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(Original Signature of Member)

119TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To develop economic tools to deter aggression by the People’s Republic of  
China against Taiwan.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mrs. KIM introduced the following bill; which was referred to the Committee  
on \_\_\_\_\_  
\_\_\_\_\_

**A BILL**

To develop economic tools to deter aggression by the People’s  
Republic of China against Taiwan.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Deter PRC Aggression  
5 Against Taiwan Act”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 (a) SENSE OF CONGRESS REGARDING PREPARED-  
8 NNESS TO IMPOSE SANCTIONS IN THE EVENT OF A TAIWAN  
9 CONTINGENCY.—It is the sense of Congress that the

1 United States must be prepared to take immediate action  
2 to impose sanctions with respect to any military or non-  
3 military entities owned, controlled, or acting at the direc-  
4 tion of the Government of the PRC or the Chinese Com-  
5 munist Party that are supporting actions by the Govern-  
6 ment of the PRC or by the Chinese Communist Party—

7 (1) to overthrow or dismantle the governing in-  
8 stitutions in Taiwan;

9 (2) to occupy any territory controlled or admin-  
10 istered by Taiwan;

11 (3) to violate the territorial integrity of Taiwan;

12 or

13 (4) to take significant action against Taiwan,  
14 including—

15 (A) conducting a naval blockade of Tai-  
16 wan;

17 (B) seizing any outlying island of Taiwan;

18 or

19 (C) perpetrating a significant physical or  
20 cyber attack on Taiwan that erodes the ability  
21 of the governing institutions in Taiwan to oper-  
22 ate or provide essential services to the citizens  
23 of Taiwan.

1 (b) SENSE OF CONGRESS REGARDING UNITED  
2 STATES POLICY TOWARD TAIWAN AND THE GOVERN-  
3 MENT OF THE PRC.—It is the sense of Congress that—

4 (1) planning and recommendations developed by  
5 the PRC Sanctions Task Force pursuant to section  
6 4 are intended to compliment other United States  
7 responses to PRC aggression and not contravene  
8 long-standing United States policy on Taiwan;

9 (2) The United States remains committed to its  
10 “One China” policy, guided by the Taiwan Relations  
11 Act (22 U.S.C. 3301 et seq.), the three United  
12 States-People’s Republic of China Joint  
13 Communiqués, and the Six Assurances;

14 (3) any attempt by the People’s Republic of  
15 China to resolve Taiwan’s status through force, coer-  
16 cion, or other non-peaceful means is contrary to  
17 United States policy and national interests; and

18 (4) the future of Taiwan should be determined  
19 peacefully, free from the use of military force or any  
20 other forms of military, economic, or other forms of  
21 coercion from the People’s Republic of China, and in  
22 a manner that is acceptable to the people of Taiwan.

23 **SEC. 3. DEFINITIONS.**

24 In this Act:

1           (1) APPROPRIATE CONGRESSIONAL COMMIT-  
2           TEES.—The term “appropriate congressional com-  
3           mittees” means—

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

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

8                   (C) the Committee on Commerce, Science,  
9           and Transportation of the Senate;

10                   (D) the Committee on Finance of the Sen-  
11           ate;

12                   (E) the Committee on Foreign Affairs of  
13           the House of Representatives;

14                   (F) the Committee on Financial Services  
15           of the House of Representatives;

16                   (G) the Committee on Energy and Com-  
17           merce of the House of Representatives; and

18                   (H) the Committee on Ways and Means of  
19           the House of Representatives.

20           (2) PRC.—The term “PRC” means the Peo-  
21           ple’s Republic of China.

22           (3) PRC SANCTIONS TASK FORCE; TASK  
23           FORCE.—The terms “PRC Sanctions Task Force”  
24           and “Task Force” mean the task force established  
25           pursuant to section 4.

1 **SEC. 4. PRC SANCTIONS TASK FORCE.**

2 (a) ESTABLISHMENT.—Not later than 180 days after  
3 the date of the enactment of this Act, the Coordinator for  
4 Sanctions of the Department of State and the Director  
5 of the Office of Foreign Assets Control of the Department  
6 of the Treasury, in coordination with the Director of Na-  
7 tional Intelligence and the heads of other Federal agen-  
8 cies, as appropriate, shall establish an interagency task  
9 force to identify military and non-military entities that  
10 could be subject to sanctions or other economic actions  
11 imposed by the United States immediately following any  
12 action taken by the PRC that demonstrates an attempt  
13 to achieve, or has the significant effect of achieving, the  
14 physical or political control of Taiwan, including by taking  
15 any of the actions described in paragraphs (1) through  
16 (4) of section 2.

17 (b) STRATEGY.—Not later than 180 days after the  
18 establishment of the PRC Sanctions Task Force, the Task  
19 Force shall provide a briefing to the appropriate congres-  
20 sional committees for identifying proposed targets for  
21 sanctions or other economic actions referred to in sub-  
22 section (a), which shall—

23 (1) assess how existing sanctions programs  
24 could be used to impose sanctions with respect to en-  
25 tities identified by the Task Force;

1           (2) develop or propose, as appropriate, new  
2           sanctions authorities that might be required to im-  
3           pose sanctions with respect to such entities;

4           (3) analyze the potential economic consequences  
5           to the United States, and to allies and partners of  
6           the United States, of imposing various types of such  
7           sanctions with respect to such entities;

8           (4) assess measures that could be taken to miti-  
9           gate the consequences referred to in paragraph (3),  
10          including through the use of licenses, exemptions,  
11          carve-outs, and other approaches;

12          (5) include coordination with allies and partners  
13          of the United States—

14                (A) to leverage sanctions and other eco-  
15                nomic tools including actions targeting the  
16                PRC's financial and industrial sectors to deter  
17                or respond to aggression against Taiwan;

18                (B) to identify and resolve potential im-  
19                pediments to coordinating sanctions-related ef-  
20                forts or other economic actions with respect to  
21                responding to or deterring aggression against  
22                Taiwan; and

23                (C) to identify industries, sectors, or goods  
24                and services where the United States and allies  
25                and partners of the United States can take co-

1           ordinated action through sanctions or other eco-  
2           nomic tools that will have a significant negative  
3           impact on the economy of the PRC; and

4           (D) to coordinate actions with partners  
5           and allies to provide economic support to Tai-  
6           wan and other countries being threatened by  
7           the PRC, including measures to counter eco-  
8           nomic coercion by the PRC;

9           (6) assess the resource gaps and needs at the  
10          Department of State, the Department of the Treas-  
11          ury, the Department of Commerce, the United  
12          States Trade Representative, and other Federal  
13          agencies, as appropriate, to most effectively use  
14          sanctions and other economic tools to respond to the  
15          threats posed by the PRC;

16          (7) recommend how best to target sanctions  
17          and other economic tools against individuals, enti-  
18          ties, and economic sectors in the PRC, which shall  
19          take into account—

20                 (A) the role of such targets in supporting  
21                 policies and activities of the Government of the  
22                 PRC, or of the Chinese Communist Party, that  
23                 pose a threat to the national security or foreign  
24                 policy interests of the United States;

1 (B) the negative economic implications of  
2 such sanctions and tools for the Government of  
3 the PRC, including its ability to achieve its ob-  
4 jectives with respect to Taiwan; and

5 (C) the potential impact of such sanctions  
6 and tools on the stability of the global financial  
7 system, including with respect to—

8 (i) state-owned enterprises;

9 (ii) officials of the Government of the  
10 PRC and of the Chinese Communist Party;

11 (iii) financial institutions associated  
12 with the Government of the PRC; and

13 (iv) companies in the PRC that are  
14 not formally designated by the Government  
15 of the PRC as state-owned enterprises; and

16 (8) identify any foreign military or non-military  
17 entities that would likely be used to achieve the out-  
18 comes specified in section 2, including entities in the  
19 shipping, logistics, energy (including oil and gas),  
20 maritime, aviation, ground transportation, and tech-  
21 nology sectors.

22 **SEC. 5. ANNUAL REPORT.**

23 Not later than 180 days after the briefing required  
24 under section 4(b), and annually thereafter, the PRC  
25 Sanctions Task Force shall submit a classified report to

1 the appropriate congressional committees that includes in-  
2 formation regarding—

3 (1) any entities identified pursuant to section  
4 4(b)(8);

5 (2) any new authorities required to impose  
6 sanctions with respect to such entities;

7 (3) potential economic impacts on the PRC, the  
8 United States, and allies and partners of the United  
9 States resulting from the imposition of sanctions  
10 with respect to such entities;

11 (4) mitigation measures that could be employed  
12 to limit any deleterious economic impacts on the  
13 United States and allies and partners of the United  
14 States of such sanctions;

15 (5) the status of coordination with allies and  
16 partners of the United States regarding sanctions  
17 and other economic tools identified under this Act;

18 (6) resource gaps and recommendations to en-  
19 able the Department of State and the Department  
20 of the Treasury to use sanctions to more effectively  
21 respond to the malign activities of the Government  
22 of the PRC; and

23 (7) any additional resources that may be nec-  
24 essary to carry out the strategies and recommenda-

1 tions included in the report submitted pursuant to  
2 section 4(b).

3 **SEC. 6. RULES OF CONSTRUCTION.**

4 (a) RULE OF CONSTRUCTION REGARDING CONTIN-  
5 UED UNITED STATES POLICY TOWARD TAIWAN AND THE  
6 GOVERNMENT OF THE PRC.—Nothing in this Act may  
7 be construed as a change to the One China Policy of the  
8 United States, which is guided by the Taiwan Relations  
9 Act (22 U.S.C. 3301 et seq.), the three United States-  
10 People’s Republic of China Joint Communiqués, and the  
11 Six Assurances.

12 (b) RULE OF CONSTRUCTION REGARDING SANC-  
13 TIONS AUTHORITIES IDENTIFIED OR RECOMMENDED BY  
14 THE TASK FORCE.—None of the sanctions identified or  
15 recommended pursuant to this Act are self-executing. Any  
16 such sanctions may only be imposed on an entity if they  
17 are explicitly authorized under—

18 (1) a Federal law that was in effect on the day  
19 before the date of the enactment of this Act; or

20 (2) an Act of Congress that is enacted after the  
21 date of the enactment of this Act.