TO STRENGTHEN AND CLARIFY THE COMMERCIAL, CULTURAL, AND OTHER RELATIONS BETWEEN THE UNITED STATES AND THE PEOPLE OF TAIWAN, AS CODIFIED IN THE TAIWAN RELATIONS ACT, AND FOR OTHER PURPOSES; AND TO PROVIDE TAIWAN WITH CRITICALLY NEEDED UNITED STATES-BUILT MULTIROLE FIGHTER AIRCRAFT TO STRENGTHEN ITS SELF-DEFENSE CAPABILITY AGAINST THE INCREASING MILITARY THREAT FROM CHINA

MARKUP

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

ON

H.R. 2918 and H.R. 2992

NOVEMBER 17, 2011

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TO STRENGTHEN AND CLARIFY THE COMMERCIAL, CULTURAL, AND OTHER RELATIONS BETWEEN THE UNITED STATES AND THE PEOPLE OF TAIWAN, AS CODIFIED IN THE TAIWAN RELATIONS ACT, AND FOR OTHER PURPOSES; AND TO PROVIDE TAIWAN WITH CRITICALLY NEEDED UNITED STATES-BUILT MULTIROLE FIGHTER AIRCRAFT TO STRENGTHEN ITS SELF-DEFENSE CAPABILITY AGAINST THE INCREASING MILITARY THREAT FROM CHINA

THURSDAY, NOVEMBER 17, 2011

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10 o'clock a.m., in room 2172 Rayburn House Office Building, Hon. Ileana Ros-Lehtinen (chairman of the committee) presiding.

Chairman ROS-LEHTINEN. The committee will come to order. Pursuant to notice the committee meets this morning to mark up two strongly bipartisan measures, H.R. 2918, the Taiwan Policy Act of 2011; and H.R. 2992, the Taiwan Airpower Modernization Act of 2011. Members have before them copies of both bills as well as the three brief bipartisan amendments that were provided to your offices earlier this week.

According to the expedited procedures shared with everyone yesterday, we will consider and approve all of those measures en bloc and then I will recognize myself, the ranking member, and any other member seeking recognition for remarks. All members are given leave to insert written remarks into the record, should they choose to do so.

And so without objection, the following measures are considered as read and will be considered en bloc: H.R. 2918, the Taiwan Policy Act of 2011; amendment 97 to H.R. 2918, offered by the Chair; amendment 105 to H.R. 2918, offered by Mr. Connolly; H.R. 2992, the Taiwan Airpower Modernization Act of 2011; and amendment 106 to H.R. 2992, offered by Mr. Connolly.

[The information referred to follows:]

I

112TH CONGRESS
1ST SESSION

H. R. 2918

To strengthen and clarify the commercial, cultural, and other relations between the people of the United States and the people of Taiwan, as codified in the Taiwan Relations Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 2011

Ms. ROS-LEHTINEN (for herself, Mr. CHABOT, Mr. DIAZ-BALART, Mr. ANDREWS, Mr. ROYCE, and Mr. BURTON of Indiana) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To strengthen and clarify the commercial, cultural, and other relations between the people of the United States and the people of Taiwan, as codified in the Taiwan Relations Act, 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.

This Act may be cited as the "Taiwan Policy Act of 2011".

SEC. 2. FINDINGS.

Congress finds the following:

(1) The Taiwan Relations Act (Public Law 96–8; 22 U.S.C. 3301 et seq.), enacted in 1979, hereafter referred to as "the Act," has continued for 32 years to be the cornerstone of United States-Taiwan relations and has served as an anchor for peace and security in the Western Pacific region.

(2) The Taiwan Relations Act, in furthering the national interests of the United States in the Western Pacific region, has mandated that the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability, thus allowing the people of Taiwan to preserve a peaceful, democratic, and prosperous way of life.

(3) The future of Taiwan must be determined in a peaceful manner and with the assent of the people of Taiwan.

(4) The Taiwan Relations Act declares that—

(A) peace and stability in the Western Pacific area are in the political, security, and economic interests of the United States, and are matters of international concern;

(B) the United States decision to establish diplomatic relations with the People's Republic of China rests upon the expectation that the future of Taiwan will be determined by peaceful means;

(C) the United States considers any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States;

(D) the United States will maintain the capacity to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan; and

(E) the preservation and enhancement of the human rights of all the people on Taiwan are reaffirmed as objectives of the United States.

(5) In recent years United States-Taiwan relations have suffered from inattention and lack of strategic vision, thereby requiring the Congress to both clarify United States policy toward Taiwan and

enhance its oversight role in the implementation of the Taiwan Relations Act.

(6) In October 2010, Taiwan's National Security Bureau (NSB) Director estimated that China had 1,410 missiles across from Taiwan, mostly in the southeast, which constitute a threat to regional security, and other experts suggest that this number could increase to 1,800 in the near future.

(7) The anti-secession law, passed by the National People's Congress of the People's Republic of China, was found by House Concurrent Resolution 98, passed in the House of Representatives on March 16, 2005, by a vote of 424–4, "to create a legal framework for possible use of force against Taiwan" and "to provide a legal justification for the use of force against Taiwan, altering the status quo in the region, and thus is of grave concern to the United States.".

(8) The legislative requirement to make available defensive articles and services should include the provision of new F–16 C/D aircraft and upgrades of the existing F–16 A/B fleet essential to Taiwan's security.

(9) The 2011 Department of Defense's Annual Report to Congress on "Military and Security Devel-

opments Involving the People's Republic of China" noted that the People's Liberation Army "seeks the capability to deter Taiwan independence and influence Taiwan to settle the dispute on Beijing's terms" while "developing capabilities intended to deter, delay, or deny possible U.S. support for the island in the event of conflict. The balance of cross-Strait military forces and capabilities continues to shift in the mainland's favor.".

(10) The language contained in the Joint Communiqué of the United States of America and the People's Republic of China, dated August 17, 1982, which states in part that "arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years" shall not, to any degree, diminish the responsibility of the United States, as legislatively mandated in the Taiwan Relations Act, to "make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.".

(11) The United States has sought diplomatically to preserve Taiwan's international space, despite outside pressure and coercion, and has sought

to secure Taiwan's meaningful participation in such international organizations as the World Health Organization (WHO).

(12) Given the critical importance of airport security in a post-September 11th international environment, the United States recognizes it is crucial for Taiwan to be admitted to meaningful participation in the International Civil Aviation Organization (ICAO) so that Taiwan may contribute to the success of a global strategy to address aviation security threats based on effective international cooperation.

(13) Given that the Taiwan Relations Act states that it is the policy of the United States 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," the Department of Homeland Security should therefore make it a priority to ascertain what requirements must be met for Taiwan's inclusion, at an early date, in the visa waiver program (VWP) in order to further enhance those commercial, cultural and other relations addressed in the Act.

(14) The conclusion of the Economic Cooperation Framework Agreement (ECFA) between Taiwan and the People's Republic of China in June

2010 or the adoption of any other cross-Strait economic measures shall not diminish in any degree the requirement contained in the Act to "maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.".

(15) The theory recently put forward in certain academic circles that the United States should acquiesce to China's ascendancy in Asia and put aside the commitments made in the Taiwan Relations Act is based upon a false premise that ignores the example of a democratic Taiwan, the historic ties of friendship of the peoples of the United States and Taiwan, and the determination of the United States to remain as a Pacific power.

(16) Total United States-Taiwan trade was approximately $57,000,000,000 in 2010, and Taiwan currently ranks as the ninth largest trading partner of the United States.

(17) It is in the economic interests of the United States and the national security interests of Taiwan for our two peoples to further strengthen and revitalize their trade and investment ties, in-

1 cluding through an expanded Trans Pacific Partner-
2 ship (TPP) Agreement or similar mechanism.

3 **SEC. 3. RULE OF CONSTRUCTION.**

4 Nothing in this Act shall be construed to amend or
5 supersede the Taiwan Relations Act.

6 TITLE I—POLITICAL RELATIONS

7 **SEC. 101. RELATIONS WITH THE PEOPLE OF TAIWAN.**

8 The following shall be the policies of the United
9 States:

10 (1) Supporting Taiwan, Taiwan's democracy,
11 and the human rights of its people.

12 (2) As noted in the Taiwan Relations Act, "the
13 absence of diplomatic relations or recognition shall
14 not affect the application of the laws of the United
15 States with respect to Taiwan, and the laws of the
16 United States shall apply with respect to Taiwan in
17 the manner that the laws of the United States ap-
18 plied with respect to Taiwan prior to January 1,
19 1979.".

20 (3) The United States Government shall respect
21 the right of the Taipei Economic and Cultural Rep-
22 resentative Office (TECRO) to display its flag on its
23 premises and the American Institute in Taiwan
24 (AIT) and the residence of its Director in Taipei
25 shall, correspondingly, publicly display the United

States flag in the same manner as United States embassies, consulates, and official residences throughout the world.

(4) The Taipei Economic and Cultural Representative Office and all other instrumentalities established by Taiwan, including the Twin Oaks Estate, may conduct official business activities, including activities which involve participation by Members of the United States Congress and other representatives of the Federal, State, and local governments, without any impediment from the United States Government or any foreign power.

SEC. 102. VISITS BY CABINET LEVEL OFFICIALS.

(a) FINDINGS.—Congress finds the following:

(1) Visits by United States cabinet officials and other high-ranking visitors are an indicator of the breadth and depth of ties between the United States and Taiwan.

(2) In December 1992, U.S. Trade Representative Carla Hills visited Taiwan, marking the first cabinet-level visit since 1979.

(3) Over the next 8 years the administrator of the U.S. Small Business Administration, the Secretary of Energy, and 2 Secretaries of Transportation visited Taiwan.

1 (4) No United States cabinet secretary has vis-
2 ited Taiwan since July 2000.
3 (5) In March 2008, candidate Barack Obama
4 wrote in a message congratulating Ma Ying-jeou on
5 his election victory that "[t]he U.S. should reopen
6 blocked channels of communication with Taiwan of-
7 ficials", yet no Cabinet-level visits to Taiwan have
8 yet taken place.
9 (b) POLICY OF THE UNITED STATES.—It shall be the
10 policy of the United States to encourage visits by cabinet-
11 level officials between the United States and Taiwan to
12 foster commercial, technological, and people-to-people ex-
13 changes.

14 **SEC. 103. REVISION OF GUIDELINES FOR CONTACTS WITH**
15 **TAIWAN.**

16 Notwithstanding the 1994 Taiwan policy review and
17 current mandatory guidance from the Department of
18 State regarding contacts with Taiwan, it shall be the pol-
19 icy of the United States to—
20 (1) permit senior leaders of Taiwan to enter the
21 United States under conditions which demonstrate
22 appropriate courtesy and respect for the dignity of
23 such leaders;

(2) permit meetings between high level Taiwanese and United States officials in all United States executive departments;

(3) allow official travel to Taiwan for Department of State and Department of Defense personnel above the rank of office director or, for uniformed military personnel, above the level of 06 (Colonel, Navy Captain); and

(4) support a decision by Taiwan to change the name of the Taipei Economic and Cultural Representative Office to that of the Taiwan Representative Office.

SEC. 104. REQUIREMENT FOR SENATE CONFIRMATION OF AN INDIVIDUAL APPOINTED TO SERVE AS THE DIRECTOR OF THE AMERICAN INSTITUTE IN TAIWAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall appoint, by and with the advice and consent of the Senate, an individual to serve as the Director of the American Institute in Taiwan.

(b) TRANSITION.—The individual serving as the Director of the American Institute in Taiwan as of the date of the enactment of this Act may continue to serve in such capacity until such time as an individual is appointed and confirmed in accordance with subsection (a).

1 **SEC. 105. EXTRADITION AGREEMENT.**

2 (a) IN GENERAL.—It shall be the policy of the United
3 States to enhance judicial cooperation with Taiwan, cur-
4 rently conducted on the basis of the 2002 Agreement on
5 Mutual Legal Assistance in Criminal Matters, by signing
6 a comprehensive extradition agreement.

7 (b) REPORT.—Not later than 180 days after the date
8 of enactment of this Act, the President shall transmit to
9 Congress a report that assesses whether a comprehensive
10 extradition greement between the United States and Tai-
11 wan may be submitted to the Senate for advice and con-
12 sent as a treaty or whether, because of Taiwan's unique
13 status, such agreement must be submitted to both the
14 House of Representatives and Senate for legislative ap-
15 proval.

16 **SEC. 106. CONTINUATION OF THE SIX ASSURANCES AS**
17 **GUIDELINES IN CONDUCTING UNITED**
18 **STATES-TAIWAN RELATIONS.**

19 Notwithstanding any communiqués entered into be-
20 tween the United States and the People's Republic of
21 China, the United States continues to assent to the six
22 assurances provided to Taiwan in July, 1982, including
23 that the United States—

24 (1) has not agreed to set a date for ending
25 arms sales to Taiwan;

1 (2) has not agreed to hold prior consultations
2 with the People's Republic of China on arms sales
3 to Taiwan;
4 (3) will not play any mediation role between
5 Taipei and Beijing;
6 (4) has not agreed to revise the Taiwan Rela-
7 tions Act;
8 (5) has not altered its position regarding sov-
9 ereignty over Taiwan; and
10 (6) will not exert pressure on Taiwan to nego-
11 tiate with the People's Republic of China.

12 **SEC. 107. INTERNATIONAL ORGANIZATIONS.**

13 To provide Taiwan with the international space it re-
14 quires to function effectively in the world community, the
15 Secretary of State shall direct the Department of State
16 to continue its annual program to ensure meaningful par-
17 ticipation by Taiwan in the World Health Assembly in Ge-
18 neva, Switzerland, as well as meaningful participation for
19 Taiwan in other relevant international organizations, such
20 as the International Civil Aviation Organization (ICAO).

21 **SEC. 108. REPORT ON TAIWAN'S PARTICIPATION IN ICAO.**

22 (a) IN GENERAL.—The Secretary of State shall ini-
23 tiate a United States plan to endorse and obtain meaning-
24 ful participation for Taiwan at the periodic Assemblies
25 held by the International Civil Aviation Organization

1 (ICAO) in Montreal, Canada, and in the meetings and ac-
2 tivities of the ICAO and shall instruct the United States
3 delegation to Montreal to implement such plan.

4 (b) REPORT.—Not later than 180 days after the date
5 of the enactment of this Act and annually thereafter, the
6 Secretary of State shall submit to Congress a report con-
7 taining the plan required under subsection (a).

8 (c) FORM.—The report required under subsection (b)
9 shall be submitted in unclassified form, but may contain
10 a classified annex if necessary.

11 (d) ANNUAL BRIEFING.—The Secretary of State
12 should provide an annual briefing to or consult with Con-
13 gress on any efforts conducted by the United States Gov-
14 ernment in support of Taiwan's progress toward meaning-
15 ful participation in the ICAO.

16 TITLE II—SECURITY RELATIONS

17 **SEC. 201. STRENGTHENING THE DEFENSE OF TAIWAN.**

18 (a) MAINTENANCE OF SUFFICIENT SELF-DEFENSE
19 CAPABILITIES OF TAIWAN.—Congress finds that any de-
20 termination of the nature and quantity of defense articles
21 or defense services to be made available to Taiwan that
22 is made on any basis other than the defense needs of Tai-
23 wan, whether pursuant to the August 17, 1982,
24 Communiqué signed with the People's Republic of China,
25 or any similar executive agreement, order, or policy would

1 violate the intent of Congress specified in section 3(b) of
2 the Taiwan Relations Act (22 U.S.C. 3302(b)).
3 (b) FOREIGN MILITARY SALES AND LICENSED DE-
4 FENSE EXPORTS UNDER THE ARMS EXPORT CONTROL
5 ACT.—Congress finds that, in accordance with the Taiwan
6 Relations Act, the core purpose of foreign military sales
7 and licensed commercial exports under the Arms Export
8 Control Act should be to assist Taiwan in its ability to—
9 (1) deter coercion;
10 (2) defend against a strategy of coercive diplo-
11 macy employing threats or limited force;
12 (3) repel an invasion; and
13 (4) partner with civil responders and friendly
14 foreign militaries.
15 (c) DEFENSE TRANSFERS.—In order to accomplish
16 the purposes of this section, the President is authorized
17 to make available to Taiwan defense items or defense serv-
18 ices, including the following:
19 (1) Air and air defense capabilities, including—
20 (A) low-cost, survivable sensors;
21 (B) command and control systems;
22 (C) modern surface to air missiles;
23 (D) upgrades to existing modern combat
24 aircraft as well as new combat aircraft, includ-

1 ing Vertical and Short Take-Off and Landing
2 Aircraft (V/STOL);
3 (E) radar, electronic warfare, and jamming
4 capabilities;
5 (F) passive defense measures (such as re-
6 dundancy, dispersal, camouflage/deception,
7 hardening, and rapid repair capabilities); and
8 (G) access to satellites for remote sensing
9 and communication;
10 (2) Maritime capabilities, including—
11 (A) additional sensor capacity for com-
12 prehensive maritime domain awareness;
13 (B) cost-effective submarines for anti-sur-
14 face, anti-submarine warfare, and other mis-
15 sions;
16 (C) mines and mine countermeasure ves-
17 sels; and
18 (D) anti-ship cruise missiles.
19 (3) Ground capabilities, including—
20 (A) layers, short-range air defense;
21 (B) critical infrastructure protection to en-
22 sure continuity of government;
23 (C) air mobility;
24 (D) unmanned air vehicles; and

(E) accurate, GPS-guided short-range rockets.

(4) Capacity for partnership with friendly foreign militaries, including—

(A) command, control, communications, computers, intelligence, surveillance, and reconnaissance situational awareness systems;

(B) enhanced doctrine exchange; and

(C) enhanced senior-level training.

(d) RULE OF CONSTRUCTION RELATING TO ARMS EXPORT CONTROL ACT.—Nothing in this section shall be construed to supersede or modify section 36 of the Arms Export Control Act (22 U.S.C. 2776).

SEC. 202. ADVANCED COMBAT AIRCRAFT FOR TAIWAN.

Pursuant to the foreign military sales program authorized by the Arms Export Control Act, it shall be the policy of the United States to accept a letter of request from Taiwan for price and availability data or for a formal sales offer with respect to the F–16C/D Fighting Falcon multirole fighter aircraft.

SEC. 203. CONSULTATIONS ON TAIWAN ARMS SALES.

(a) BRIEFINGS.—Not later than 90 days after the date of the enactment of this Act and at least annually thereafter, the Secretary of State, in consultation with the

1 Secretary of Defense, shall provide detailed briefings to
2 Congress on—
3 (1) any discussions conducted between any ex-
4 ecutive branch agency and the Government of Tai-
5 wan during a covered period; and
6 (2) any potential transfer to the Government of
7 Taiwan of defense articles or defense services.
8 (b) DEFINITIONS.—In this section and section 201:
9 (1) COVERED PERIOD.—The term "covered pe-
10 riod" means, with respect to—
11 (A) the initial briefing required under sub-
12 section (a), the period beginning on the date of
13 the enactment of this Act and ending on the
14 date of such initial briefing; and
15 (B) subsequent briefings required under
16 such subsection, the period beginning on the
17 day after the date of the most recent briefing
18 and ending on the date of any such subsequent
19 briefing.
20 (2) EXECUTIVE BRANCH AGENCY.—The term
21 "executive branch agency" has the meaning given
22 the term "agency" in section 551(1) of title 5,
23 United States Code.

1 (3) DEFENSE ARTICLE.—The term "defense ar-
2 ticle" has the meaning given such term in section 47
3 of the Arms Export Control Act (22 U.S.C. 2794).
4 (4) DEFENSE SERVICE.—The term "defense
5 service" has the meaning given such term in section
6 47 of the Arms Export Control Act (22 U.S.C.
7 2794).

8 **SEC. 204. ANNUAL REPORT ON DEFENSE TRANSFERS TO**
9 **TAIWAN.**

10 (a) IN GENERAL.—Not later than 180 days after the
11 date of the enactment of this Act and annually thereafter,
12 the President shall transmit to Congress a report—
13 (1) detailing each of Taiwan's requests for pur-
14 chase of defense articles and defense services during
15 the immediately preceding one-year period, whether
16 submitted through a letter of request (LOR) or con-
17 veyed by other authoritative means, except that the
18 first report under this section shall cover the period
19 2006 through 2011;
20 (2) describing the defense needs asserted by
21 Taiwan as justification for such requests;
22 (3) describing the decision making process used
23 to reject, postpone, or modify any such request, in-
24 cluding—

1 (A) with respect to significant military
2 equipment, the country team assessment and
3 recommendation as to whether the United
4 States should sell such equipment; and
5 (B) for each request, the elapse of time be-
6 tween the submission of such request and the
7 completion of the interagency review process by
8 the United States; and
9 (4) detailing those defense articles and defense
10 services listed in the Arms Sale Proposal described
11 in section 25 of the Arms Export Control Act (22
12 U.S.C. 2765), including a description of the ration-
13 ale for including or not including in such Proposal,
14 as the case may be, all sales and licensed exports to
15 Taiwan under such Act of major weapons or weap-
16 ons-related defense equipment for $7,000,000 or
17 more, and the extent to which a decision to not in-
18 clude in such Proposal such sales to Taiwan is con-
19 sistent with such section.
20 (b) FORM.—The report required under subsection (a)
21 shall be submitted in unclassified form, but may contain
22 a classified annex if necessary.

1 **SEC. 205. REPORT ON IMPLEMENTATION OF TAIWAN RELA-**
2 **TIONS ACT.**

3 (a) IN GENERAL.—Not later than 180 days after the
4 date of the enactment of this Act, the President shall sub-
5 mit to Congress a report on implementation of United
6 States security policy under the Taiwan Relations Act.

7 (b) MATTERS TO BE INCLUDED.—The report re-
8 quired under subsection (a) shall include, at a minimum,
9 the following issues:

10 (1) A review of the operational planning, policy
11 reviews, and other preparations of the United States
12 since 2000 to implement section 2(b)(6) and sub-
13 sections (a), (b), and (c) of section 3 of the Taiwan
14 Relations Act, including the extent to which the
15 United States retains the capacity to resist any re-
16 sort to force or other forms of coercion that would
17 jeopardize the security, or the social or economic
18 system, of the people of Taiwan. Such review shall
19 take into account whether Taiwan's air and air de-
20 fense forces retain the ability to effectively defend
21 Taiwan against China's ballistic missile and air
22 threats, and the extent to which the absence of cred-
23 ible Taiwanese air defense forces may complicate the
24 ability of the United States to resist any resort to
25 force that jeopardizes the security of Taiwan.

1 (2) An evaluation of all gaps in relevant knowl-
2 edge about the People's Republic of China's capabili-
3 ties and intentions as such might affect the current
4 and future military balance between Taiwan and
5 China, such as anti-access and area denial capabili-
6 ties as well as anti-satellite and space warfare devel-
7 opments, including both classified United States in-
8 telligence information and Chinese open source writ-
9 ing.

10 (c) FORM.—The report required under subsection (a)
11 shall be submitted in unclassified form, but may contain
12 a classified annex if necessary.

13 TITLE III—ECONOMIC AND 14 TRADE RELATIONS

15 SEC. 301. VISA WAIVER TREATMENT FOR TAIWANESE TRAV- 16 ELERS TO THE UNITED STATES.

17 (a) STATEMENT OF POLICY.—It shall be the policy
18 of the United States to include Taiwan in the list of coun-
19 tries that participate in the visa waiver program under
20 section 217 of the Immigration and Nationality Act (8
21 U.S.C. 1187) when Taiwan satisfies the requirements for
22 inclusion in such program specified in such section.

23 (b) REPORT.—Not later than 180 days after the date
24 of enactment of this Act, the Secretary of State shall sub-
25 mit to the Committee on Foreign Affairs and the Com-

1 mittee on Homeland Security of the House of Representa-
2 tives and the Committee on Foreign Relations and the
3 Committee on Homeland Security and Governmental Af-
4 fairs of the Senate a report on the extent to which Taiwan
5 satisfies the requirements specified in section 217 of the
6 Immigration and Nationality Act for inclusion in the visa
7 waiver program under such section and what additional
8 steps, if any, are required in order for Taiwan to qualify
9 for inclusion in such program.

10 **SEC. 302. TRADE AND INVESTMENT FRAMEWORK AGREE-**
11 **MENT.**

12 It is the sense of Congress that, at the earliest oppor-
13 tunity, the United States Trade Representative should
14 seek to resume and successfully conclude negotiations of
15 economic issues in the Trade and Investment Framework
16 Agreement (TIFA) talks with Taiwan.

17 **SEC. 303. FREE TRADE AGREEMENT.**

18 (a) IN GENERAL.—It is the sense of Congress that
19 the ultimate goal of trade negotiations with Taiwan should
20 be the negotiation of a free trade agreement with Taiwan.
21 As building blocks toward that goal, the United States
22 should study the feasibility of negotiating with Taiwan a
23 bilateral—

24 (1) investment agreement; and

25 (2) tax agreement.

1 (b) REPORT.—Not later than 180 days after the date
2 of enactment of this Act, the President shall transmit to
3 Congress a report that assesses whether economic and
4 trade agreements between the United States and Taiwan
5 may be submitted to the Senate for advice and consent
6 as a treaty or whether, because of Taiwan's unique status,
7 such agreements must be submitted to both the House of
8 Representatives and Senate for legislative approval.

○

AMENDMENT TO H.R. 2918

OFFERED BY MS. ROS-LEHTINEN OF FLORIDA

Page 3, line 21, strike "In recent years".

Page 7, strike lines 8 through 16 (and redesignate subsequent paragraphs accordingly).

Page 7, line 18, strike "$57,000,000,000" and insert "$61,900,000,000".

Page 7, line 24, strike "and revitalize".

Page 7, line 24, strike "ties," and insert "ties".

Page 8, line 1, strike "through" and insert ", at an appropriate time once outstanding issues have been resolved, through".

Page 10, strike lines 3 through 8.

Page 14, line 21, strike "or" and insert "and".

Page 15, line 17, strike "items or" and insert "articles and".

Page 17, strike lines 14 through 20 (and redesignate subsequent sections accordingly).

2

Page 18, line 3, after "discussions" insert "on security matters".

Page 23, line 12, strike "at the earliest opportunity" and insert "at such time as Taiwan takes appropriate action to resolve outstanding issues and restore confidence in its commitment to nondiscriminatory treatment of United States exports".

Page 23, line 19, strike "the ultimate goal of trade negotiations with Taiwan should be" and insert "at an appropriate time the United States should seek".

Page 23, line 18, strike "(a) IN GENERAL.—"

Page 24, strike lines 1 through 8.

☒

AMENDMENT TO H.R. 2918

OFFERED BY MR. CONNOLLY OF VIRGINIA

In section 203(a)(2), insert at the end before the period the following: ", including routine upgrades to or replacements of defense articles previously transferred by the United States to the Government of Taiwan".

☒

I

112TH CONGRESS
1ST SESSION

H. R. 2992

To provide Taiwan with critically needed United States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 21, 2011

Ms. GRANGER (for herself, Mr. CONNOLLY of Virginia, Mr. FORBES, Ms. BERKLEY, Mr. CAMP, Mr. DIAZ-BALART, Mr. ROHRABACHER, Mr. BURTON of Indiana, Mr. AUSTIN SCOTT of Georgia, Mr. MCCAUL, Mr. CARTER, and Mr. BERMAN) introduced the following bill; which was referred to the Committee on Foreign Affairs

---

A BILL

To provide Taiwan with critically needed United States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Taiwan Airpower Modernization Act of 2011".

SEC. 2. FINDINGS.

Congress makes the following findings:

1 (1) The Department of Defense, in its 2011 re-
2 port to Congress on "Military and Security Develop-
3 ments Involving the People's Republic of China",
4 found that "China continued modernizing its mili-
5 tary in 2010, with a focus on Taiwan contingencies,
6 even as cross-Strait relations improved. The PLA
7 seeks the capability to deter Taiwan independence
8 and influence Taiwan to settle the dispute on Bei-
9 jing's terms. In pursuit of this objective, Beijing is
10 developing capabilities intended to deter, delay, or
11 deny possible U.S. support for the island in the
12 event of conflict. The balance of cross-Strait military
13 forces and capabilities continues to shift in the
14 mainland's favor." In this report, the Department of
15 Defense also concludes that, over the next decade,
16 China's air force will remain primarily focused on
17 "building the capabilities required to pose a credible
18 military threat to Taiwan and U.S. forces in East
19 Asia, deter Taiwan independence, or influence Tai-
20 wan to settle the dispute on Beijing's terms".
21 (2) The Defense Intelligence Agency (DIA) con-
22 ducted a preliminary assessment of the status and
23 capabilities of Taiwan's air force in an unclassified
24 report, dated January 21, 2010. The DIA found
25 that, "[a]lthough Taiwan has nearly 400 combat air-

1 craft in service, far fewer of these are operationally
2 capable." The report concluded, "Many of Taiwan's
3 fighter aircraft are close to or beyond service life,
4 and many require extensive maintenance support.
5 The retirement of Mirage and F–5 aircraft will re-
6 duce the total size of the Taiwan Air Force."
7 (3) Since 2006, authorities from Taiwan have
8 made repeated requests to purchase 66 F–16C/D
9 multirole fighter aircraft from the United States, in
10 an effort to modernize the air force of Taiwan and
11 maintain its self-defense capability.
12 (4) According to a report by the Perryman
13 Group, a private economic research and analysis
14 firm, the requested sale of F–16C/Ds to Taiwan
15 "would generate some $8,700,000,000 in output
16 (gross product) and more than 87,664 person-years
17 of employment in the US," including 23,407 direct
18 jobs, while "economic benefits would likely be real-
19 ized in 44 states and the District of Columbia".
20 (5) The sale of F–16C/Ds to Taiwan would
21 both sustain existing high-skilled jobs in key United
22 States manufacturing sectors and create new ones.
23 (6) On August 1, 2011, a bipartisan group of
24 181 members of the House of Representatives sent
25 a letter to the President, expressing support for the

sale of F–16C/Ds to Taiwan. On May 26, 2011, a bipartisan group of 45 members of the Senate sent a similar letter to the President, expressing support for the sale. Two other members of the Senate wrote separately to the President or the Secretary of State in 2011 and expressed support for this sale.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) a critical element to maintaining peace and stability in Asia in the face of China's two-decade-long program of military modernization and expansion of military capabilities is ensuring a militarily strong and confident Taiwan;

(2) a Taiwan that is confident in its ability to deter Chinese aggression will increase its ability to proceed in developing peaceful relations with China in areas of mutual interest;

(3) the cross-Strait military balance between China and our longstanding strategic partner, Taiwan, has clearly shifted in China's favor;

(4) China's military expansion poses a clear and present danger to Taiwan, and this threat has very serious implications for the ability of the United States to fulfill its security obligations to allies in

the region and protect our vital United States national interests in East Asia;

(5) Taiwan's air force continues to deteriorate, and it needs additional advanced multirole fighter aircraft in order to modernize its fleet and maintain a sufficient self-defense capability;

(6) the United States has a statutory obligation under the Taiwan Relations Act (22 U.S.C. 3301 et seq.) to provide Taiwan the defense articles necessary to enable Taiwan to maintain sufficient self-defense capabilities, in furtherance of maintaining peace and stability in the western Pacific region;

(7) in order to comply with the Taiwan Relations Act, the United States must provide Taiwan with additional advanced multirole fighter aircraft, as well as significant upgrades to Taiwan's existing fleet of multirole fighter aircraft; and

(8) the proposed sale of F–16C/D multirole fighter aircraft to Taiwan would have significant economic benefits to the United States economy.

SEC. 4. SALE OF F–16 AIRCRAFT TO TAIWAN.

The President shall carry out the sale of no fewer than 66 F–16C/D multirole fighter aircraft to Taiwan.

○

AMENDMENT TO H.R. 2992

OFFERED BY MR. CONNOLLY OF VIRGINIA

At the end of section 2, add the following:

1 (7) According to the manufacturer of the F-
2 16A/B and F-16C/Ds, the program to retrofit would
3 take three years longer than a program to sell the
4 same number of new F-16C/Ds to the Government
5 of Taiwan.
6 (8) According to the manufacturer, the retrofit
7 decreases Taiwan's overall available operational ca-
8 pacity by one squadron for almost five years.
9 (9) Since 2006, the Government of Taiwan has
10 expressed an interest in submitting a formal Letter
11 of Request for F-16C/Ds.

In section 3(7), strike "and" at the end.

In section 3(8), strike the period at the end and insert "; and".

At the end of section 3, add the following:

12 (9) the uncertainly regarding the future of the
13 F-16C/D multirole fighter aircraft production line

1 further strengthens the case for an immediate sale

2 of the F-16C/D multirole fighter aircraft to Taiwan.

Chairman ROS-LEHTINEN. The Chair moves that the measures just listed be adopted by the committee. All those in favor say aye.

[Chorus of ayes.]

All opposed no.

In the opinion of the Chair, the ayes have it and the bills and amendments considered en bloc are approved. Without objection, H.R. 2918 and H.R. 2922, as amended, will each be reported as a single amendment in the nature of a substitute and staff are directed to make technical and conforming changes.

I will recognize members who wish to make statements on these measures beginning with myself and the ranking member.

The committee just adopted legislation relating to U.S.-Taiwan relations and the defense needs of Taiwan including H.R. 2918, the Taiwan Policy Act of 2011. This legislation is designed to address the drift and lack of strategic thinking that has hurt the relationship in recent years. Although Taiwan maintains the staunch support of its many friends in Congress, the relationship has been placed on the defensive this past year by a growing number of policy revisions. Apologists who would use Taiwan as a bargaining chip to placate a rising China started voicing their views in the Journal of Foreign Affairs at the beginning of the year and have continued with an article last week titled, "To Save Our Economy, Ditch Taiwan."

It was due to concerns over these voices of appeasement that I felt it necessary to further strengthen and clarify our relations with the people of Taiwan by introducing the Taiwan Policy Act, and I note that in the audience we have Mr. Lester Wolff, a former Member of Congress, who this morning gave me his book, an analytic compilation with documents on subsequent developments on the legislative history of the Taiwan Relations Act, which has been the cornerstone of U.S.-Taiwan policies. Good to see you, Congressman Wolff.

These concerns have only been amplified by the administration's regrettable and short-sighted decision not to sell the next generation of F–16 CD fighters to Taiwan despite growing evidence of China's increasing military threat to the island. Taiwan needs those F–16s, and she needs them now, to defend the skies over the Taiwan Strait. And Taiwan also needs diesel submarines, and she needs them now, to protect her territorial waters from the rapidly expanding PLA navy. And Secretary of Defense Leon Panetta's comments last month in Bali that we gave Beijing "a heads up" before the formal announcement on armed sales to Taiwan, despite assurances to the contrary given by administration witnesses at a

prior committee hearing, raises further concerns about adherence to the Taiwan Relations Act and Ronald Reagan's Six Assurances.

The bill considered and adopted today will help ensure that Taiwan's peace, prosperity, and security will be maintained for the next three decades and beyond. It would also further strengthen commercial relations between the United States and the people of Taiwan. While American trade interests in Asia stagnate, Beijing is expanding its own commercial interests even further out into the Pacific. Washington cannot cede supremacy in economic influence over the Pacific to Beijing. This legislation would also expedite people-to-people ties that are so vital to strengthening our bilateral relations by including Taiwan in the Visa Waiver Program consistent with our homeland security requirements.

By building on the firm foundation laid by the Taiwan Relations Act over three decades ago, the Taiwan Policy Act will serve to move relations between the peoples of the United States and Taiwan to new levels in the areas of security, trade, and international travel. This committee showed its support for the people of Taiwan, for the sale of F–16 fighters to this island democracy, and for the spirit of the Taiwan Relations Act by taking favorable action on this legislation.

Similarly, the committee also considered H.R. 2992, the Taiwan Airpower Modernization Act today. This important legislation was introduced by Congresswoman Granger, the distinguished chair of the Subcommittee on State, Foreign Operations of the Appropriations Committee. As the name of the title suggests, this is straightforward legislation. It simply requires that the President carry out the sale of no fewer than 66–16C/D multiple fighter aircraft to Taiwan.

As members are aware, under the terms of the Taiwan Relations Act, the U.S. is obligated to make available defense articles and services necessary for Taiwan's self defense. In order to meet this requirement, the U.S. must provide Taiwan with the equipment necessary to help the island nation defend its own airspace.

While the recent agreement by the U.S. to upgrade Taiwan's existing fleet of F–16s is a step in the right direction, Taiwan also urgently needs new advanced combat aircraft to help meet the growing menace from communist China. Accordingly, it is long past due for the executive branch to cease its dithering on this issue, and sell Taiwan the new F–16s it has sought since the year 2006. I strongly support passage of this legislation.

And now I'm pleased to recognize my friend, the ranking member, for comments that he might like to make. Mr. Berman.

Mr. BERMAN. Well, thank you very much, Madam Chairman, for scheduling the markup and particularly thank you for doing this in a way that I know since I'm a strong supporter of both bills that nothing I say can screw up its passage. I am a great admirer of what the Taiwanese people have accomplished and therefore am a strong supporter of Taiwan and both of these bills will bolster our bilateral relationship with an important friend and ally.

H.R. 2992, the Taiwan Airpower Modernization Act of 2011 seeks to provide Taiwan with advanced F–16 CD fighter jets in order to strengthen Taiwan's self-defense capability against the increasing military threat from mainland China.

I welcome the Obama administration's decision to upgrade Taiwan's existing fleet of F–16 fighters, but view that as only a first step. Taiwan needs more advanced F–16s to help deter and if necessary defend against an attack from China. And it needs them sooner rather than later, as China has still not renounced the use of military force to resolve its longstanding dispute with Taiwan.

When this committee held a hearing on Taiwan last month, the administration stated that it had not closed the door to selling new F–16 CDs to Taiwan and would continue to evaluate Taipei's interest in acquiring these advanced fighter jets. H.R. 2992 is the logical next step in ensuring Taiwan can maintain a sufficient defensive capability and in satisfying Taiwan's interest in procuring these new fighters.

Members on both sides of the aisle have a strong commitment to maintaining Taiwan's security in the face of the growing Chinese military threat and this bipartisan bill is a vehicle to express Congress' commitment.

The other Taiwan bill before us, H.R. 2198, the Taiwan Policy Act of 2011, your bill, Madam Chairman, is intended to strengthen and update certain aspects of the U.S.-Taiwan relationship. I'm especially pleased to see that it includes a provision that would allow senior leaders of Taiwan to visit the United States, a problem that has long needed a remedy. Why is it that the President of a democratic partner of the United States is not allowed to visit this country, except as part of transit stops to other countries? It's time that all Taiwanese officials are afforded the proper respect and be allowed to visit the United States.

Your bill, Madam Chairman, also includes provisions to maintain U.S. support for Taiwan's meaningful participation in international organizations like the World Health Assembly and the International Civil Aviation Organization. I have long been a supporter of Taiwan's participation in the World Health Organization and am pleased to see this act continues U.S. policy to ensure Taiwan's continued participation in the WHA and other international organizations in the future. Both of these bills before the committee today will continue the strong U.S. support for Taiwan and maintain the close ties between the U.S. and the people of Taiwan. I urge—I don't need to, my colleague, I'm glad my colleague supported these pieces of legislation and I yield back.

Chairman ROS-LEHTINEN. Thank you so much.

Mr. BERMAN. Can I have one——

Chairman ROS-LEHTINEN. Yes, sir. Yes, sir.

Mr. BERMAN. I've got a few seconds here. Just on the larger issue, one thing I do want to say is it is quite evident both on the general issue of America's presence in the Western Pacific that this administration is deeply committed to maintaining and strengthening that presence this very week. And by the administration's own commitments with respect to any defense cuts that may be coming, none of those cuts, none of that presence is going to be reduced. It's being strengthened and part of the demonstration of that is the closer and closer ties that many of the countries of East Asia are seeking with the United States on that issue. So on this issue, I think we have nothing to fear. The administration, I think,

is actually pursuing this quite diligently and effectively. With that, I yield back.

Chairman ROS-LEHTINEN. Thank you so much, Mr. Berman.

Mr. Rohrabacher is recognized.

Mr. ROHRABACHER. I pass. Thank you very much.

Chairman ROS-LEHTINEN. Mr. Royce is recognized for any statements you might like.

Mr. ROYCE. Thank you, Madam Chairman. Thank you both for your leadership on Taiwan, Madam Chairman. Thanks for holding this markup. This legislation, of which I'm an original co-sponsor, comes at a pretty important time, because there's an academic debate that's brewing. You see it in the papers about "abandoning Taiwan." According to some, we should have the United States back away from Taiwan to supposedly improve relations with China. I think members understand that stepping back from Taiwan would not result in China taking a firmer line on North Korea, which is a concern to us, or on Iran's nuclear programs. It would have no impact on that. It wouldn't get China to drop its predatory economic policies. What I'm concerned it might do, it might be more likely that China would conclude that the U.S. is weak and can be manipulated.

I would argue if you really think it through, when you reflect on this, that that could be the result. It is interesting that tensions between China and its other neighbors have heightened. You have to think this through in the context of this hypothesis on abandoning Taiwan because that reality, those heightened tensions, undercuts the theory that China's dispute with Taiwan is the only impediment to its peaceful rise. Bad ideas need to be challenged before they take grip. Moving this bill forward, demonstrating our broad commitment to Taiwan pours cold water over such naive thinking.

I do regret, however, that another committee forced us to walk back the introduced language on U.S.-Taiwan economic relations. Earlier this year we heard testimony on how a single issue representing less than 1 percent of our bilateral trade relationship is being used to hold up our entire trade relationship. This is our ninth largest trading partner, colleagues. We should be talking and working to address U.S. economic interests. But that said, this is a good bill which we should advance. I urge its passage. Thank you, Madam Chair.

Chairman ROS-LEHTINEN. Thank you very much, Mr. Royce. Mr. Chabot is recognized.

Mr. CHABOT. Thank you, Madam Chair. I thank the chair and the ranking member for their statements and I agree with virtually every thing that each one of them said.

Chairman ROS-LEHTINEN. But mostly with my words.

Mr. CHABOT. Mostly with yours, but Mr. Berman was particularly articulate this morning as well. But I have been with one of the co-chairs of the Congressional Taiwan Caucus for about 10 years before my 2-year involuntary sabbatical and now back, so I've had a great interest and been there probably 8 or 9 times over my 15 years here in Congress and have watched this relationship between Taiwan and the Peoples Republic of China as China has in-

creased from I think it was 500, 600 missiles when I first came in '95 to over 1,400 missiles that are aimed at Taiwan right now.

Let's face it, as much as we trade with China over the next century and probably beyond that, they're going to be our principal rival on this planet and it can be a cooperative relationship, we can trade back and forth to the benefit of both countries and the world or China can continue to go down this path where they're flexing their muscle in the region. Other countries, I think, are being intimidated. They've tried to bully Taiwan for years and years now. So we have to be there for our allies. Taiwan has been a strong ally. Does rely upon the United States to a considerable degree. In general, we've been a reliable ally, but to be perfectly honest here, again, I think relative to the planes we should have given them, the most advanced technology, and I would encourage us to do that as quickly as possible in that area. I'll yield to the gentleman from California.

Mr. ROYCE. I thank the gentleman from Ohio for yielding. I wanted to add my support for some of the points that Mr. Berman made about the F–16 sales. In the administration's reluctance to engage and follow through on those sales, I think that that is a necessary credible deterrent. I think we have certain responsibilities here that need to be fulfilled. I hope we can return to this issue; we find an avenue to do it because we have not taken the steps necessary to really send that message and create that credible deterrence. Thank you.

Mr. CHABOT. I'll yield back.

Chairman ROS-LEHTINEN. Thank you so much and I want to thank the members and the staff on both sides of the aisle for the good work and the cooperation that went into these bills in today's markup. Having concluding our business, the committee is adjourned. Thank you gentleman and ladies.

[Whereupon, at 10:25 a.m., the markup was concluded.]

APPENDIX

Material Submitted for the Hearing Record

FULL COMMITTEE MARKUP NOTICE
COMMITTEE ON FOREIGN AFFAIRS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515-0128

Ileana Ros-Lehtinen (R-FL), Chairman

November 10, 2011

You are respectfully requested to attend an OPEN meeting of the Committee on Foreign Affairs, to be held in **Room 2172 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hfca.house.gov):**

DATE: Thursday, November 17, 2011

TIME: 10:00 a.m.

MARKUP OF: H.R. 2918, To strengthen and clarify the commercial, cultural, and other relations between the United States and the people of Taiwan, as codified in the Taiwan Relations Act, and for other purposes; and

H.R. 2992, To provide Taiwan with critically needed Untied States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China.

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF FULL COMMITTEE MARKUP

Day *Thursday* **Date** *November 17, 2011* **Room** *2172 RHOB*

Starting Time *10:00 A.M.* **Ending Time** *10:25 A.M.*

Recesses [ ] (____to ____) (____to ____) (____to ____) (____to ____) (____to ____) (____to ____)

Presiding Member(s)

Rep. Ileana Ros-Lehtinen

Check all of the following that apply:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]
Electronically Recorded (taped) [✓]
Stenographic Record [✓]

BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

H.R. 2918, To strengthen and clarify the commercial, cultural, and other relations between the United States and the people of Taiwan, as codified in the Taiwan relations act, and for other purposes; and
H.R. 2992, To provide Taiwan with critically needed United States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China.

COMMITTEE MEMBERS PRESENT:

Attendance sheet attached.

NON-COMMITTEE MEMBERS PRESENT:

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Rep. Gallegly (SFR) & Rep. Conolly (SFR)

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

H.R. 2918, Ros-Lehtinen 97 & Connolly 105
H.R. 2992, Connolly 106

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *10:25 A.M.*

Douglas C. Anderson

Doug Anderson, General Counsel

Hearing/Briefing Title: H.R. 2918 & H.R. 2992

Date: 11/17/11

Present	Member
X	Ileana Ros-Lehtinen, FL
	Christopher Smith, NJ
	Dan Burton, IN
X	Elton Gallegly, CA
X	Dana Rohrabacher, CA
	Donald Manzullo, IL
X	Edward R. Royce, CA
X	Steve Chabot, OH
	Ron Paul, TX
	Mike Pence, IN
X	Joe Wilson, SC
	Connie Mack, FL
X	Jeff Fortenberry, NE
	Michael McCaul, TX
	Ted Poe, TX
	Gus M. Bilirakis, FL
X	Jean Schmidt, OH
	Bill Johnson, OH
	David Rivera, FL
	Mike Kelly, PA
	Tim Griffin, AK
	Tom Marino, PA
	Jeff Duncan, SC
X	Ann Marie Buerkle, NY
	Renee Ellmers, NC
X	Robert Turner, NY

Present	Member
X	Howard L. Berman, CA
	Gary L. Ackerman, NY
	Eni F.H. Faleomavaega, AS
	Donald M. Payne, NJ
X	Brad Sherman, CA
	Eliot Engel, NY
X	Gregory Meeks, NY
X	Russ Carnahan, MO
X	Albio Sires, NJ
	Gerry Connolly, VA
	Ted Deutch, FL
	Dennis Cardoza, CA
	Ben Chandler, KY
	Brian Higgins, NY
	Allyson Schwartz, PA
	Chris Murphy, CT
	Frederica Wilson, FL
	Karen Bass, CA
X	William Keating, MA
X	David Cicilline, RI

Rep. Gallegly Statement for Foreign Affairs Committee Markup of H.R. 2918, the "Taiwan Policy Act of 2011"

I am a strong supporter of close U.S.-Taiwan relations, including close ties between our respective armed forces. I am also supportive of Chairman Ros-Lehtinen's goal of further solidifying our close ties with Taiwan.

Taiwan needs our help, and the Chairman's legislation, the Taiwan Policy Act, would give Taiwan the help they need in the form of new F-16's, along with other defensive sales aimed to bolster the island's security. I believe the vast majority of this legislation would reverse a pattern of neglect and inattention to Taiwan.

However, as the Chairman of the Immigration Policy and Enforcement Subcommittee, I must note that there is one issue in the bill that we must reexamine. Specifically, parts of H.R. 2918 promote expansion of the Visa Waver Program (VWP).

While the Visa Waiver Program is a popular diplomatic tool, it is unfortunately, a flawed program. It should not be expanded, but rather it should be disbanded.

Under the VWP, nationals of designated countries, there are currently 36, are allowed to enter the United States without a travel visa.

Since its creation, the VWP has been rightfully criticized on national security grounds. Those concerns were validated when in December 2001, Richard Reid boarded American Airlines Flight 63 en-route from Paris, France to Miami, FL with a British passport, and attempted to light a bomb that was hidden in his shoe.

Congress has acknowledged these security concerns and added security-related requirements to the program in 2007.

But even with the new requirements, the VWP is still the subject of significant security risks, both inherently and due to a lack of follow-up to ensure the countries become or remain compliant with the program's requirements.

A May 2011, Government Accountability Office report found that only "[H]alf of the countries have entered into agreements to share watchlist information about known or suspected terrorists and to provide access to biographical, biometric, and criminal history data." Such an agreement is a requirement of the program.

And Congress required the Department of Homeland Security to issue biennial reports regarding the security risks associated with a country's VWP status. But as the GAO found, "DHS has not

completed the latest biennial reports for 18 of the 36 VWP countries in a timely manner, and over half of these reports are more than 1 year overdue."

So DHS ignores Congressional mandates regarding the VWP and cannot keep up with the demands for the 36 countries that are currently in the program. Now is not the time to encourage expansion of the VWP.

I know that the Judiciary Committee has a significant interest in protecting Americans and ensuring that the VWP is not a national security risk. And I fully expect that if the bill is reported favorably today, the VWP provisions will be subject to the scrutiny of the Judiciary Committee.

Taiwan and the United States share a close friendship. However, policies that can lead to increased impact our national security should be carefully analyzed by Congress.

Again, I remain supportive of the Chairman's legislation and its goal of strengthening the U.S.-Taiwan relationship. At the same time, I remain concerned about the Visa Waiver Program provisions in H.R. 2918.

The Honorable Gerald E. Connolly (VA-11)

HCFA Full Committee Markup
H.R. 2918: Taiwan Policy Act of 2011
H.R 2992: Taiwan Airpower Modernization Act of 2011

Madam Chairman, as a supporter of both these bills, I would like to thank you for scheduling this markup and for including both of my amendments *en bloc*.

The Taiwan Policy Act (H.R. 2918) sets to codify key economic, diplomatic, and security provisions that have a broad base of support. These provisions include:

- Continuing the "Six Assurances" to Taiwan
- Increasing consultation with Congress on defense transfers to Taiwan
- Taking initial steps toward a Visa Waiver Program between the United States and Taiwan
- Granting senior leaders of Taiwan appropriate courtesy and respect when entering the U.S.

My first amendment, which pertains to section 203 of the Taiwan Policy Act, requires detailed briefings to Congress on arms sales. My amendment mandates that any such briefings ought to include information about "routine upgrades to or replacements of defense articles previously transferred by the U.S." to Taiwan. In recent years, there has been criticism that the Executive Branch has delayed approving routine upgrades or standard replacement parts for Taiwan. Proponents of this claim cite a notification in August of 2010, regarding

1. A support program for Taiwan's existing Hughes Air Defense Radar and Air Defense System (HADAR) and
2. Two programs to upgrade the radar on Taiwan's Indigenous Defense Fighters (IDFs).

My amendment ensures that Congress will be kept apprised of not only new defense transfers, but also replacement defense transfers.

The Taiwan Airpower Modernization Act (H.R. 2992) directs the President to carry out the sale of 66 F-16 C/D fighter aircraft to Taiwan. **My second amendment**, which I drafted in consultation with the bill's primary sponsor (Rep. Granger of Texas), outlines additional rationale for the immediate sale of F-16 C/Ds to Taiwan, including the following:

- According to the manufacturer of the F-16 A/B and F-16 C/D aircraft, the program to retrofit would take three years longer than a program to sell the same number of new F-16C/D fighters to the Government of Taiwan.
- According to the manufacturer, the retrofit decreases Taiwan's overall available operational capacity by one squadron for almost five years.
- Since 2006, the Government of Taiwan has expressed an interest in submitting a formal Letter of Request (LOR) for F-16 C/Ds.
- The uncertainty regarding the future of the F-16 C/D production line.

I thank the Chairman for agreeing to include my two amendments in the en bloc package. I look forward to voting for these bills in Committee and respectfully urge my colleagues to do the same.

○