOR SANCTIONED PEOPLE'S REPUBLIC OF CHINA
22 FINANCIAL INSTITUTIONS.—Not later than 90 days after
23 the imposition of any sanctions authorized under section
24 804, and every 30 days thereafter, as necessary, the Sec-
25 retary of State, in consultation with the Secretary of the

1 Treasury, shall submit a report to the appropriate com-
2 mittees of Congress that—

3 (1) describes the status of efforts to ensure that
4 the termination of the provision of specialized finan-
5 cial messaging services to, and the enabling and fa-
6 cilitation of access to such services for, any financial
7 institution against which sanctions are imposed pur-
8 suant to section 804; and

9 (2) identifies any other provider of specialized
10 financial messaging services that continues to pro-
11 vide messaging services to, or enables or facilitates
12 access to such services for, any such financial insti-
13 tution.

14 (c) AUTHORIZATION FOR THE IMPOSITION OF SANC-
15 TIONS.—If, on or after the date that is 90 days after the
16 imposition of any sanctions authorized under section 804,
17 a provider of financial specialized financial messaging
18 services continues to knowingly provide specialized finan-
19 cial messaging services to, or knowingly enable or facilitate
20 direct or indirect access to such messaging services for,
21 any financial institution with respect to which sanctions
22 are imposed pursuant to section 804, the President may
23 impose sanctions pursuant to that section or the Inter-
24 national Emergency Economic Powers Act (50 U.S.C.
25 1701 et seq.) with respect to such provider.

1 (d) ENABLING OR FACILITATION OF ACCESS TO SPE-
 2 CIALIZED FINANCIAL MESSAGING SERVICES THROUGH
 3 INTERMEDIARY FINANCIAL INSTITUTIONS.—For purposes
 4 of this section, enabling or facilitating direct or indirect
 5 access to specialized financial messaging services includes
 6 doing so by serving as an intermediary financial institu-
 7 tion with access to such messaging services.

8 (e) FORM OF LISTS AND REPORTS.—Each list re-
 9 quired under subsection (a) and each report required
 10 under subsection (b) shall be submitted in unclassified
 11 form, but may include a classified annex.

12 **SEC. 806. IMPOSITION OF SANCTIONS WITH RESPECT TO**
 13 **PEOPLE’S REPUBLIC OF CHINA EXTRACTIVE**
 14 **INDUSTRIES.**

15 (a) IDENTIFICATION.—Not later than 60 days after
 16 making an affirmative determination under section 802,
 17 the President shall identify foreign persons involved in any
 18 of the sectors or industries described in subsection (b) that
 19 the President determines should be sanctioned in the in-
 20 terest of United States national security.

21 (b) SECTORS AND INDUSTRIES DESCRIBED.—The
 22 sectors and industries described in this subsection are—

- 23 (1) oil and gas extraction and production;
- 24 (2) coal extraction, mining, and production;
- 25 (3) minerals extraction and processing; and

1 (4) any other sector or industry with respect to
2 which the President determines the imposition of
3 sanctions is in the United States national security
4 interest.

5 (c) LIST; IMPOSITION OF SANCTIONS.—Not later
6 than 90 days after making an affirmative determination
7 under section 802, the President shall—

8 (1) submit a list of the persons identified under
9 subsection (a) to the appropriate committees of Con-
10 gress; and

11 (2) impose the sanctions described in section
12 808 with respect to each such person.

13 **SEC. 807. ADDITIONAL SANCTIONS.**

14 (a) IN GENERAL.—Beginning on the date that is 90
15 days after the date of the enactment of this Act, the Presi-
16 dent shall impose the sanctions described in section 808
17 on any foreign person that the President determines, while
18 acting for or on behalf of the Government of the People’s
19 Republic of China, knowingly—

20 (1) ordered or engaged directly in activities
21 interfering significantly in a democratic process in
22 Taiwan; or

23 (2) with the objective of destabilizing Taiwan,
24 engaged directly in, or ordered—

25 (A) malicious cyber-enabled activities; or

1 (B) any military exercise that crossed that
2 “middle line” in the Taiwan Strait.

3 (b) WAIVER.—The President may waive the applica-
4 tion of sanctions under this section if the President sub-
5 mits to the appropriate committees of Congress a written
6 determination that such waiver is in the national interests
7 of the United States.

8 **SEC. 808. SANCTIONS DESCRIBED.**

9 (a) PROPERTY BLOCKING.—Except as provided in
10 section 810, the President shall exercise all of the powers
11 granted by the International Emergency Economic Powers
12 Act (50 U.S.C. 1701 et seq.) to the extent necessary to
13 block and prohibit all transactions in all property and in-
14 terests in property of the foreign person if such property
15 and interests in property are in the United States, come
16 within the United States, or are or come within the posses-
17 sion or control of a United States person.

18 (b) ALIENS INADMISSIBLE FOR VISAS, ADMISSION,
19 OR PAROLE.—

20 (1) VISAS, ADMISSION, OR PAROLE.—In the
21 case of an alien, the alien is—

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 para-
8 graph (1) shall be revoked, regardless of when
9 such visa or other entry documentation was
10 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 **SEC. 809. IMPLEMENTATION; REGULATIONS; PENALTIES.**

18 (a) IMPLEMENTATION.—The President may exercise
19 all authorities provided to the President under sections
20 203 and 205 of the International Emergency Economic
21 Powers Act (50 U.S.C. 1702 and 1704) to carry out this
22 title.

23 (b) RULEMAKING.—The President shall issue such
24 regulations, licenses, and orders as are necessary to carry
25 out this title.

1 (c) PENALTIES.—Any person that violates, attempts
 2 to violate, conspires to violate, or causes a violation of this
 3 title, or any regulation, license, or order issued to carry
 4 out this title, shall be subject to the penalties set forth
 5 in subsections (b) and (c) of section 206 of the Inter-
 6 national Emergency Economic Powers Act (50 U.S.C.
 7 1705) to the same extent as a person that commits an
 8 unlawful act described in subsection (a) of that section.

9 **SEC. 810. EXCEPTIONS; WAIVER.**

10 (a) EXCEPTIONS.—

11 (1) EXCEPTION FOR INTELLIGENCE ACTIVI-
 12 TIES.—This title shall not apply with respect to—

13 (A) activities subject to the reporting re-
 14 quirements under title V of the National Secu-
 15 rity Act of 1947 (50 U.S.C. 3091 et seq.); or

16 (B) authorized intelligence activities of the
 17 United States.

18 (2) EXCEPTION FOR COMPLIANCE WITH INTER-
 19 NATIONAL OBLIGATIONS AND LAW ENFORCEMENT
 20 ACTIVITIES.—Sanctions under this title shall not
 21 apply with respect to an alien if admitting or parol-
 22 ing such alien into the 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.

8 (3) EXCEPTION RELATING TO IMPORTATION OF
 9 GOODS.—

10 (A) DEFINED TERM.—In this paragraph,
 11 the term “good” means any article, natural or
 12 manmade substance, material, supply, or manu-
 13 factured product, including inspection and test
 14 equipment, and excluding technical data.

15 (B) IN GENERAL.—Notwithstanding any
 16 other provision of this title, the authority or a
 17 requirement to impose sanctions under this title
 18 shall not include the authority or a requirement
 19 to impose sanctions on the importation of
 20 goods.

21 (b) NATIONAL SECURITY WAIVER.—The President
 22 may waive the imposition of sanctions based on a deter-
 23 mination under section 802 with respect to a person if
 24 the President—

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

3 (2) submits a notification of the waiver and the
4 reasons for the waiver to the appropriate committees
5 of Congress.

6 **SEC. 811. TERMINATION.**

7 The President may terminate the sanctions imposed
8 under this title based on a determination under section
9 802, after determining and certifying to the appropriate
10 committees of Congress that the Government of the Peo-
11 ple's Republic of China—

12 (1) has verifiably ceased the activities described
13 in section 802(a) with respect to operations against
14 Taiwan; and

15 (2) to the extent applicable, has entered into an
16 agreed settlement with a legitimate democratic Gov-
17 ernment of Taiwan.

18 **TITLE IX—RULE OF**
19 **CONSTRUCTION**

20 **SEC. 901. RULE OF CONSTRUCTION.**

21 Nothing in this Act may be construed—

22 (1) to restore diplomatic relations with the Re-
23 public of China; or

- 1 (2) to alter the United States Government's po-
- 2 sition with respect to the international status of the
- 3 Republic of China.

