AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3524
OFFERED BY M r. CHABOT

At the appropriate place, insert the following new title:

1 TITLE —TAIWAN RELATIONS
MODERNIZATION ACT
Subtitle A—U.S.-Taiwan Relations
SEC. ___. STATEMENT OF POLICY ON ENHANCING THE
UNITED STATES-TAIWAN PARTNERSHIP.

It is the policy of the United States—
(1) to recognize Taiwan as a vital part of the
United States Indo-Pacific strategy;
(2) to advance the security of Taiwan and its
democracy as key elements for the continued peace
and stability of the greater Indo-Pacific region, and
a vital national security interest of the United
States;
(3) to reinforce its commitments to Taiwan
under the Taiwan Relations Act (Public Law 96–8)
and the “Six Assurances”;
(4) to support Taiwan’s implementation of its
asymmetric defense strategy;
(5) to urge Taiwan to increase its defense spending in order to fully resource its defense strategy;

(6) to conduct regular transfers of defense articles to Taiwan in order to enhance Taiwan’s self-defense capabilities, particularly its efforts to develop and integrate asymmetric capabilities, including anti-ship, coastal defense, anti-armor, air defense, undersea warfare, advanced command, control, communications, computers, intelligence, surveillance, and reconnaissance, and resilient command and control capabilities, into its military forces;

(7) to advocate and actively advance Taiwan’s meaningful participation in the United Nations, the World Health Assembly, the International Civil Aviation Organization, the International Criminal Police Organization, and other international bodies as appropriate;

(8) to advocate for information sharing with Taiwan in the International Agency for Research on Cancer;

(9) to promote meaningful cooperation among the United States, Taiwan, and other like-minded partners;
(10) to enhance bilateral trade, including potentially through new agreements or resumption of talks related to a possible Trade and Investment Framework Agreement;
(11) to actively engage in trade talks in pursuance of a bilateral free trade agreement;
(12) to expand bilateral economic and technological cooperation, including improving supply chain security;
(13) to support United States educational and exchange programs with Taiwan, including by promoting the study of Chinese language, culture, history, and politics in Taiwan; and
(14) to expand people-to-people exchanges between the United States and Taiwan.

SEC. 13. REAUTHORIZATION OF TAIWAN ASSURANCE ACT.

Section 315 of subtitle B of division FF of the Consolidated Appropriations Act, 2021 (Public Law 116–260; commonly referred to as the Taiwan Assurance Act) is amended adding at the end the following:

“(d) Periodic Review—For as long as the guidance described in subsection (a) remains in effect, the Secretary shall conduct periodic reviews as described in subsection (a) and submit updated reports as described in subsection (c) not less frequently than every two years following the
submission of the initial report described in subsection 4 (e)."

SEC. _____. TAIWAN SYMBOLS OF SOVEREIGNTY.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall rescind any contact guideline, internal restriction, section of the Foreign Affairs Manual or Foreign Affairs Handbook, related guidance, or related policies that, explicitly or implicitly, including through restrictions or limitations on activities of United States personnel, limits the ability of members of the armed forces of the Republic of China (Taiwan) and government representatives from the Taipei Economic and Cultural Representative Office (TECRO) to display for official purposes symbols of Republic of China sovereignty, including—

(1) the flag of the Republic of China (Taiwan); and

(2) the corresponding emblems or insignia of military units.

(b) OFFICIAL PURPOSES DEFINED.—In this section, the term "official purposes" means—

(1) the wearing of official uniforms;

(2) conducting government-hosted ceremonies or functions; and
(3) appearances on Department of State social media accounts promoting engagements with Taiwan.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as entailing restoration of diplomatic relations with the Republic of China (Taiwan) or altering the United States Government’s position on Taiwan’s international status.

SEC. ____ TREATMENT OF TAIWAN GOVERNMENT.

(a) IN GENERAL.—Nothing in this Act or any other provision of law may be construed to require the United States Government to refer to the democratically elected government of Taiwan as the “Taiwan authorities,” or preclude referring to the democratically elected government of Taiwan as a “government.”

(b) ENGAGEMENT WITH TAIWAN GOVERNMENT.—The Department of State and other United States Government departments and agencies shall engage with the democratically elected government of Taiwan as the legitimate representative of the people of Taiwan and end the outdated practice of referring to the Government of Taiwan as the “Taiwan authorities”. Notwithstanding the continued supporting role of the American Institute in Taiwan in carrying out United States foreign policy and protecting United States interests in Taiwan, the United
States Government shall not place any restrictions on the
ability of officials of the Department of State and other
United States Government departments and agencies to
interact directly and routinely with counterparts in the
Taiwan government.

(b) RULE OF CONSTRUCTION.—Nothing in this sec-
tion may be construed as entailing restoration of diplo-
matic relations with the Republic of China (Taiwan) or
altering the United States Government’s position on Tai-
wan’s international status.

SEC. ___. REPRESENTATIVE TITLE FOR DIRECTOR OF

AMERICAN INSTITUTE IN TAIWAN’S TAIPEI
OFFICE.

The position of Director of the American Institute in
Taiwan’s Taipei office shall have the title of Representa-
tive.

SEC. ___. AUTHORIZATION OF GLOBAL COOPERATION AND
TRAINING FRAMEWORK.

(a) GLOBAL COOPERATION AND TRAINING FRAME-
WORK.—

(1) IN GENERAL.—The Secretary of State is
authorized to conduct training programs, workshops,
and other activities with the government of Taiwan
pursuant to the Memorandum of Understanding be-
tween the United States and Taiwan signed in 2015 on the Global Cooperation and Training Framework.

(2) SENSE OF CONGRESS.—It is the sense of Congress that Global Cooperation and Training Framework activities that promote ties between the United States, Taiwan, and other democratic partners, or that undergird Taiwan's diplomatic relationships, or that counter malign authoritarian activities, are particularly beneficial to our shared interests, and that examples of such activities in 2019 include:

(A) the “Good Energy Governance in the Indo-Pacific” workshop, co-hosted by Japan, and Australia;

(B) the “International Austronesian Languages Revitalization Forum,” co-hosted with Japan and held in Palau, a nation that maintains diplomatic relations with Taiwan; and

(C) the “Defending Democracy through Media Literacy II” workshop, which focused on addressing and countering disinformation in democratic elections and was co-hosted by Japan and Sweden.

(D) the “Anti-Corruption in the Public and Private Sections” workshop, which focused on
promoting clean governance, preventing corporate governance, and preserving competitiveness through trade secret protection, and co-hosted by Japan.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $3,000,000 for each of the fiscal years 2026 through 2026 for the Global Cooperation and Training Framework.

Subtitle B—U.S.-Taiwan Defense and Security Cooperation

SEC. ___. BOLSTERING THE UNITED STATES SECURITY PARTNERSHIP WITH TAIWAN.

(a) SENSE OF CONGRESS.—It is the Sense of Congress that steps to bolster United States security partnership in the Indo-Pacific must include encouraging and facilitating Taiwan’s accelerated acquisition of asymmetric defense capabilities, which are crucial to defending the islands of Taiwan from invasion, including long-range precision fires, munitions, anti-ship missiles, coastal defense, antiarmor, air defense, undersea warfare, advanced command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR), and resilient command and control capabilities, and increasing the conduct of relevant and practical training and exercises with Taiwan’s defense forces;
(b) Statement of Policy.—It shall be the policy of the United States—

(1) to strenuously oppose any action by the People's Republic of China to use force to change the status quo on Taiwan; and

(2) that, in order to deter the use of force by the People's Republic of China to change the status quo on Taiwan, the United States should coordinate with allies and partners to identify and develop significant economic, diplomatic, and other measures to deter and impose costs on any such action by the People's Republic of China, and to bolster deterrence by articulating such policies publicly, as appropriate and in alignment with United States interests.

SEC. 8. STRATEGY TO RESPOND TO SHARP POWER OPERATIONS TARGETING TAIWAN.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall develop and implement a strategy to respond to sharp power operations and the united front campaign supported by the Government of the People's Republic of China and the Chinese Communist Party that are directed toward persons or entities in Taiwan.

(b) Elements.—The strategy required under subsection (a) shall include the following elements:
(1) Development of a response to PRC propaganda and disinformation campaigns and cyber-intrusions targeting Taiwan, including—

(A) assistance in building the capacity of the Taiwan government and private-sector entities to document and expose propaganda and disinformation supported by the Government of the People’s Republic of China, the Chinese Communist Party, or affiliated entities;

(B) assistance to enhance the Taiwan government’s ability to develop a whole-of-government strategy to respond to sharp power operations, including election interference; and

(C) media training for Taiwan officials and other Taiwan entities targeted by disinformation campaigns.

(2) Development of a response to political influence operations that includes an assessment of the extent of influence exerted by the Government of the People’s Republic of China and the Chinese Communist Party in Taiwan on local political parties, financial institutions, media organizations, and other entities.
(3) Support for exchanges and other technical assistance to strengthen the Taiwan legal system’s ability to respond to sharp power operations.

(4) Establishment of a coordinated partnership, through the Global Cooperation and Training Framework, with like-minded governments to share data and best practices with the Government of Taiwan on ways to address sharp power operations supported by the Government of the People’s Republic of China and the Chinese Communist Party.

SEC. ___. REPORT.

Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Secretary of Defense, shall submit to the appropriate committees a report on the feasibility of enhancing the self-defense capabilities of Taiwan through the Foreign Military Financing program of the Department of State.

SEC. ___. BRIEFING ON TAIWAN SECURITY COOPERATION.

Section 1260A of the National Defense Authorization Act for Fiscal Year 2021 (Public Law 116–283) is amended—

(1) by striking the heading and inserting “ANNUAL BRIEFING ON TAIWAN SECURITY OPERATION”; and
(2) by adding at the appropriate place in subsection (b) the following new paragraph:

“(4) A description of United States efforts to help Taiwan deter and defeat any military aggression, including bilateral and multilateral—

“(A) individual- and unit-level training;

and

“(B) operational exercise programs that build combined readiness, interoperability, lethality, survivability, joint planning capability, and shared warfighting situational awareness.”

SEC. ___.

TAIWAN STATUS REGARDING EXCESS DEFENSE ARTICLES.

Taiwan shall receive the same benefits conferred for the purposes of transfers pursuant to section 516(e)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(2)).

Subtitle C—U.S.-Taiwan Technology & Economic Cooperation and Harmonization Act

SEC. ___.

FINDINGS.

Congress finds the following:

(1) Taiwan is the United States’ tenth largest partner for bilateral trade in goods, with total trade of $86 billion, and the United States’ fifteenth larg-
est export market, a destination for $31.8 billion in U.S. exports in 2019.

(2) Bilateral trade data dramatically understates Taiwan’s importance to the United States’ economy. The trade data does not include the IP licensing and contracted manufacturing relationships between the United States and Taiwan and does not include the overseas production of Taiwan companies for export to the United States. In 2018, Taiwan firms received $146 billion in U.S. export orders compared with official U.S. data that showed $46 billion in Taiwan merchandise exports to the United States.

(3) Advanced technology supply chains are of particular importance to the U.S.-Taiwan relationship, and companies from the United States and Taiwan share mutually beneficial links that have allowed them to collectively establish a dominant position in the global manufacture of advanced microelectronics, a strategic industry of existential importance for the United States’ national security and economic prosperity. For example, 60% of Taiwan Semiconductor Manufacturing Corporation’s revenue derived from North American customers in 2019. In 2018, Taiwan was the third largest importer of
semiconductor manufacturing equipment produced
in the United States.

(4) U.S.-Taiwan advanced technology supply
chains, especially microelectronics supply chains,
face significant external threats from malign indus-
trial policies that pose both military and economic
risks.

SEC. ___ U.S.-TAIWAN TECHNOLOGY AND ECONOMIC SECU-
RITY STRATEGY.

(a) IN GENERAL.—Not later than 90 days after the
enactment of this Act, and annually thereafter for a period
of four years, the Secretary of State, following interagency
consultation as appropriate, shall submit to the appro-
priate Congressional Committees a strategy to deepen
U.S.-Taiwan economic relations and strengthen supply
chain security in critical technologies.

(b) SUBJECT MATTER.—The strategy specified in
subsection (a) shall include:

(1) a description of the full range of U.S. inter-
ests in U.S.-Taiwan economic relations;

(2) an identification of requests the government
of Taiwan has made to the United States relating to
our shared economic relations that remain out-
standing;
(3) an identification of requests the United States has made to the government of Taiwan relating to our shared economic relations that remain outstanding;

(4) a description of specific steps the administration plans to take to address each such unresolved issue;

(5) an identification of critical technology supply chains of particular importance to the U.S.-Taiwan economic relationship, U.S.-Taiwan interactions regarding such supply chains, and specific steps the administration plans to take to enhance the security and harmonize the regulation of such supply chains; and

(6) a description of government-to-government interactions between the United States and Taiwan that have or will be conducted to address the matters described in paragraphs (1) through (5).

(c) FORM.—The report specified in subsection (a) shall be submitted in unclassified form, but may include a classified annex.

SEC. ___. U.S.-TAIWAN ECONOMIC PROSPERITY PARTNERSHIP DIALOGUE.

(a) IN GENERAL.—The Secretary of State, or their designee at no lower than the rank of Undersecretary,
with interagency consultation and participation as appropriate, shall convene an Economic Prosperity Partnership Dialogue with the government of Taiwan.

(b) **FREQUENCY AND LOCATION.**—The Economic Prosperity Partnership Dialogue shall be convened annually and shall be held in an alternating basis in Washington, D.C., and Taipei.

(c) **SUBJECT MATTER OF DIALOGUE.**—The subject matter of the dialogue shall include:

(1) The matters included in the U.S. Taiwan Technology and Economic Security Strategy.

(2) Efforts to align and harmonize export controls rules and licensing policies, the definition of critical technologies, and the administration and enforcement of export controls for critical technologies, including deemed exports.

(3) The advancement of mutual economic security priorities of the United States and Taiwan, such as joint efforts to secure technology supply chains, invest in secure production, and reduce dependencies on adversarial countries for a significant source of revenues.

(4) Cooperation to respond to shared threats to economic security and technology supply chains, such as malign industrial policies that seek to ex-
tract technological talent, know-how, and expertise
from such supply chains in Taiwan and the United
States, specifically including human capital.

(5) U.S.-Taiwan research collaboration, edu-
cational exchange, and strategic investment and
R&D for critical technologies.

(d) WORKING LEVEL ENGAGEMENT.—The Secretary
shall conduct continuing engagements and consultations
with the Government of Taiwan at the working level as
necessary to advance the U.S.-Taiwan Technology and

(e) CONGRESSIONAL CONSULTATION.—The Sec-
retary or their designee shall consult with the appropriate
Congressional Committees prior to and after convening
each U.S.-Taiwan Economic Prosperity Partnership Dia-
logue.

SEC. ___. APPROPRIATE CONGRESSIONAL COMMITTEES
DEFINED.

In this title, the term “appropriate Congressional
Committees” means the Committee on Foreign Affairs of
the House of Representatives and the Committee on For-
eign Relations of the Senate.