

Congress of the United States
Washington, DC 20515

December 15, 2022

The Honorable Charles E. Schumer
Majority Leader
United State Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Mr. Schumer, Ms. Pelosi, Mr. McConnell, and Mr. McCarthy:

We write to underscore the critical importance of providing robust levels of Foreign Military Financing (FMF) security assistance to Taiwan, Ukraine, and U.S. partners supporting Ukraine in the next supplemental funding package. As the war in Ukraine has demonstrated, it is imperative that the United States provide partners with strategic, long-term security assistance well in advance of conflict in order to effectively deter, and, when necessary, to respond to, acts of aggression. Such long-term planning is also necessary in terms of providing support in times of crisis without undue strain on U.S. defense stocks.

In recognition of the aforementioned strategic imperative for the United States to provide security assistance to Taiwan and Ukraine, we, as the chairs and ranking members of the Senate Foreign Relations and House Foreign Affairs Committees, have included the Taiwan Enhanced Resilience Act (TERA), formerly known as the Taiwan Policy Act, and strengthened the Ukraine Security Assistance Initiative, in this year's National Defense Authorization Act (NDAA).

Pursuant to these authorizations, we urge you to appropriate at least \$500 million in emergency appropriations for the FMF grant program as authorized for Taiwan, in addition to the loan authorities provided. Additionally, we request \$1 billion in emergency appropriations to replenish capabilities provided to Taiwan under the drawdown authority in TERA. Further, we also request \$500 million in FMF to support the Ukrainian military's ongoing resistance to Vladimir Putin's illegal and unjust war, and at least \$250 million to U.S. partners supporting Ukraine.

The State Department's FMF program is a central part of our security toolkit because it places collaboration and long-term planning within the U.S. interagency and with our partners at the center of our security assistance. Unfortunately, FMF has also been

chronically underfunded, with less than 5 percent of FMF supporting foreign policy concerns in the Indo-Pacific and Eastern Europe.

For Taiwan, FMF is a strategically and fiscally responsible choice. Alternative proposals, such as those predicated on short-term security assistance authorities carried out by the Department of Defense, should not be our only option. The threat Taiwan faces is both urgent and unprecedentedly large. To meet this threat, we must use all the tools available to us, but we must also use them in the right way.

As our assistance to Ukraine shows, using Presidential Drawdown Authority (PDA) to provide piecemeal security assistance packages is an important tool, but not a long-term solution. PDA's outsized role in supporting Ukraine has addressed the urgent needs of Ukrainian forces, but a longer-term strategy facilitated by additional FMF would demonstrate the depth of our commitment. This FMF would support the Ukrainian government by immediately providing funding to acquire capabilities and expand training, even as its security forces continue to defeat Russian forces that have invaded Ukraine's sovereign territory.

For Taiwan, funding the FMF authorized by the NDAA will allow us to create a joint strategic, long-term plan for the acquisition, deployment and sustainment of key capabilities over a multi-year time horizon. Relying solely on PDA in any potential PRC/Taiwan conflict, as we have had to in Ukraine, is not viable. DOD authorities such as Section 333 can and already do play a role, but are not a substitute for the advantages offered by FMF.

Additionally, the FMF program authorized in the NDAA is designed to incentivize Taiwan's efforts to modernize its military, promote its acquisition of the capabilities necessary to execute an asymmetric strategy, as well as to increase its own defense spending by requiring a certification to this effect. The TERA also has flexibilities requested by the Biden Administration that will provide Taiwan with more avenues to acquire necessary capabilities, which is exactly what Taiwan needs, particularly given the long delivery timelines for Taiwan's Foreign Military Sales cases.

In both theaters, FMF can contribute to re-energizing the U.S. defense industrial base. The war on Ukraine has made clear that our defense industrial base is neither structured nor incentivized to provide the support that may be required should the U.S. become involved in a high-end war in the future. FMF allocations for Ukraine, Eastern European allies and nations who have given major military support to Ukraine can contribute to needed demand signals for U.S. defense industry to invest in and expand production that meets key U.S. and allies' military needs. For Taiwan, FMF can help restart and expand important production lines for capabilities that are no longer used by the U.S. military but are essential for our partners to advance an asymmetric strategy against the People's Republic of China.

We also support increases in the topline for PDA under Section 506 of the Foreign Assistance Act, and the flexibility to use this authority for Ukraine and other countries. At

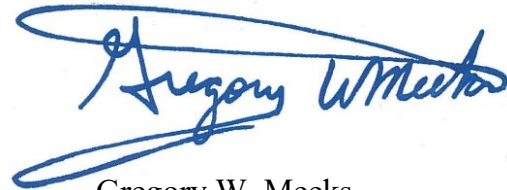
the same time, we recognize the pressing need to ensure backfill for our stocks to deter future conflicts and fight as required.

We look forward to working with you and our other colleagues on ensuring the supplemental and end-of-year appropriations package includes funding for these vital challenges in this era of strategic competition. Thank you for your attention to this matter.

Sincerely,



Robert Menendez
Chairman
Senate Foreign Relations Committee



Gregory W. Meeks
Chairman
House Foreign Affairs Committee



James E. Risch
Ranking Member
Senate Foreign Relations Committee



Michael T. McCaul
Ranking Member
House Foreign Affairs Committee

CC: The Honorable Patrick Leahy, Chairman, Senate Appropriations Committee
The Honorable Rosa L. DeLauro, Chair, House Appropriations Committee
The Honorable Richard Shelby, Ranking Member, Senate Appropriations Committee
The Honorable Kay Granger, Ranking Member, House Appropriations Committee