## Congress of the United States Washington, DC 20515

February 16, 2023

The Honorable Joseph R. Biden, Jr. President of the United States The White House 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

## Dear President Biden:

We urge you to instruct the Director of the Office of Management and Budget to increase State Department Foreign Military Financing (FMF) in fiscal year 2024, to include up to \$2 billion in FMF grants for Taiwan. Current national security realities demand a reassessment and reassertion of security assistance as a central tool of foreign policy, especially in the Indo-Pacific.

The American response to Russia's invasion of Ukraine has illustrated the value of security assistance. With our help, Ukraine continues to resist an adversary's military that is intent on destabilizing Europe and harming American interests – all without American boots on the ground. However, if the Administration had provided what Ukraine needed earlier, Ukraine would be in a more favorable position today.

Meanwhile, the Chinese Communist Party's (CCP) belligerence towards Taiwan has reached new heights, and the cross-Strait and regional military balance in the Indo-Pacific continues to shift in China's favor. China's growing willingness to use its military to coerce U.S. allies and partners in the Indo-Pacific, its recent violation of U.S. sovereignty using a high-altitude surveillance balloon, and its aggressive build-up of conventional and nuclear capabilities pose a grave threat to vital U.S. interests. To stop these trends, the United States must act with urgency to defend itself and ensure our allies and partners have the capabilities they need to defend against the CCP.

Your National Security Strategy has identified China as the top geopolitical challenge facing the United States. However, your administration has consistently failed to act with the seriousness and urgency needed to arm and equip Taiwan. Your administration's actions, including delaying Congressional Notifications of arms sales to Congress, engaging Congress with a narrow focus on FMF loans to Taiwan, and refusing to provide information on Taiwan's defense needs requested by Congress, are not helping our ability to help Taiwan defend its territory.

The fiscal year 2023 National Defense Authorization Act (NDAA; Public Law 117-263) included the *Taiwan Enhanced Resilience Act* (TERA). This bipartisan legislation authorized up to \$2 billion in FMF grants to Taiwan for each of the fiscal years 2023 through 2027, which would allow the United States and Taiwan to engage in joint long-term planning for the acquisition, deployment, and sustainment of critical capabilities. TERA also authorized \$1 billion a year in drawdown authority for Taiwan, which could immediately strengthen deterrence in the Taiwan Strait and dramatically accelerate training.

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The loans included in the most recent appropriations bill are potentially helpful, but without FMF grants, loans are not enough to address the scale of this challenge.

In this context, the administration should increase the FMF budget request and allocate a greater share of Function 150 resources towards FMF, including funding for security assistance and training for Taiwan in fiscal year 2024. This would signal to Congress and Taiwan that the administration in fact prioritizes resources for the policies it has publicly supported and signed into law.

The United States must not be deterred from taking meaningful actions to counter CCP objectives that threaten our interests. We must be willing to accept the tension that comes with supporting Taiwan amidst China's threats and aggression, and we must match words with actions. Using every authority, we must arm and equip Taiwan to make it a stronger and more capable partner—which will only help the United States' national and economic security. We look forward to working with members of your administration towards achieving that goal.

Sincerely,

JAMES E. RISCH

Ranking Member

Senate Foreign Relations Committee

MICHAEL T. McCAUL

Chairman

House Foreign Affairs Committee

OGER F. WICKER

Ranking Member

Senate Armed Services Committee

MIKE D. ROGERS

Chairman

House Armed Services Committee

CC: The Honorable Antony J. Blinken, Secretary, U.S. Department of State

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The Honorable Lloyd J. Austin, Secretary, U.S. Department of Defense

The Honorable Shalanda D. Young, Director, Office of Management and Budget