

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.

S. 1216

To support Taiwan’s international space, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended
to be proposed by Mr. VAN HOLLEN (for himself and
Mr. CURTIS)

Viz:

1 Strike all after the enacting clause and insert the fol-

2 lowing:

3 **SECTION 1. SHORT TITLE.**

4 This subtitle may be cited as the “Taiwan Allies

5 Fund Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) Taiwan is a free and prosperous democracy

9 of more than 23,000,000 people and an important

10 contributor to peace and stability around the world.

1 (2) The People’s Republic of China (PRC) has
2 engaged in a years-long campaign to diplomatically
3 isolate Taiwan on the world stage.

4 (3) Since 2013, the Gambia, Sao Tome and
5 Principe, Panama, the Dominican Republic, Burkina
6 Faso, El Salvador, the Solomon Islands, Kiribati,
7 Nicaragua, Honduras, and, most recently in 2024,
8 Nauru have severed diplomatic relations with Tai-
9 wan in favor of diplomatic relations with the Peo-
10 ple’s Republic of China.

11 (4) The People’s Republic of China has used
12 economic and diplomatic intimidation against coun-
13 tries pursuing unofficial relations with Taiwan, in-
14 cluding Lithuania, Czechia, and the United States.

15 (5) The Taiwan Relations Act of 1979 (Public
16 Law 96–8) states that it is the policy of the United
17 States “to maintain the capacity of the United
18 States to resist any resort to force or other forms
19 of coercion that would jeopardize the security, or the
20 social or economic system, of the people on Taiwan”.

21 (6) The Taiwan Allies International Protection
22 and Enhancement Initiative (TAIPEI) Act of 2019
23 (Public Law 116–135) states that the United States
24 Government should—

1 (A) “support Taiwan in strengthening its
2 official diplomatic relationships as well as other
3 partnerships with countries in the Indo-Pacific
4 region and around the world”; and

5 (B) “consider, in certain cases as appro-
6 priate and in alignment with United States in-
7 terests, increasing its economic, security, and
8 diplomatic engagement with nations that have
9 demonstrably strengthened, enhanced, or up-
10 graded relations with Taiwan”.

11 **SEC. 3. SENSE OF CONGRESS.**

12 It is the sense of Congress that the United States
13 Government should—

14 (1) advocate, as appropriate, for Taiwan’s en-
15 gagement on the global stage, including at inter-
16 national organizations;

17 (2) promote the preservation and expansion of
18 Taiwan’s official diplomatic relations with countries
19 around the world;

20 (3) expand Taiwan’s unofficial relations with
21 countries around the world;

22 (4) encourage countries with unofficial relations
23 with Taiwan to deepen their engagement; and

24 (5) advance the economic development of coun-
25 tries that support Taiwan.

1 **SEC. 4. TAIWAN ALLIES FUND.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—Of the
3 amounts made available under the Countering People’s
4 Republic of China Influence Fund for each of fiscal years
5 2026, 2027, and 2028, there is authorized to be appro-
6 priated \$10,000,000 for each such fiscal year to support
7 Taiwan’s international space.

8 (b) ELIGIBLE COUNTRIES.—Amounts available pur-
9 suant to the authorization of appropriations under sub-
10 section (a) may be used in countries that—

11 (1) maintain official relations with Taiwan or
12 the Secretary of State certifies to Congress have
13 meaningfully strengthened unofficial relations with
14 Taiwan;

15 (2) have been subject to coercion or pressure by
16 the People’s Republic of China due to their relations
17 with Taiwan; and

18 (3) lack the economic or political capability to
19 effectively respond to such coercion or pressure by
20 the People’s Republic of China without the support
21 of the United States.

22 (c) USE OF FUNDS.—Amounts available pursuant to
23 the authorization of appropriations under subsection (a)
24 may be used to support any of the following activities in
25 the countries described in subsection (b) if such activities
26 have a direct linkage to the goal of supporting Taiwan’s

1 international engagement, are aligned with clear and jus-
2 tifiable United States counter-PRC strategic imperatives
3 that guide all programs funded by the Counter PRC Infl-
4 uence Fund, and support United States national interests
5 :

6 (1) To support initiatives that provide alter-
7 natives to the People's Republic of China health,
8 digital, and energy initiatives.

9 (2) To build the capacity and resilience of civil
10 society, media, and other nongovernmental organiza-
11 tions in countering the malign influence of the Peo-
12 ple's Republic of China.

13 (3) To diversify supply chains away from the
14 People's Republic of China, particularly to mitigate
15 vulnerabilities to PRC economic coercion.

16 (4) To provide alternatives to People's Republic
17 of China development assistance and project financ-
18 ing and to expose the People's Republic of China's
19 failure to deliver on development promises or other
20 negative aspects of PRC development assistance.

21 (5) To support Taiwan's official or unofficial
22 diplomatic presence abroad or advance Taiwan's
23 meaningful participation in international fora and
24 multilateral organizations.

1 (6) To provide United States or allied alter-
2 natives to People's Republic of China information
3 and communications technology infrastructure and
4 components, in coordination with the private sector,
5 as appropriate.

6 (7) To strengthen the capacity of partner coun-
7 tries to address and reduce the impacts of foreign
8 malign influence operations, propaganda, and other
9 asymmetric informational activities originating from
10 the People's Republic of China.

11 (8) To mitigate a country's specific
12 vulnerabilities to the People's Republic of China's
13 coercion over the country's relationship with Taiwan.

14 (d) LIMITATION ON FUNDS.—A country described in
15 subsection (b) may not receive more than \$5,000,000 of
16 funds made available pursuant to the authorization of ap-
17 propriations under subsection (a) during any fiscal year.

18 (e) IMPLEMENTATION.—

19 (1) IN GENERAL.—The Secretary of State, in
20 consultation with the heads of other relevant Federal
21 agencies, shall coordinate and carry out activities de-
22 scribed in subsection (c).

23 (2) AUTHORITIES.—Amounts available pursu-
24 ant to the authorization of appropriations under
25 subsection (a) may be considered foreign assistance

1 under the Foreign Assistance Act of 1961 (22
2 U.S.C. 2151 et seq.) for purposes of making avail-
3 able the administrative authorities in that Act and
4 may be transferred to, and merged with, funds made
5 available for any provision of the Foreign Assistance
6 Act of 1961 to carry out the purposes of this sec-
7 tion, except that such funds shall remain available
8 until expended.

9 (3) COORDINATION WITH TAIWAN.—In order to
10 maximize cost efficiency and eliminate duplication,
11 the Secretary of State should ensure coordination
12 with relevant counterparts in Taiwan, as appro-
13 priate.

14 (4) COST-SHARING WITH TAIWAN.—The Sec-
15 retary of State shall, to the maximum extent prac-
16 ticable, encourage cost-sharing arrangements with
17 Taiwan for the assistance described in subsection (b)
18 or otherwise complementary assistance.

19 (5) REPORT.—

20 (A) IN GENERAL.—Not later than 1 year
21 after the date of the enactment of this section,
22 and annually thereafter for two years, the Sec-
23 retary of State shall submit to the appropriate
24 congressional committees a report on activities

1 described in this section that were carried out
2 during the preceding fiscal year.

3 (B) ELEMENTS.—Each report required by
4 subparagraph (A) shall include—

5 (i) with respect to each activity de-
6 scribed in subsection (c)—

7 (I) the amount of funding for the
8 activity;

9 (II) the goal to which the activity
10 relates; and

11 (III) an assessment of the suc-
12 cess of the activity to meet the goal to
13 which the activity relates; and

14 (ii) with respect to this subsection—

15 (I) the amount of funding for the
16 activity provided by Taiwan during
17 the preceding year, if any; and

18 (II) an assessment of whether
19 the funding described in subclause (I)
20 is commensurate with funding pro-
21 vided by the United States.

22 (f) RULE OF CONSTRUCTION.—Nothing in this sec-
23 tion may be construed to apply to or limit United States
24 foreign assistance not provided using amounts available

1 pursuant to the authorization of appropriations under sub-
2 section (a).

3 (g) APPROPRIATE CONGRESSIONAL COMMITTEES
4 DEFINED.—In this section, the term “appropriate con-
5 gressional committees” means—

6 (1) the Committee on Foreign Relations of the
7 Senate; and

8 (2) the Committee on Foreign Affairs of the
9 House of Representatives.