II

Calendar No. 245

119TH CONGRESS
1ST SESSION

S. 2960

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

IN THE SENATE OF THE UNITED STATES

OCTOBER 1, 2025

Mr. RISCH (for himself, Mrs. SHAHEEN, Mr. COONS, and Mr. RICKETTS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

OCTOBER 30, 2025

Reported by Mr. RISCH with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

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

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 "Deter PRC Aggression Against Taiwan Act".~~

~~**SEC. 2. SENSE OF CONGRESS.**~~

~~It is the sense of Congress that the United States must be prepared to take immediate action to impose sanctions with respect to any military or non-military entities owned, controlled, or acting at the direction of the Government of the PRC or the Chinese Communist Party that are supporting actions by the Government of the PRC or by the Chinese Communist Party—~~

~~(1) to overthrow or dismantle the governing institutions in Taiwan;~~

~~(2) to occupy any territory controlled or administered by Taiwan;~~

~~(3) to violate the territorial integrity of Taiwan; or~~

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

~~(A) conducting a naval blockade of Taiwan;~~

~~(B) seizing any outlying island of Taiwan; or~~

~~(C) perpetrating a significant physical or cyber attack on Taiwan that erodes the ability of the governing institutions in Taiwan to operate or provide essential services to the citizens of Taiwan.~~

~~**SEC. 3. DEFINITIONS.**~~

~~In this Act:~~

~~(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” 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 Commerce, Science, and Transportation of the Senate;~~

~~(D) the Committee on Finance of the Senate;~~

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

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

~~(G) the Committee on Energy and Commerce of the House of Representatives; and~~

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

~~(2) PRC.—The term “PRC” means the People’s Republic of China.~~

~~(3) PRC SANCTIONS TASK FORCE; TASK FORCE.—The terms “PRC Sanctions Task Force”~~

~~and "Task Force" mean the task force established pursuant to section 4.~~

~~SEC. 4. PRC SANCTIONS TASK FORCE.~~

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

~~(b) STRATEGY.—Not later than 180 days after the establishment of the PRC Sanctions Task Force, the Task Force shall provide a briefing to the appropriate congressional committees for identifying proposed targets for sanctions or other economic actions referred to in subsection (a), which shall—~~

~~(1) assess how existing sanctions programs could be used to impose sanctions with respect to entities identified by the Task Force;~~

~~(2) develop or propose, as appropriate, new sanctions authorities that might be required to impose sanctions with respect to such entities;~~

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

~~(4) assess measures that could be taken to mitigate the consequences referred to in paragraph (3), including through the use of licenses, exemptions, carve-outs, and other approaches;~~

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

~~(A) to leverage sanctions and other economic tools including actions targeting the PRC's financial and industrial sectors to deter or respond to aggression against Taiwan;~~

~~(B) to identify and resolve potential impediments to coordinating sanctions-related efforts or other economic actions with respect to responding to or deterring aggression against Taiwan;~~

~~(C) to identify industries, sectors, or goods and services where the United States and allies and partners of the United States can take coordinated action through sanctions or other economic tools that will have a significant negative impact on the economy of the PRC; and~~

~~(D) to coordinate actions with partners and allies to provide economic support to Taiwan and other countries being threatened by the PRC, including measures to counter economic coercion by the PRC;~~

~~(6) assess the resource gaps and needs at the Department of State, the Department of the Treasury, the Department of Commerce, the United States Trade Representative, and other Federal agencies, as appropriate, to most effectively use sanctions and other economic tools to respond to the threats posed by the PRC;~~

~~(7) recommend how best to target sanctions and other economic tools against individuals, entities, and economic sectors in the PRC, which shall take into account—~~

~~(A) the role of such targets in supporting policies and activities of the Government of the PRC, or of the Chinese Communist Party, that~~

~~pose a threat to the national security or foreign policy interests of the United States;~~

~~(B) the negative economic implications of such sanctions and tools for the Government of the PRC, including its ability to achieve its objectives with respect to Taiwan; and~~

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

~~(i) state-owned enterprises;~~

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

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

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

~~(8) identify any foreign military or non-military entities that would likely be used to achieve the outcomes specified in section 2, including entities in the shipping, logistics, energy (including oil and gas), maritime, aviation, ground transportation, and technology sectors.~~

~~**SEC. 5. ANNUAL REPORT.**~~

~~Not later than 180 days after the briefing required under section 4(b), and annually thereafter, the PRC Sanctions Task Force shall submit a classified report to the appropriate congressional committees that includes information regarding—~~

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

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

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

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

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

~~(6) resource gaps and recommendations to enable the Department of State and the Department of the Treasury to use sanctions to more effectively respond to the malign activities of the Government of the PRC; and~~

~~(7) any additional resources that may be necessary to carry out the strategies and recommendations included in the report submitted pursuant to section 4(b).~~

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deter PRC Aggression Against Taiwan Act".

SEC. 2. SENSE OF CONGRESS.

(a) SENSE OF CONGRESS REGARDING PREPAREDNESS TO IMPOSE SANCTIONS IN THE EVENT OF A TAIWAN CONTINGENCY.—It is the sense of Congress that the United States must be prepared to take immediate action to impose sanctions with respect to any military or non-military entities owned, controlled, or acting at the direction of the Government of the PRC or the Chinese Communist Party that are supporting actions by the Government of the PRC or by the Chinese Communist Party—

(1) to overthrow or dismantle the governing institutions in Taiwan;

(2) to occupy any territory controlled or administered by Taiwan;

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

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

(A) conducting a naval blockade of Taiwan;

(B) seizing any outlying island of Taiwan; or

(C) perpetrating a significant physical or cyber attack on Taiwan that erodes the ability of the governing institutions in Taiwan to operate or provide essential services to the citizens of Taiwan.

(b) SENSE OF CONGRESS REGARDING UNITED STATES POLICY TOWARD TAIWAN AND THE GOVERNMENT OF THE PRC.—It is the sense of Congress that—

(1) planning and recommendations developed by the PRC Sanctions Task Force pursuant to section 4 are intended to compliment other United States responses to PRC aggression and not contravene longstanding United States policy on Taiwan;

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

(3) any attempt by the People's Republic of China to resolve Taiwan's status through force, coercion, or other non-peaceful means is contrary to United States policy and national interests; and

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

SEC. 3. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" 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 Commerce, Science, and Transportation of the Senate;

(D) the Committee on Finance of the Senate;

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

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

(G) the Committee on Energy and Commerce of the House of Representatives; and

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

(2) PRC.—The term "PRC" means the People's Republic of China.

(3) PRC SANCTIONS TASK FORCE; TASK FORCE.—The terms "PRC Sanctions Task Force" and "Task Force" mean the task force established pursuant to section 4.

SEC. 4. PRC SANCTIONS TASK FORCE.

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

(b) STRATEGY.—Not later than 180 days after the establishment of the PRC Sanctions Task Force, the Task

Force shall provide a briefing to the appropriate congressional committees for identifying proposed targets for sanctions or other economic actions referred to in subsection (a), which shall—

(1) assess how existing sanctions programs could be used to impose sanctions with respect to entities identified by the Task Force;

(2) develop or propose, as appropriate, new sanctions authorities that might be required to impose sanctions with respect to such entities;

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

(4) assess measures that could be taken to mitigate the consequences referred to in paragraph (3), including through the use of licenses, exemptions, carveouts, and other approaches;

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

(A) to leverage sanctions and other economic tools including actions targeting the PRC's financial and industrial sectors to deter or respond to aggression against Taiwan;

(B) to identify and resolve potential impediments to coordinating sanctions-related efforts or other economic actions with respect to responding to or deterring aggression against Taiwan; and

(C) to identify industries, sectors, or goods and services where the United States and allies and partners of the United States can take coordinated action through sanctions or other economic tools that will have a significant negative impact on the economy of the PRC; and

(D) to coordinate actions with partners and allies to provide economic support to Taiwan and other countries being threatened by the PRC, including measures to counter economic coercion by the PRC;

(6) assess the resource gaps and needs at the Department of State, the Department of the Treasury, the Department of Commerce, the United States Trade Representative, and other Federal agencies, as appropriate, to most effectively use sanctions and other economic tools to respond to the threats posed by the PRC;

(7) recommend how best to target sanctions and other economic tools against individuals, entities, and

economic sectors in the PRC, which shall take into account—

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

(B) the negative economic implications of such sanctions and tools for the Government of the PRC, including its ability to achieve its objectives with respect to Taiwan; and

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

(i) state-owned enterprises;

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

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

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

(8) identify any foreign military or non-military entities that would likely be used to achieve the outcomes specified in section 2, including entities in

the shipping, logistics, energy (including oil and gas), maritime, aviation, ground transportation, and technology sectors.

SEC. 5. ANNUAL REPORT.

Not later than 180 days after the briefing required under section 4(b), and annually thereafter, the PRC Sanctions Task Force shall submit a classified report to the appropriate congressional committees that includes information regarding—

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

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

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

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

(6) resource gaps and recommendations to enable the Department of State and the Department of the Treasury to use sanctions to more effectively respond to the malign activities of the Government of the PRC; and

(7) any additional resources that may be necessary to carry out the strategies and recommendations included in the report submitted pursuant to section 4(b).

SEC. 6. RULES OF CONSTRUCTION.

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

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

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

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

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