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

IN THE SENATE OF THE UNITED STATES

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

A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Taiwan Policy Act of 2022".

(b) TABLE OF CONTENTS.—The table of contents for 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
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 Preeminence.

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 multilateral 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 the United States and Taiwan has been of enormous benefit to both parties and to the Indo-Pacific region as a whole.
(2) The Taiwan Relations Act (Public Law 96-8; 22 U.S.C. 3301 et seq.) has enabled the people of the United States and the people of Taiwan to maintain a strong and important relationship that promotes regional security, prosperity, and shared democratic values.

(3) The security of Taiwan and the ability for the people of Taiwan to determine their own future is fundamental to United States’ interests and values.

(4) The Taipei Economic and Cultural Representative Office in the United States and the American Institute in Taiwan facilitate critical consular relations that—

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

(B) strengthen people-to-people ties.

(5) Increased engagement between public officials, commercial interests, civil society leaders, and others enhances Taiwanese-American relations and its economic, security, and democratic dimensions.

(6) Taiwan serves as a critical partner on regional and transnational issues, such as public health, climate change, critical and emerging tech-
nologies, cybersecurity, trade, and freedom of navigation.

(7) Taiwan exemplifies a thriving democracy consisting of more than 23,000,000 people who value their suffrage, free markets, right to due process, freedom of expression, and other individual liberties.

(8) President Xi Jinping of the People’s Republic of China (referred to in this Act as the “PRC”) continues to repeat his desire to stifle the freedom of Taiwan, as evidenced by his July 2021 proclamation, in which he stated, “All sons and daughters of China, including compatriots on both sides of the Taiwan Strait, must work together and move forward in solidarity, resolutely smashing any Taiwan independence plots.”

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

(A) the accelerated preparations made by the PRC and its People’s Liberation Army (referred to in this Act as the “PLA”) for an offensive attack against Taiwan, such as the
PLA’s January 2022 incursion of nearly 40 fighters, bombers, and other warplanes into Taiwan’s air defense identification zone;

(B) the PLA’s growing offensive preparations in the Taiwan Strait, such as amphibious assault and live-fire exercises and record-scale incursions into Taiwanese air space;

(C) the Foreign Ministry’s diplomatic efforts to isolate Taiwan, such as abusing its position in international intuitions and multilateral fora to exclude Taiwanese participation despite Taiwan’s demonstrated expertise in relevant subjects, such as public health;

(D) threats and actions to compromise Taiwan’s economy and critical suppliers, such as draconian export controls and the “31 Measures” intended to lure Taiwanese talent to mainland China and away from Taiwan;

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

(F) political and economic pressure on other countries who seek closer ties with Taiwan, such as recent export controls related to
Lithuania after Lithuania announced a permanent Taiwanese Representative Office in Lithuania.

(10) On multiple occasions, through both formal and informal channels, the United States has expressed its concern for the PRC’s destabilizing activities in the Taiwan Strait and on the international stage that aim to subvert Taiwan’s democratic intuitions.

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

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

(B) seeks to bolster Taiwan’s self-defense capabilities; and

(C) reaffirms that Taiwan’s future must be determined peacefully and in accordance with the wishes and best interests of the people of Taiwan.

(12) The PRC considers stifling the freedom of Taiwan as a critical and necessary step to displacing the United States as the preeminent military power in the Indo-Pacific and continues its modernization campaign to enhance the power-projection capabi-
tics of the PLA and its ability to conduct joint operations,

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

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

(A) mitigating the PLA's ability to project power and establish contested zones within the First and Second Island Chains and limiting the PLA's freedom of maneuver to conduct unconstrained power projection capabilities beyond the First Island Chain in order to protect United States territory, such as Hawaii and Guam;

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

(C) deterring other countries and competitors from exercising force as a means to revise the established status quo;

(D) championing democratic institutions and societies in the Indo-Pacific region and throughout the world; and
(E) maintaining a rules-based international order that—

(i) constrains authoritarian powers;

(ii) enshrines collective security;

(iii) promotes democracy and respect for human rights and fundamental freedoms; and

(iv) promotes peace and prosperity.

SEC. 3. DEFINITIONS.

In this Act:

(1) **APPROPRIATE COMMITTEES OF CONGRESS.**—Except as otherwise provided in this Act, the term "appropriate committees of Congress" means—

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

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

(C) the Committee on Appropriations of the Senate;

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

(E) the Committee on Armed Services of the House of Representatives; and
the Committee on Appropriations of
the House of Representatives.

(2) COUNTER INTERVENTION CAPABILITIES.—
The term "counter intervention capabilities" in-
cludes, in such quantities as the Secretary of State,
in consultation with the Secretary of Defense, deter-
mines to be necessary to achieve the purpose de-
scribed in section 204(c)—

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

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

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

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

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

(F) equipment to support target location,
tracking, identification, and targeting, especially
at the local level, in communications degraded
or denied environments;
(G) man-portable anti-armor weapons, mortars, and small arms for ground combat operations;

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

(I) training and equipment, including appropriate war reserves, required for Taiwan forces to independently maintain, sustain, and employ the capabilities described in subparagraphs (A) through (H);

(J) concept development for coastal defense, air defense, decentralized command and control, civil defense, logistics, planning, and other critical military functions, with an emphasis on operations in a communications degraded or denied environment; and

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

(3) REPUBLIC OF CHINA.—The term "Republic of China" means the East Asia island country commonly known as "Taiwan".
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(4) **Sharp power.**—The term “sharp power” means the coordinated and often concealed application of disinformation, media manipulation, economic coercion, cyber-intrusions, targeted investments, and academic censorship that is intended—

(A) to corrupt political and nongovernmental institutions and interfere in democratic elections and encourage self-censorship of views at odds with those of the Government of the People’s Republic of China or the Chinese Communist Party; or

(B) to foster attitudes, behavior, decisions, or outcomes in Taiwan and elsewhere that support the interests of the Government of the People’s Republic of China or the Chinese Communist Party.

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

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

It is the policy of the United States—

(1) to support the security of Taiwan, the stability of cross-Strait relations, and the freedom of the people of Taiwan to determine their own future and to strenuously oppose any action by the PRC to use force to change the status quo of Taiwan;
(2) to cooperate with Taiwan as an important partner of the United States in promoting a free and open Indo-Pacific;

(3) to deter the use of force by the PRC to change the status quo of Taiwan by coordinating with allies and partners to identify and develop significant economic, diplomatic, and other measures that will deter and impose costs on any such use of force and support and cooperate with Taiwan to implement, resource, and modernize its military capabilities, including an asymmetric defense strategy, through security assistance and increases in defense spending;

(4) to strengthen cooperation with the military of Taiwan under the framework of the Taiwan Relations Act (Public Law 96–8; 22 U.S.C. 3301 et seq.) and the Six Assurances, with consideration of the ongoing military buildup in China and the imbalance in the security environment in the Taiwan Strait, and to transfer defense articles to Taiwan to enhance its capabilities, including its efforts to undertake defensive operations, such as undersea warfare and air defense capabilities, and maintain the ability to deny PRC coercion and invasion;
(5) to urge Taiwan to increase its own investments in military capabilities, including those that support the implementation of an asymmetric defense strategy;

(6) to advance and finalize key provisions of the United States-Taiwan Trade and Investment Framework Agreement and deepen economic ties between the United States and Taiwan and advance the interests of the United States by negotiating a bilateral free trade agreement as soon as possible that will include appropriate levels of labor rights and environmental protections;

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

(8) to welcome Taiwan’s meaningful participation in important international organizations, including organizations that address global health, civilian air safety, and efforts to counter transnational crime and bilateral and multilateral security summits, military exercises, and economic dialogues and forums;

(9) to support the Government of Taiwan as a representative democratic government, constituted through free and fair elections that reflect the will of the people of Taiwan and promote dignity and respect for the democratically-elected leaders of Tai-
wan, who represent more than 23,000,000 citizens, by using the full range of diplomatic and financial tools available to promote Taiwan's international space;

(10) to ensure that distinctions in practice regarding relations with Taiwan are consistent with the longstanding, comprehensive, strategic, and values-based relationship the United States shares with Taiwan, and contribute to the peaceful resolution of cross-Strait issues; and

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

(A) meets the challenges of the 21st century;

(B) fully accounts for Taiwan’s democratic status; and

(C) remains faithful to United States principles and values, consistent with the Taiwan Relations Act and the Six Assurances.

SEC. 102. TREATMENT OF THE GOVERNMENT OF TAIWAN.

(a) IN GENERAL.—The Secretary of State and other Federal departments and agencies shall—
(1) engage with the democratically-elected government of Taiwan as the legitimate representative of the people of Taiwan; and

(2) end the outdated practice of referring to the government in Taiwan as the "Taiwan authorities".

(b) No Restrictions on Bilateral Interactions.—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 undue restrictions on the ability of officials of the Department of State or other Federal departments and agencies to interact directly and routinely with their counterparts in the Government of Taiwan.

SEC. 103. TAIWAN SYMBOLS OF SOVEREIGNTY.

(a) Defined Term.—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.

(b) 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 the Foreign Affairs Handbook, or related guidance or policies that, explicitly or implicitly, including through restrictions or limitations on activities of United States Government 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 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.

SEC. 104. DESIGNATION AND REFERENCES TO TAIWAN REPRESENTATIVE OFFICE.

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

(1) to provide the people of Taiwan with de facto diplomatic treatment equivalent to foreign countries, nations, states, governments, or similar entities; and
(2) to rename the “Taipei Economic and Cultural Representative Office” in the United States as the “Taiwan Representative Office”.

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

(c) REFERENCES.—If the negotiations under subsection (b) results in the renaming of the Taipei Economic and Cultural Representative Office as the Taiwan Representative Office, any reference in a law, map, regulation, document, paper, or other record of the United States Government to the Taipei Economic and Cultural Representative Office shall be deemed to be a reference to the Taiwan Representative Office, including for all official purposes of the United States Government, all courts of the United States, and any proceedings by such Government or in such courts.

SEC. 105. SENATE CONFIRMATION OF THE DIRECTOR OF THE TAIPEI OFFICE OF THE AMERICAN INSTITUTE IN TAIWAN.

The appointment of an individual to the position of Director of the American Institute in Taiwan’s Taipei office shall be subject to the advice and consent of the Sen-
ate. Upon Senate confirmation, such individual shall have
the title of Representative.

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

SEC. 201. AMENDMENTS TO THE TAIWAN RELATIONS ACT.

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

(1) in paragraph (5), by inserting "and arms
conducive to deterring acts of aggression by the Peo-
ple's Liberation Army" after "arms of a defensive
character"; and

(2) in paragraph (6), by striking "to maintain
the capacity of the United States".

(b) PROVISION OF DEFENSE ARTICLES AND SER-
VICES.—Section 3(a) of the Taiwan Relations Act (22
U.S.C. 3302(a)) is amended by striking "to maintain a
sufficient self-defense capability" and inserting "to imple-
ment a strategy to deny and deter acts of coercion or ag-
gression by the People's Liberation Army".

(c) RULE OF CONSTRUCTION.—Section 4 of the Tai-
wan Relations Act (22 U.S.C. 3303) is amended by adding
at the end the following:
(c) Rule of Construction.—Nothing in this Act, nor the President's action in extending diplomatic recognition to the People's Republic of China, nor the absence of diplomatic relations between the people of Taiwan and the United States, and nor the lack of formal recognition of Taiwan by the United States, and any related circumstances, may be construed to constitute a legal or practical obstacle to any otherwise lawful action of the President or of any United States Government agency that is needed to advance or protect United States interests pertaining to Taiwan, including actions intended to strengthen security cooperation between the United States and Taiwan or to otherwise deter the use of force against Taiwan by the People's Liberation Army.


(a) In General.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for 10 years, the Secretary of Defense shall—

(1) conduct a classified review of the United States strategy to defend Taiwan; and

(2) share the results of such review with the Chairman and Ranking Member of the appropriate committees of Congress.
(b) ELEMENTS.—The review conducted pursuant to subsection (a) shall include—

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

(2) a detailed strategy of denial to defend Taiwan against aggression by the People’s Liberation Army, including an effort to seize and hold the island of Taiwan;

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

(4) a review of indicators of the near-term likelihood of the use of force by the People’s Liberation Army against Taiwan; and

(5) a list of military capabilities, including capabilities that enable a strategy of denial, that—

(A) would suit the operational environment and allow Taiwan to respond effectively to a variety of contingencies across all potential phases of conflict involving the People’s Liberation Army; and
(B) would reduce the threat of conflict, thwart an invasion, and mitigate other risks to the United States and Taiwan.

SEC. 203. JOINT ASSESSMENT.

(a) IN GENERAL.—The Secretary of State, in consultation with the Secretary of Defense, shall establish a mechanism with Taiwan—

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

(2) to identify nonmaterial and material solutions to deter and defeat such threats.

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

(1) an integrated priorities list;

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

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

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall submit
a report to the appropriate committees of Congress that
describes the joint assessment developed pursuant to sub-
section (a)(1).

SEC. 204. TAIWAN SECURITY ASSISTANCE INITIATIVE.

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

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

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

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

(B) the Committee on Foreign Affairs of
the House of Representatives

(2) IN GENERAL.—Not later than 180 days
after the date of the enactment of this Act, and an-
ually thereafter for 7 years, the Secretary of State and the Secretary of Defense shall jointly submit a report to the appropriate congressional committees the describes Taiwan's enhancement of its self-de-
dence capabilities.

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

(A) an assessment of the commitment of Taiwan to implementing the tenets of the Overall Defense Concept, including the steps that Taiwan has taken and the steps that Taiwan has not taken to implement those tenets;

(B) an assessment of the efforts of Taiwan to acquire and employ within its forces asymmetric capabilities, including—

(i) long-range precision fires;

(ii) integrated air and missile defense systems;

(iii) anti-ship cruise missiles;

(iv) land-attack cruise missiles;

(v) coastal defense;

(vi) anti-armor;

(vii) undersea warfare;

(viii) survivable swarming maritime assets;
(ix) manned and unmanned aerial systems;
(x) mining and countermining capabilities;
(xi) intelligence, surveillance, and reconnaissance capabilities;
(xii) command and control systems; and
(xiii) any other defense capabilities that the United States and Taiwan jointly determine are crucial to the defense of Taiwan, in accordance with the process developed pursuant to section 203(a);

(C) an evaluation of the balance between conventional and counter intervention capabilities in the defense force of Taiwan as of the date on which the report is submitted;

(D) an assessment of steps taken by Taiwan to enhance the overall readiness of its defense forces, including—

(i) the extent to which Taiwan is requiring and providing regular training to such forces;
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(ii) the extent to which such training is realistic to the security environment that Taiwan faces; and
(iii) the sufficiency of the financial and budgetary resources Taiwan is putting toward readiness of such forces;
(E) an assessment of steps taken by Taiwan to ensure that the Taiwan Reserve Command can recruit, train, and equip its forces;
(F) an evaluation of—
(i) the severity of manpower shortages in the military of Taiwan, including in the reserve forces;
(ii) the impact of such shortages in the event of a conflict scenario; and
(iii) the efforts made by Taiwan’s to address such shortages;
(G) an assessment of the efforts made by Taiwan to boost its civilian defenses, including any informational campaigns to raise awareness among the population of Taiwan of the risks of Taiwan’s security environment;
(H) an assessment of the efforts made by Taiwan to secure its critical infrastructure, in-
including 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.
(5) **Sharing of Summary**.—The Secretary of State and the Secretary of Defense shall jointly share the unclassified summary required under paragraph (4) with the government and military of Taiwan.

(e) **Authority to Provide Assistance**.—The Secretary of State, in consultation with the Secretary of Defense, shall use amounts appropriated pursuant to subsection (i) to provide assistance to the Government of Taiwan to achieve the purpose described in subsection (d).

(d) **Purpose**.—The purpose of the Foreign Military Financing Program shall be to provide assistance, including equipment, training, and other support, to enable the Government of Taiwan—

(1) to accelerate the modernization of its defense capabilities, including for asymmetric operations, that will delay, degrade, and deny attempts by People's Liberation Army forces—

(A) to conduct coercive or grey zone activities;

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

(C) to secure a lodgment on Taiwan and expand or otherwise use such lodgment to seize
control of a population center or other key territory in Taiwan; and
(2) to prevent the People's Republic of China from decapitating, seizing control of, or otherwise neutralizing or rendering ineffective the Government of Taiwan.

(e) War Reserve Stockpile.—Of the amounts appropriated pursuant to subsection (i)(2), not more than $100,000,000 may be used during each of the fiscal years 2023 through 2032 to maintain a stockpile (if established under section 213), in accordance with section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), as amended by section 212.

(f) Availability of Funds.—

(1) Annual Spending Plan.—Not later than December 1, 2022, and annually thereafter, the Secretary of State, in coordination with the Secretary of Defense, shall submit a plan to the appropriate committees of Congress describing how funds appropriated pursuant to subsection (i)(2) will be used to achieve the purpose described in subsection (d).

(2) Certification.—Amounts appropriated for each fiscal year pursuant to subsection (i)(2) shall be made available for the purpose described in such subsection after the Secretary of State certifies
to the appropriate committees of Congress that Taiwan has increased its defense spending relative to Taiwan's defense spending in its prior fiscal year, excepting accounts in Taiwan's defense budget related to personnel expenditures (other than military training and education).

(3) REMAINING FUNDS.—

(A) IN GENERAL.—Subject to subparagraph (B), amounts appropriated for a fiscal year pursuant to subsection (i)(2) that are not obligated and expended during such fiscal year shall be added to the amount that may be used for the Initiative in the subsequent fiscal year.

(B) RESCISSION.—Amounts appropriated pursuant to subsection (i)(2) that remain unobligated on September 30, 2027 shall be rescinded and deposited into the general fund of the Treasury.

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

(1) IN GENERAL.—In addition to assistance provided pursuant to subsection (e), the Secretary of State, in coordination with the Secretary of Defense, may make available to the Government of Taiwan, in such quantities as the Secretary of State con-
enders appropriate for the purpose described in subsection (d)—

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

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

(C) defense services.

(2) REPLACEMENT.—The Secretary of State may use amounts appropriated pursuant to subsection (i)(2) for the cost of replacing any item provided to the Government of Taiwan pursuant to paragraph (1)(A).

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

(1) DIRECT LOANS.—

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

(B) MAXIMUM OBLIGATIONS.—Gross obligations for the principal amounts of loans au-
authorized under subparagraph (A) may not exceed $2,000,000,000.

(C) SOURCE OF FUNDS.—

(i) DEFINED TERM.—In this subparagraph, the term "cost"—

(I) has the meaning given such term in section 502(5) of the Congressional Budget Act of 1974 (2 U.S.C. 661a(5));

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

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

(ii) IN GENERAL.—Amounts appropriated pursuant to subsection (i)(I) may be made available to pay for the cost of loans authorized under subparagraph (A).

(D) FEES AUTHORIZED.—

(i) IN GENERAL.—The Government of the United States may charge fees for loans made pursuant to subparagraph (A), which shall be collected from borrowers
through a financing account (as defined in section 502(7) of the Congressional Budget Act of 1974 (2 U.S.C. 661a(7))).

(ii) LIMITATION ON FEE PAYMENTS.—Amounts made available under any appropriations Act for any fiscal year may not be used to pay any fees associated with a loan authorized under subparagraph (A).

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

(F) INTEREST.—

(i) IN GENERAL.—Notwithstanding section 23(c)(1) of the Arms Export Control Act (22 U.S.C. 2763(c)(1), interest for loans made pursuant to subparagraph (A) may be charged at a rate determined by the Secretary of State, except that such rate may not be less than the prevailing interest rate on marketable Treasury securities of similar maturity.

(ii) TREATMENT OF LOAN AMOUNTS USED TO PAY INTEREST.—Amounts made
available under this paragraph for interest costs shall not be considered assistance for the purposes of any statutory limitation on assistance to a country.

(2) Loan guarantees.—

(A) In general.—Amounts appropriated pursuant to subsection (i)(1) may be made available for the costs of loan guarantees for Taiwan under section 24 of the Arms Export Control Act (22 U.S.C. 2764) for Taiwan to subsidize gross obligations for the principal amount of commercial loans and total loan principal, any part of which may be guaranteed, not to exceed $2,000,000,000.

(B) Maximum amounts.—A loan guarantee authorized under subparagraph (A)—

(i) may not guarantee a loan that exceeds $2,000,000,000; and

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

(C) Subordination.—Any loan guaranteed pursuant to subparagraph (A) may not be subordinated to—
(i) another debt contracted by the borrower; or

(ii) any other claims against the borrower in the case of default.

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

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

(F) TREATMENTS OF LOAN GUARANTEES.—Amounts made available under this paragraph for the costs of loan guarantees authorized under subparagraph (A) shall not be considered assistance for the purposes of any statutory limitation on assistance to a country.
(3) Notification Requirement.—Amounts appropriated to carry out this subsection may not be expended without prior notification of the appropriate committees of Congress.

(i) Authorization of Appropriations.—

(1) Foreign Military Financing Program.—There is authorized to be appropriated, under the heading "Foreign Military Financing Program", such sums as may be necessary to carry out the program authorized under subsection (e).

(2) Authorization of Appropriations.—In addition to amounts appropriated pursuant to paragraph (1), there is authorized to be appropriated to the Department of State to carry out the Initiative—

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

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

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

and

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

(j) Sunset Provision.—Assistance may not be provided under this section after September 30, 2032.
SEC. 205. REQUIREMENTS REGARDING DEFINITION OF COUNTER INTERVENTION CAPABILITIES.

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

(1) to ensure that requests by Taiwan to purchase arms from the United States are not prematurely rejected or dismissed before Taiwan submits a letter of request or other formal documentation, particularly when such requests are for capabilities that are not included on any United States Government priority lists of necessary capabilities for the defense of Taiwan; and

(2) to ensure close consultation among representatives of Taiwan, Congress, industry, and the Executive branch about requests referred to in paragraph (1) and the needs of Taiwan before Taiwan submits formal requests for such purchases.

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

(1) a list of categories of counter intervention capabilities and a justification for each such category; and

(2) a description of the degree to which the United States has a policy of openness or flexibility
for the consideration of capabilities that may not fall
within the scope of counter intervention capabilities
included in the list required under paragraph (1),
due to potential changes, such as—

(A) the evolution of defense technologies;

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

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

SEC. 206. COMPREHENSIVE TRAINING PROGRAM.

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

(1) to achieve interoperability;

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

(3) to improve Taiwan’s defense capabilities.

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

(1) contingency tabletop exercises;
(2) war games; and

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

(c) **Annual Report**.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for the following 10 years, the Secretary of State, in consultation with the Secretary of Defense, shall submit a report to the appropriate committees of Congress that describes the establishment and implementation of the training program established pursuant to subsection (a).

**Sec. 207. Military Planning Mechanism.**

The Secretary of Defense, in consultation with the Secretary of State, shall establish a high-level military planning mechanism between the United States and Taiwan that—

(1) is designed to oversee a Joint and Combined Exercise Program and to coordinate International Military Education and Training assistance and professional exchanges aimed at determining and coordinating the acquisition of capabilities for United States and Taiwan military forces to address the needs of currently anticipated and future contingencies; and

(2) may be modeled after the Joint United States Military Advisory Group Thailand, or any
such similar existing arrangement, as determined by
the Secretary of Defense.

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

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

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

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

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

(A) greater utilization of Taiwan’s high
tech labor force;
(B) the creation of clear structures and logistics support for civilian defense role allocation;

(C) recruitment and skills training for Taiwan's defense and civilian sectors; and

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

(3) analyze Taiwan's needs for enhancing resiliency among its people and in key economic sectors; and

(4) identify the areas and means through which the United States could provide training and assistance to support the needs discovered through the assessment and fill any critical gaps where capacity falls short of such needs.

(c) FORM OF REPORT.—Notwithstanding the classified nature of the assessment required under subsection (a), the assessment shall be shared with appropriate officials of the Government of Taiwan to facilitate cooperation.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to complete the assessment required under subsection (a) —
(A) $500,000 for the Department of State; and

(B) $500,000 for the Department of Defense.

(2) TRANSFER AUTHORITY.—The Secretary of State and the Secretary of Defense are authorized to transfer any funds appropriated to their respective departments pursuant to paragraph (1) to other Federal departments and agencies for the purposes of facilitating the contributions of such departments and agencies to the assessment required under subsection (a).

SEC. 209. PRIORITIZING EXCESS DEFENSE ARTICLE TRANSFERS FOR TAIWAN.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government should appropriately prioritize the review of excess defense article transfers to Taiwan.

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

(1) develop a 5-year plan to appropriately prioritize excess defense article transfers to Taiwan; and
(2) submit a report to the appropriate commit-
tees of Congress that describes such plan.

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

(d) TRANSFER AUTHORITY.—

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

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

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

(a) PRIORITIZED PROCESSING OF FOREIGN MIL-
TARY SALES REQUESTS FROM TAIWAN.—The Secretary
of State, in coordination with the Secretary of Defense
shall appropriately prioritize and expedite the processing
of requests from Taiwan under the Foreign Military Sales
program and may not delay the processing of such requests for bundling purposes.

(b) Annual Report.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for the following 10 years, the Secretary of State, in coordination with the Secretary of Defense, shall submit a report to the appropriate committees of Congress that describes the steps that have been taken to carry out subsection (a).

Sec. 211. Whole-of-Government Deterrence Measures to Respond to the People’s Republic of China’s Force Against Taiwan.

(a) Briefing Required.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter for the following 5 years, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Commerce, the Director of National Intelligence, and any other relevant heads of Federal departments and agencies shall provide a detailed briefing to the appropriate committees of Congress regarding—

(1) all available economic, diplomatic, and other strategic measures to deter the use of force by the People’s Republic of China, including coercion, grey-zone tactics, assertions, shows of force, quarantines,
embargoes, or other measures to change the status quo of Taiwan;

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

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

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

SEC. 212. INCREASE IN ANNUAL WAR RESERVES STOCKPILE ADDITIONS AND SUPPORT FOR TAIWAN.

(a) IN GENERAL.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(b)(2)(A)) is amended by striking “$200,000,000” and all that follows and inserting “$500,000,000 for any of the fiscal years 2023, 2024, or 2025.”.

(b) ESTABLISHMENT.—Subject to section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the
President may establish a war reserve stockpile for Taiwan that consists primarily of munitions.

(c) Inclusion of Taiwan Among Other Allies Eligible for Defense Articles.—Chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.) is amended—

(1) in section 514(c)(2) (22 U.S.C. 2321h(c)(2)), by inserting “Taiwan,” after “Thailand,”; and

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

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

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

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

"(e) Additional Designations.—
“(1) In General.—Taiwan is designated as a major non-NATO ally for purposes of this Act, the Arms Export Control Act (22 U.S.C. 2751 et seq.), and section 2350a of title 10, United States Code.

“(2) Notice of Termination of Designation.—The President shall notify Congress in accordance with subsection (a)(2) before terminating the designation specified in paragraph (1).”

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.

(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—

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

(2) information and disinformation campaigns, cyber attacks, and nontraditional propaganda measures 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—

(1) the development of a response to propaganda and disinformation campaigns by the People’s Republic of China and cyber-intrusions targeting Taiwan, including—

(A) assistance in building the capacity of the Government of Taiwan 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 Government of Taiwan’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) the 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; and

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

SEC. 302. STRATEGY TO COUNTER ECONOMIC COERCION BY THE PEOPLE’S REPUBLIC OF CHINA TARGETING COUNTRIES AND ENTITIES THAT SUPPORT TAIWAN.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter for the following 5 years, the Secretary of State shall submit to the appropriate committees of Congress a description of the strategy being used by the Department of State to respond to the Government of the People’s Republic of China’s increased economic coercion
against countries which have strengthened their ties with,

or support for, Taiwan.

(b) ASSISTANCE FOR COUNTRIES AND ENTITIES

TARGETED BY THE PEOPLE’S REPUBLIC OF CHINA FOR

ECONOMIC COERCION.—The Department of State, the

United States Agency for International Development, the

United States International Development Finance Cor-

poration, the Department of Commerce and the Depart-

ment of the Treasury shall provide appropriate assistance

to countries and entities that are subject to trade restric-
tions and other forms of economic coercion by the People’s

Republic of China to support its supply chain resilience

and other economic measures in response to the trade re-

strictions imposed by China.

TITLE IV—INCLUSION OF TAI-

WAN IN INTERNATIONAL OR-

GANIZATIONS

SEC. 401. PARTICIPATION OF TAIWAN IN INTERNATIONAL

ORGANIZATIONS.

(a) STATEMENT OF POLICY.—It is the policy of the

United States to promote Taiwan’s inclusion and mean-

ingful participation in meetings held by international orga-

nizations.

(b) SUPPORT FOR MEANINGFUL PARTICIPATION.—

The Permanent Representative of the United States to the
United Nations and other relevant United States officials should actively support Taiwan’s meaningful participation in all appropriate international organizations.

(e) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit a report to the appropriate congressional committees that—

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

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

SEC. 402. PARTICIPATION OF TAIWAN IN THE INTER-AMERICAN DEVELOPMENT BANK.

It is the sense of Congress that—

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

(2) diversifying the donor base of the Inter-American Development Bank (referred to in this title as the “IDB”) and increasing ally engagement
in the Western Hemisphere reinforces United States national interests;

(3) Taiwan's significant contribution to the development and economies of Latin America and the Caribbean demonstrate that Taiwan's membership in the IDB as a non-borrowing member would benefit the IDB and the entire Latin American and Caribbean region; and

(4) non-borrowing membership in the IDB would allow Taiwan to substantially leverage and channel the immense resources Taiwan already provides to Latin America and the Caribbean to reach a larger number of beneficiaries.

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

The Secretary of State, in coordination with the Secretary of the Treasury, is authorized—

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

(2) to instruct the United States Governor of the IDB to work with the IDB Board of Governors to admit Taiwan as a non-borrowing member of the IDB.
SEC. 404. REPORT CONCERNING MEMBER STATE STATUS
FOR TAIWAN AT THE INTER-AMERICAN DEVELOPMENT BANK.

Not later than 90 days after the date of the enactment of this Act, and not later than April 1 of each year thereafter, the Secretary of State, in coordination with the Secretary of the Treasury, shall submit an unclassified report to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that—

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

(2) includes an account of the efforts made by the Secretary of State and the Secretary of the Treasury to encourage IDB member states to promote Taiwan's bid to obtain non-borrowing membership at the IDB; and

(3) identifies the steps that the Secretary of State and the Secretary of the Treasury will take to endorse and obtain non-borrowing membership status for Taiwan at the IDB in the following year.
SEC. 405. CLARIFICATION REGARDING UNITED NATIONS

GENERAL ASSEMBLY RESOLUTION 2758 (XXVI).

Section 2(a) of the Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act of 2019 (Public Law 116–135) (relating to diplomatic relations with Taiwan) is amended by adding at the end the following:

"(10) United Nations General Assembly Resolution 2758 (1971)—

"(A) established the representatives of the Government of the People's Republic of China as the only lawful representatives of China to the United Nations;

"(B) did not address the issue of representation of Taiwan and its people in the United Nations or in any related organizations; and

"(C) did not take a position on the relationship between the People's Republic of China and Taiwan or include any statement pertaining to Taiwan's sovereignty.

"(11) The United States opposes any initiative that seeks to change Taiwan's status without the consent of the people of Taiwan."
TITLE V—ENHANCED DEVELOPMENT AND ECONOMIC CO-
OPERATION BETWEEN THE UNITED STATES AND TAIWAN

SEC. 501. FINDINGS.

Congress makes the following findings:

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

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

(3) In addition to supplementing United States goods and services, Taiwan is a reliable partner in many of our Nation’s industries, which is not only critical for diversifying our Nation’s supply chains, but is also essential to reducing our Nation’s reliance on other countries, such as China, who seek to leverage supply chain inefficiencies in their path to regional and global dominance. Such diversification of our Nation’s supply chain is critical to United States national security.
(4) The challenges to establishing an agreement with Taiwan, such as reaching an agreement on agricultural standards, will not prevent the completion of a bilateral trade agreement. Taiwan has already taken steps to further the progress towards such an agreement by announcing its intent to lift their restrictions on United States pork and beef products, which will greatly increase the accessibility of American farmers and ranchers to Taiwan markets. In light of this important development, the United States should immediately move forward with substantial negotiations for a comprehensive bilateral trade agreement with Taiwan.

(5) A free and open Indo-Pacific is a goal that needs to be actively pursued to counter China’s use of unfair trading practices and other policies to advance its economic dominance in the Indo-Pacific region. An agreement with Taiwan would—

(A) help the United States accomplish this goal by building a network of like-minded governments dedicated to fair competition and open markets that are free from government manipulation; and
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(B) serve as a signal to other nations that
Taiwan is a viable partner that is open for busi-
ness.

(6) Since November 2020, Taiwan and the
United States have engaged in the U.S.-Taiwan Eco-
nomic Prosperity Partnership Dialogue, covering a
broad range of economic issues including—
(A) 5G networks and telecommunications
security;
(B) supply chains resiliency;
(C) infrastructure cooperation;
(D) renewable energy;
(E) global heath; and
(F) science and technology.

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

(8) Leaving Taiwan out of the conversation on
Indo-Pacific Economic Framework would—
(A) create significant distortions for the
structure of the regional and global economic
architecture; and
(B) run counter to the United States’ eco-
nomic interests.
SEC. 502. SENSE OF CONGRESS ON A FREE TRADE AGREEMENT WITH TAIWAN, THE INDO-PACIFIC ECONOMIC FRAMEWORK, AND CBP PRECLEARANCE.

It is the Sense of Congress that—

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

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

(3) the United States should utilize and expand Pree clearance programs to meet the needs of the United States travel and tourism industry, including by prioritizing the establishment of Pree clearance facilities with Indo-Pacific allies and partners, including Taiwan.
TITLE VI—SUPPORTING UNITED STATES EDUCATIONAL AND EXCHANGE PROGRAMS WITH TAIWAN

SEC. 601. SHORT TITLE.

This title may be cited as the "Taiwan Fellowship Act".

SEC. 602. FINDINGS.

Congress makes the following findings:

(1) The Taiwan Relations Act (Public Law 96–8; 22 U.S.C. 3301 et seq.) affirmed United States policy "to preserve and promote extensive, close, and friendly commercial, cultural, and other relations between the people of the United States and the people on Taiwan, as well as the people on the China mainland and all other peoples of the Western Pacific area”.

(2) Consistent with the Asia Reassurance Initiative Act of 2018 (Public Law 115–409), the United States has grown its strategic partnership with Taiwan’s vibrant democracy of 23,000,000 people.

(3) Despite a concerted campaign by the People’s Republic of China to isolate Taiwan from its diplomatic partners and from international organiza-
tions, including the World Health Organization, Tai-
wan has emerged as a global leader in the
coronavirus global pandemic response, including by
donating more than 2,000,000 surgical masks and
other medical equipment to the United States.

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

SEC. 603. PURPOSES.

The purposes of this title are—

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

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

(A) to learn or strengthen Mandarin Chi-
nese language skills; and
(B) to expand their understanding of the political economy of Taiwan and the Indo-Pacific region; and

(3) to better position the United States to advance its economic, security, and human rights interests and values in the Indo-Pacific region.

SEC. 604. DEFINITIONS.

In this title:

(1) AGENCY HEAD.—The term "agency head" means—

(A) with respect to the executive branch of United States Government or an agency of the legislative branch other than the Senate or the House of Representatives, the head of the respective agency;

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

(C) with respect to the Senate, the President pro tempore, in consultation with the majority leader and the minority leader of the Senate; and

(D) with respect to the House of Representatives, the Speaker of the House, in con-
sultation with the majority leader and the minority leader of the House of Representatives.

(2) AGENCY OF THE UNITED STATES GOVERNMENT.—The term "agency of the United States Government" includes—

(A) any agency of the legislative branch;
(B) any court of the judicial branch; and
(C) any agency of the executive branch.

(3) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Relations of the Senate;
(B) the Committee on Appropriations of the Senate;
(C) the Committee on Foreign Affairs of the House of Representatives; and
(D) the Committee on Appropriations of the House of Representatives.

(4) DETAILEE.—The term "detailee"—

(A) means an employee of a branch of the United States Government who is on loan to the American Institute in Taiwan, without a change of position from the agency at which he or she is employed; and
(B) does not include employees of the legislative branch, who may separate from their branch in order to fulfill the terms of their fellowship pursuant to section 607(g).

(5) IMPLEMENTING PARTNER.—The term "implementing partner" means any United States organization described in 501(c)(3) of the Internal Revenue Code of 1986 that—

(A) performs logistical, administrative, and other functions, as determined by the Department of State and the American Institute of Taiwan in support of the Taiwan Fellowship Program; and

(B) enters into a cooperative agreement with the American Institute in Taiwan to administer the Taiwan Fellowship Program.

(6) PROGRAM.—The term "Program" means the Taiwan Fellowship Program established pursuant to section 605.

SEC. 605. TAIWAN FELLOWSHIP PROGRAM.

(a) ESTABLISHMENT.—The Secretary of State—

(1) shall establish the Taiwan Fellowship Program to provide eligible United States citizens with fellowship opportunities in Taiwan lasting up to 2 years; and
(2) may modify the name of the Program, in consultation with the American Institute in Taiwan and the implementing partner.

(b) Grants.—

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

(2) FELLOWSHIPS.—The Secretary of State, in consultation with the American Institute in Taiwan and, as appropriate, the implementing partner, subject to available funding, should award to eligible United States citizens—

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

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

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

(1) begin negotiations with the Taipei Economic and Cultural Representative Office, or with another appropriate entity, for the purpose of entering into an agreement to facilitate the placement of fellows
in an agency of the governing authorities on Taiwan;
and

(2) begin the process of selecting an implement-ving partner, which—

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

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

(d) CURRICULUM.—

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

(A) the Mandarin Chinese language;

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

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

(2) SECOND YEAR.—During the second year of
each fellowship under this section, each fellow, sub-
ject to the approval of the Secretary of State, the
American Institute in Taiwan, and the implementing
partner, and in accordance with the purposes of this
title, shall work in—
(A) a parliamentary office, ministry, or other agency of the governing authorities on Taiwan; or

(B) an organization outside of the governing authorities on Taiwan, whose interests are associated with the interests of the fellow and the agency of the United States Government from which the fellow had been employed.

(e) FLEXIBLE FELLOWSHIP DURATION.—Notwithstanding any requirement under this section, the Secretary of State, in consultation with the American Institute in Taiwan and, as appropriate, the implementing partner, may alter the curriculum requirements under subsection (d) for fellows whose placement in a parliamentary office, ministry, or other agency of the governing authorities on Taiwan is for a period shorter than 2 years.

(f) PROGRAM REQUIREMENTS.—

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

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

(B) has at least 2 years of experience in any branch of the United States Government;
has a demonstrated professional or educational background in the relationship between the United States and countries in the Indo-Pacific region; and

(D) has demonstrated his or her commitment to further service in the United States Government.

(2) RESPONSIBILITIES OF FELLOWS.—Each recipient of a fellowship under this section shall agree, as a condition of such fellowship—

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

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

(C) to continue Federal Government employment for a period of not shorter than 4 years after the conclusion of the fellowship or for not shorter than 2 years for a fellowship that is 1 year or shorter.

(3) RESPONSIBILITIES OF IMPLEMENTING PARTNER.—
(A) SELECTION OF FELLOWS.—The implementing partner, in close coordination with the Department of State and the American Institute in Taiwan, shall—

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

(ii) select fellows for the Taiwan Fellowship Program based solely on merit, with appropriate supervision from the Department of State and the American Institute in Taiwan; and

(iii) prioritize the selection of candidates willing to serve a fellowship lasting 1 year or longer.

(B) FIRST YEAR.—The implementing partner should provide each fellow in the first year (or shorter duration, as jointly determined by the Department of State and the American Institute in Taiwan for those who are not serving a 2-year fellowship) with—

(i) intensive Mandarin Chinese language training; and
(ii) courses in the political economy of Taiwan, China, and the broader Indo-Pacific.

(C) WAIVER OF REQUIRED TRAINING.—

The Department of State, in coordination with the American Institute in Taiwan and, as appropriate, the implementing partner, may waive any of the training required under paragraph (2) to the extent that a fellow has Mandarin language skills, knowledge of the topic described in paragraph (2)(B), or for other related reasons approved by the Department of State and the American Institute in Taiwan. If any of the training requirements are waived for a fellow serving a 2-year fellowship, the training portion of his or her fellowship may be shortened to the extent appropriate.

(D) OFFICE; STAFFING.—The implementing partner, in consultation with the Department of State and the American Institute in Taiwan, shall maintain an office and at least 1 full-time staff member in Taiwan—

(i) to liaise with the American Institute in Taiwan and the governing authorities on Taiwan; and
(ii) to serve as the primary in-country point of contact for the recipients of fellowships under this Act and their dependents.

(E) OTHER FUNCTIONS.—The implementing partner shall perform other functions in association in support of the Taiwan Fellowship Program, including logistical and administrative functions, as prescribed by the Department of State and the American Institute in Taiwan.

(4) NONCOMPLIANCE.—

(A) IN GENERAL.—Any fellow who fails to comply with the requirements under this section shall reimburse the American Institute in Taiwan for—

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

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

(B) FULL REIMBURSEMENT.—Any fellow who violates paragraph (1) or (2) of subsection (b) shall reimburse the American Institute in Taiwan in an amount equal to the sum of—
(i) all of the Federal funds expended for the fellow's participation in the fellowship; and

(ii) interest on the amount specified in subparagraph (A), which shall be calculated at the prevailing rate.

(C) PRO RATA REIMBURSEMENT.—Any fellow who violates subsection (b)(3) shall reimburse the American Institute in Taiwan in an amount equal to the difference between—

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

(ii) the product of—

(I) the amount the fellow received in compensation during the final year of the fellowship, including the value of any allowances and benefits received by the fellow; multiplied by

(II) the percentage of the period specified in subsection (b)(3) during which the fellow did not remain employed by the Federal Government.
SEC. 606. REPORTS AND AUDITS.

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

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

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

(3) The names of the parliamentary offices, ministries, other agencies of the governing authorities on Taiwan, and nongovernmental institutions to which each fellow was assigned during the second year of the fellowship.

(4) Any recommendations, as appropriate, to improve the implementation of the Taiwan Fellows Program, including added flexibilities in the administration of the program.

(5) An assessment of the Taiwan Fellows Program’s value upon the relationship between the United States and Taiwan or the United States and Asian countries.
(b) **Annual Financial Audit.**

1. **In General.**—The financial records of any implementing partner shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants who are certified or licensed by a regulatory authority of a State or another political subdivision of the United States.

2. **Location.**—Each audit under paragraph (1) shall be conducted at the place or places where the financial records of the implementing partner are normally kept.

3. **Access to Documents.**—The implementing partner shall make available to the accountants conducting an audit under paragraph (1)—

   (A) all books, financial records, files, other papers, things, and property belonging to, or in use by, the implementing partner that are necessary to facilitate the audit; and

   (B) full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians.

4. **Report.**—

   (A) **In General.**—Not later than 6 months after the end of each fiscal year, the
implementing partner shall provide a report containing the findings of the audit conducted for such fiscal year pursuant to paragraph (1) to the Secretary of State and the American Institute in Taiwan.

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

(i) set forth the scope of the audit;

(ii) include such statements, along with the auditor’s opinion of those statements, as may be necessary to present fairly the implementing partner’s assets and liabilities, surplus or deficit, with reasonable detail;

(iii) include a statement of the implementing partner’s income and expenses during the year; and

(iv) include a schedule of—

(I) all contracts and grants requiring payments greater than $5,000; and

(II) any payments of compensation, salaries, or fees at a rate greater than $5,000 per year.
(C) COPIES.—Each audit report under subparagraph (A) shall be produced in sufficient copies for distribution to the public.

SEC. 607. TAIWAN FELLOWS ON DETAIL FROM GOVERNMENT SERVICE.

(a) IN GENERAL.—

(1) DETAIL AUTHORIZED.—With the approval of the Secretary of State, an agency head may detail, for a period of not more than 2 years, an employee of the agency of the United States Government who has been awarded a fellowship under this title, to the American Institute in Taiwan for the purpose of assignment to the governing authorities on Taiwan or an organization described in section 605(d)(2)(B).

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

(A) to continue in the service of the sponsoring agency at the end of fellowship for a period of at least 4 years (or at least 2 years if the fellowship duration is 1 year or shorter) un-
less the detailee is involuntarily separated from
the service of such agency; and

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

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

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

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

(b) STATUS AS GOVERNMENT EMPLOYEE.—A
detailee—
(1) is deemed, for the purpose of preserving allowances, privileges, rights, seniority, and other benefits, to be an employee of the sponsoring agency;

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

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

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

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

(c) Responsibilities of Sponsoring Agency.—

(1) In general.—The Federal agency from which a detailee is detailed should provide the fellow allowances and benefits that are consistent with Department of State Standardized Regulations or other applicable rules and regulations, including—

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

(B) a cost of living allowance to cover any possible higher costs of living in Taiwan;
(C) a temporary quarters subsistence allowance for up to 7 days if the fellow is unable to find housing immediately upon arriving in Taiwan;

(D) an education allowance to assist parents in providing the fellow's minor children with educational services ordinarily provided without charge by public schools in the United States;

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

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

(2) MODIFICATION OF BENEFITS.—The American Institute in Taiwan and its implementing partner, with the approval of the Secretary of State, may modify the benefits set forth in paragraph (1) if such modification is warranted by fiscal circumstances.

(d) NO FINANCIAL LIABILITY.—The American Institute in Taiwan, the implementing partner, and any gov-
1 earning authorities on Taiwan or nongovernmental entities
2 in Taiwan at which a fellow is detailed during the second
3 year of the fellowship may not be held responsible for the
4 pay, allowances, or any other benefit normally provided
5 to the detailee.
6 (e) Reimbursement.—Fellows may be detailed
7 under subsection (a)(1) without reimbursement to the
8 United States by the American Institute in Taiwan.
9 (f) Allowances and Benefits.—Detailees and
10 legislative branch fellows who separate from service to par-
11 ticipate in the fellowship may be paid by the American
12 Institute in Taiwan for the allowances and benefits listed
13 in subsection (g).
14 (g) Separation of Legislative Branch Person-
15 nel During the Fellowships.—
16 (1) In General.—Under such terms and con-
17 ditions as the agency head may direct, a legislative
18 branch agency of the United States Government
19 may separate from Government service for a speci-
20 fied period any officer or employee of such agency
21 who accepts a fellowship under the Taiwan Fellow-
22 ship Program and is not a detailee under subsection
23 (a).
24 (2) Rights and Benefits.—
(A) IN GENERAL.—Notwithstanding section 8347(o), 8713, or 8914 of title 5, United States Code, and in accordance with regulations of the Office of Personnel Management, a legislative branch employee, while serving as a fellow who is not a detailee under subsection (a), is entitled to the rights and benefits described in subsections (a) and (d) of section 3582 of title 5, United States Code.

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

SEC. 608. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the American Institute in Taiwan—

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

(A) $500,000 shall be used to launch the Taiwan Fellowship Program through the issuance of a competitive grant to an appropriate implementing partner;
(B) $2,300,000 shall be used for a grant to the appropriate implementing partner; and

(C) $100,000 shall be used for management expenses of the American Institute in Taiwan related to the management of the Taiwan Fellowship Program; and

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

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

(B) $100,000 shall be used for management expenses of the American Institute in Taiwan related to the management of the Taiwan Fellowship Program.

(b) PRIVATE SOURCES.—The implementing partner selected to implement the Taiwan Fellowship Program may accept, use, and dispose of gifts or donations of services or property in carrying out such program, subject to the review and approval of the American Institute in Taiwan.

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

(a) Establishment of the United States-Taiwan Cultural Exchange Foundation.—The Sec-
retary of State should consider establishing an inde-
pendent nonprofit entity that—

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

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

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

TITLE VII—MISCELLANEOUS
PROVISIONS

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

(a) STATEMENT OF POLICY.—It is the policy of the
United States to invite Taiwanese counterparts to partici-
pate in high-level bilateral and multilateral summits, mili-
tary exercises, and economic dialogues and forums.
(b) **Sense of Congress.**—It is the sense of Congress that—

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

(2) the United States Government and Taiwanese counterparts should resume meetings under the United States-Taiwan Trade and Investment Framework Agreement and reach a bilateral free trade agreement;

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

(4) the United States Government and Taiwanese counterparts should engage in a regular and routine strategic bilateral dialogue on arms sales in accordance with Foreign Military Sales mechanisms; and

(5) the United States Government should support export licenses for direct commercial sales supporting Taiwan's indigenous defensive capabilities.

**Sec. 702. Report on Taiwan Travel Act.**

(a) **List of High-Level Visits.**—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State, in accordance
with the Taiwan Travel Act (Public Law 115–135), shall submit to the appropriate congressional committees—

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

and

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

(b) ANNUAL REPORT.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State shall submit a report on the implementation of the Taiwan Travel Act to the appropriate congressional committees.

SEC. 703. PROHIBITIONS AGAINST UNDERMINING UNITED STATES POLICY REGARDING TAIWAN.

(a) FINDING.—Congress finds that the efforts by the Government of the People's Republic of China and the Chinese Communist Party to compel private United States businesses, corporations, and nongovernmental entities to use language mandated by the People's Republic of China (referred to in this section as the "PRC") to describe the relationship between Taiwan and the PRC are an illegitimate attempt to enforce political censorship globally.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government, in coordination with United States businesses and nongovernmental enti-
ties, should formulate a code of conduct for, and otherwise coordinate on, interacting with the Government of the PRC and the Chinese Communist Party and their affiliated entities, the aim of which is—

(1) to counter PRC operations that threaten free speech, academic freedom, and the normal operations of United States businesses and nongovernmental entities; and

(2) to counter PRC efforts to censor the way the world refers to issues deemed sensitive to the PRC Government and Chinese Communist Party leaders, including issues related to Taiwan, Tibet, the Tiananmen Square Massacre, and the mass internment of Uyghurs and other Turkic Muslims, among many other issues.

(e) PROHIBITION AGAINST RECOGNIZING THE PEOPLE'S REPUBLIC OF CHINA'S CLAIMS TO SOVEREIGNTY OVER TAIWAN.—

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

(A) issues related to the sovereignty of Taiwan are for the people of Taiwan to decide through the democratic process they have established;
(B) the dispute between the PRC and Taiwan must be resolved peacefully and with the assent of the people of Taiwan;

(C) the 2 key obstacles to peaceful resolution are—

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

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

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

(2) Statement of Policy.—It is the policy of the United States to oppose any attempt by the
PRC authorities to unilaterally impose a timetable or deadline for unification on Taiwan.

(3) PROHIBITION ON RECOGNITION OF PRC CLAIMS WITHOUT THE ASSENT OF PEOPLE OF TAIWAN.—No department or agency of the United States Government may formally or informally recognize PRC claims to sovereignty over Taiwan without the assent of the people of Taiwan, as expressed directly through the democratic process.

(4) TREATMENT OF GOVERNMENT OF TAIWAN.—

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

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

(ii) end the outdated practice of referring to the Government in Taiwan as the “authorities”.

(B) NO RESTRICTIONS.—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 may not place any undue restrictions on the ability of officials of the Department of State and other United States Government agencies from interacting directly and routinely with counterparts in the Taiwan government.

(C) Rule of construction.—Nothing in this paragraph may be construed as—

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

(ii) altering the United States Government's position on Taiwan's international status.

(d) Strategy to Protect United States Businesses and Nongovernmental Entities From Coercion.—

(1) In general.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Secretary of Commerce, the Secretary of the Treasury, and the heads of other relevant Federal agencies, shall submit an unclassified report, with a classified annex, if necessary, on how to protect United States businesses and nongovernmental entities from PRC operations,
including coercion and threats that lead to censorship or self-censorship, or which compel compliance with political or foreign policy positions of the Government of the People's Republic of China and the Chinese Communist Party.

(2) ELEMENTS.—The strategy shall include—

(A) information regarding efforts by the PRC Government to censor the websites of United States airlines, hotels, and other businesses regarding the relationship between Taiwan and the PRC;

(B) information regarding efforts by the PRC Government to target United States nongovernmental entities through operations intended to weaken support for Taiwan;

(C) information regarding United States Government efforts to counter the threats posed by Chinese state-sponsored propaganda and disinformation, including information on best practices, current successes, and existing barriers to responding to such threat; and

(D) details of any actions undertaken to create the code of conduct described in subsection (b), including a timetable for the implementation of such code of conduct.
TITLE VIII—SANCTIONS MEASURES FOR CROSS-STRAIT STABILITY

SEC. 801. DEFINITIONS.

In this title:

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

(2) APPROPRIATE COMMITTEES OF CONGRESS.—The term “appropriate committees of Congress” means—

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

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

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

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

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

(4) FINANCIAL INSTITUTION.—The term “financial institution” means a financial institution specified in subparagraph (A), (B), (C), (D), (E),
(F), (G), (H), (I), (J), (M), or (Y) of section 5312(a)(2) of title 31, United States Code.

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

(6) FOREIGN PERSON.—The term "foreign person" means an individual or entity that is not a United States person.

(7) KNOWINGLY.—The term "knowingly", with respect to conduct, a circumstance, or a result, means that a person had actual knowledge, or should have known, of the conduct, the circumstance, or the result.

(8) UNITED STATES PERSON.—The term "United States person" means—

(A) a United States citizen or an alien lawfully admitted for permanent residence to the United States; or

(B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity.
SEC. 802. DETERMINATIONS WITH RESPECT TO ACTIVITIES
OF THE PEOPLE'S REPUBLIC OF CHINA IMPACTING TAIWAN.

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

(1) the Government of the People's Republic of China, including through any of its proxies, is knowingly engaged in a significant escalation in hostile action in or against Taiwan, compared to the level of hostile action in or against Taiwan before December 1, 2021; and.

(2) if such engagement exists, whether such escalation has the significant effect of—

(A) undermining, overthrowing, or dismantling the governing institutions in Taiwan;

(B) occupying the territory of Taiwan; or

(C) interfering with the territorial integrity of Taiwan.

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

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

(2) after the first determination under paragraph (1), not less frequently than once every 90 days (or more frequently, if warranted) during the
1-year period beginning on such date of enactment; and

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

(e) REPORT REQUIRED.—Upon making a determination described in subsection (a), the President shall submit a report describing the factors influencing such determination to—

(1) the appropriate committees of Congress;

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

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

SEC. 803. IMPOSITION OF SANCTIONS ON OFFICIALS OF THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA RELATING TO OPERATIONS IN TAIWAN.

(a) IN GENERAL.—Not later than 60 days after making an affirmative determination under section 802, the President shall, to the extent they can be identified, impose the sanctions described in section 808 with respect to each of the officials specified in subsection (b).

(b) OFFICIALS SPECIFIED.—The officials specified in this subsection are—
(1) the President of the People's Republic of China;
(2) the Premier of the People's Republic of China;
(3) the Foreign Minister of the People's Republic of China;
(4) members of the CCP Politburo Standing Committee;
(5) members of the CCP Party Central Military Commission;
(6) members of the CCP Politburo;
(7) members of the CCP Central Committee;
(8) members of the CCP National Congress;
(9) members of the State Council of the People's Republic of China; and
(10) members of the State Central Military Commission of the CCP.

(e) ADDITIONAL OFFICIALS.—

(1) LIST REQUIRED.—Not later than 30 days after making an affirmative determination under section 803 and every 90 days thereafter, the President shall submit a list to the appropriate committees of Congress that identifies any foreign persons not specified in subsection (b) who the President determines—
(A) are—

(i) senior officials of any branch of the armed forces of the People's Republic of China leading any of the operations described in section 802; or

(ii) senior officials of the Government of the People's Republic of China, including any intelligence agencies or security services of the People's Republic of China, who have significant roles in planning or implementing such operations; and

(B) with respect to which sanctions should be imposed in the interest of the national security of the United States.

(2) IMPOSITION OF SANCTIONS.—Upon the submission of each list required under paragraph (1), the President shall impose the sanctions described in section 808 with respect to each foreign person included on the list.

SEC. 804. IMPOSITION OF SANCTIONS WITH RESPECT TO FINANCIAL INSTITUTIONS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) IMPOSITION OF SANCTIONS.—

(1) IN GENERAL.—Not later than 30 days after 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,
or successor entity to, a financial institution specified in paragraph (1).

(b) Additional People's Republic of China Financial Institutions.—

(1) List Required.—Not later than 30 days after making an affirmative determination under section 802, and every 90 days thereafter, the President shall submit a list to the appropriate committees of Congress that identifies any foreign persons that the President determines—

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

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

(2) Imposition of Sanctions.—Upon the submission of each list required under paragraph (1), the President shall impose the sanctions described in section 808(a) with respect to each foreign person identified on the list.
SEC. 805. IMPOSITION OF SANCTIONS WITH RESPECT TO

PROVISION OF SPECIALIZED FINANCIAL MESSAGING SERVICES TO SANCTIONED PEOPLE'S REPUBLIC OF CHINA FINANCIAL INSTITUTIONS.

(a) List of Providers of Specialized Financial Messaging Services to PRC Financial Institutions.—Not later than 60 days after making an affirmative determination under section 802, and not later than 30 days after the submission of any list of People's Republic of China financial institutions under section 804(b)(1), the Secretary of State, in consultation with the Secretary of the Treasury, shall submit a list to the appropriate committees of Congress that identifies all known persons that provide specialized financial messaging services to, or that enable or facilitate access to such services for, any financial institution specified in section 804(a) or that is on the list required under section 804(b).

(b) Report on Efforts to Terminate the Provision of Specialized Financial Messaging Services for Sanctioned People's Republic of China Financial Institutions.—Not later than 90 days after the imposition of any sanctions authorized under section 804, and every 30 days thereafter, as necessary, the Secretary of State, in consultation with the Secretary of the
1. Treasury, shall submit a report to the appropriate com-
mittees of Congress that—

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

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

(c) Authorization for the Imposition of Sanc-
tions.—If, on or after the date that is 90 days after the
imposition of any sanctions authorized under section 804,
a provider of financial specialized financial messaging
services continues to knowingly provide specialized finan-
cial messaging services to, or knowingly enable or facilitate
direct or indirect access to such messaging services for,
any financial institution with respect to which sanctions
are imposed pursuant to section 804, the President may
impose sanctions pursuant to that section or the Inter-
1701 et seq.) with respect to such provider.
(d) Enabling or Facilitation of Access to Specialized Financial Messaging Services Through Intermediary Financial Institutions.—For purposes of this section, enabling or facilitating direct or indirect access to specialized financial messaging services includes doing so by serving as an intermediary financial institution with access to such messaging services.

(e) Form of Lists and Reports.—Each list required under subsection (a) and each report required under subsection (b) shall be submitted in unclassified form, but may include a classified annex.

SEC. 806. IMPOSITION OF SANCTIONS WITH RESPECT TO PEOPLE'S REPUBLIC OF CHINA EXTRACTIVE INDUSTRIES.

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

(b) Sectors and Industries Described.—The sectors and industries described in this subsection are—

(1) oil and gas extraction and production;

(2) coal extraction, mining, and production;

(3) minerals extraction and processing; and
(4) any other sector or industry with respect to which the President determines the imposition of sanctions is in the United States national security interest.

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

(1) submit a list of the persons identified under subsection (a) to the appropriate committees of Congress; and

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

**SEC. 807. ADDITIONAL SANCTIONS.**

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

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

(2) with the objective of destabilizing Taiwan, engaged directly in, or ordered—
(A) malicious cyber-enabled activities; or

(B) any military exercise that crossed that

"middle line" in the Taiwan Strait.

(b) WAIVER.—The President may waive the application of sanctions under this section if the President submits to the appropriate committees of Congress a written determination that such waiver is in the national interests of the United States.

SEC. 808. SANCTIONS DESCRIBED.

(a) PROPERTY BLOCKING.—Except as provided in section 810, the President shall exercise all of the powers granted by the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) to the extent necessary to block and prohibit all transactions in all property and interests in property of the foreign person if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person.

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

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

(A) inadmissible to the United States;

(B) ineligible to receive a visa or other documentation to enter the United States; and
(C) otherwise ineligible to be admitted or paroled into the United States or to receive any other benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(2) CURRENT VISAS REVOKED.—

(A) IN GENERAL.—The visa or other entry documentation of an alien described in paragraph (1) shall be revoked, regardless of when such visa or other entry documentation was issued.

(B) IMMEDIATE EFFECT.—A revocation under subparagraph (A) shall—

(i) take effect immediately; and

(ii) automatically cancel any other valid visa or entry documentation that is in the alien’s possession.

SEC. 809. IMPLEMENTATION; REGULATIONS; PENALTIES.

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

(b) RULEMAKING.—The President shall issue such regulations, licenses, and orders as are necessary to carry out this title.
(c) **Penalties.**—Any person that violates, attempts to violate, conspires to violate, or causes a violation of this title, or any regulation, license, or order issued to carry out this title, shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section.

**Sec. 810. Exceptions; waiver.**

(a) **Exceptions.**—

(1) **Exception for intelligence activities.**—This title shall not apply with respect to—

(A) activities subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C. 3091 et seq.); or

(B) authorized intelligence activities of the United States.

(2) **Exception for compliance with international obligations and law enforcement activities.**—Sanctions under this title shall not apply with respect to an alien if admitting or paroling such alien into the United States is necessary—

(A) to permit the United States to comply with the Agreement regarding the Headquarters of the United Nations, signed at Lake
Success on June 26, 1947, and entered into force November 21, 1947, between the United Nations and the United States, or other applicable international obligations of the United States; or

(B) to carry out or assist law enforcement activity in the United States.

(3) Exception relating to importation of goods.—

(A) Defined term.—In this paragraph, the term "good" means any article, natural or manmade substance, material, supply, or manufactured product, including inspection and test equipment, and excluding technical data.

(B) In general.—Notwithstanding any other provision of this title, the authority or a requirement to impose sanctions under this title shall not include the authority or a requirement to impose sanctions on the importation of goods.

(b) National Security Waiver.—The President may waive the imposition of sanctions based on a determination under section 802 with respect to a person if the President—
(1) determines that such a waiver is in the national security interests of the United States; and
(2) submits a notification of the waiver and the reasons for the waiver to the appropriate committees of Congress.

SEC. 811. TERMINATION.

The President may terminate the sanctions imposed under this title based on a determination under section 802, after determining and certifying to the appropriate committees of Congress that the Government of the People's Republic of China—

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

(2) to the extent applicable, has entered into an agreed settlement with a legitimate democratic Government of Taiwan.

TITLE IX—RULE OF CONSTRUCTION

SEC. 901. RULE OF CONSTRUCTION.

Nothing in this Act may be construed—

(1) to restore diplomatic relations with the Republic of China; or
(2) to alter the United States Government's position with respect to the international status of the Republic of China.