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S. 1164

To state a policy of the United States that engages the People's Republic of China in areas of mutual interest, promotes human rights, religious freedom, and democracy in China, and enhances the national security interests of the United States with respect to China, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 1997

Mr. ABRAHAM (for himself, Mr. FEINGOLD, Mr. HUTCHINSON, Mr. COVERDELL, Mr. DEWINE, Mr. ASHCROFT, Mr. BROWNBACK, Mr. MACK, and Mr. HELMS) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To state a policy of the United States that engages the People's Republic of China in areas of mutual interest, promotes human rights, religious freedom, and democracy in China, and enhances the national security interests of the United States with respect to China, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “China Policy Act of 1997”.

- 1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

Sec. 1. Short title; table of contents.
 Sec. 2. Declaration of policy.

TITLE I—SANCTIONS

Sec. 101. Denial of entry into United States of certain officials of the People's Republic of China.
 Sec. 102. Limitations on multilateral assistance for the People's Republic of China.
 Sec. 103. Sanctions regarding China North Industries Group, China Poly Group, and certain other entities affiliated with the People's Liberation Army.
 Sec. 104. Consultations with allies regarding sanctions against the People's Republic of China.
 Sec. 105. Termination of certain authorities.

TITLE II—HUMAN RIGHTS, RELIGIOUS FREEDOM, AND DEMOCRACY IN CHINA

Sec. 201. Findings on human rights abuses in the People's Republic of China.
 Sec. 202. Findings on religious freedom in the People's Republic of China.
 Sec. 203. Findings on Tibet.
 Sec. 204. Findings on coercive family planning practices in the People's Republic of China.
 Sec. 205. Combating slave labor and “reeducation” centers.
 Sec. 206. International broadcasting to China.
 Sec. 207. National Endowment for Democracy.
 Sec. 208. United States Information Agency student, cultural, and legislative exchange programs.
 Sec. 209. Annual reports on family planning activities in the People's Republic of China by recipients of United States funds.
 Sec. 210. Sense of Congress regarding multilateral efforts to address China's human rights record.
 Sec. 211. Sense of Congress regarding compliance by the People's Republic of China with the Joint Declaration on Hong Kong.

TITLE III—NATIONAL SECURITY MATTERS

Sec. 301. Findings on the proliferation of ballistic missiles by the People's Republic of China.
 Sec. 302. Findings on the proliferation of weapons of mass destruction by the People's Republic of China.
 Sec. 303. Findings on the proliferation of destabilizing advanced conventional weapons by the People's Republic of China.
 Sec. 304. Findings on the evasion of United States export control laws by the People's Republic of China.
 Sec. 305. Findings on the inconsistent application of United States export control laws to the People's Republic of China and Hong Kong.
 Sec. 306. Exports of supercomputers to the People's Republic of China.
 Sec. 307. Dual-use exports to Hong Kong.
 Sec. 308. Enforcement of Iran-Iraq Arms Non-Proliferation Act with respect to the People's Republic of China.

- Sec. 309. Transfers of sensitive equipment and technology by the People's Republic of China.
- Sec. 310. Annual reports on activities of the People's Liberation Army.
- Sec. 311. Annual reports on intelligence activities of the People's Republic of China.
- Sec. 312. Study of theater ballistic missile defense system for Taiwan.
- Sec. 313. Sense of Congress regarding United States force levels in Asia.
- Sec. 314. Sense of Congress regarding establishment of commission on security and cooperation in Asia.

TITLE IV—TRADE

- Sec. 401. Sense of Congress regarding the accession of Taiwan to the World Trade Organization.

TITLE V—HUMAN RIGHTS AND RELIGIOUS FREEDOM WORLDWIDE

- Sec. 501. Training for immigration officers regarding religions persecution.
- Sec. 502. Promotion of religious freedom and human rights worldwide.

TITLE VI—OTHER MATTERS

- Sec. 601. Termination of United States assistance for East-West Center.

1 **SEC. 2. DECLARATION OF POLICY.**

2 The policy of the United States with respect to the
3 People's Republic of China is as follows:

4 (1) To encourage freedom and democracy in the
5 People's Republic of China and to deter the Govern-
6 ment of the People's Republic of China from engag-
7 ing in activities that are contrary to the national se-
8 curity interests of the United States.

9 (2) To encourage the Government of the Peo-
10 ple's Republic of China to make progress towards
11 improving overall human rights conditions in China
12 and Tibet, including the taking of concrete steps to
13 assure freedom of speech, freedom of religion, and
14 freedom of association in compliance with inter-
15 national standards on human rights.

1 (3) To encourage the Government of the Peo-
2 ple's Republic of China to channel its emerging
3 power and influence along paths that are conducive
4 to peace, stability, and development in the Asian Pa-
5 cific region.

6 (4) To preserve and protect the national secu-
7 rity interests of the United States and its allies by—

8 (A) deterring the proliferation of weapons
9 and sensitive equipment and technology by the
10 Government of the People's Republic of China;
11 and

12 (B) sanctioning companies affiliated with
13 the People's Liberation Army that engage in
14 the proliferation of weapons of mass destruc-
15 tion, the importation of illegal weapons or fire-
16 arms into the United States, or espionage in
17 the United States.

18 (5) To support a strong United States presence
19 in and commitment to the leadership of the Asian
20 Pacific region.

21 (6) To support integration of the People's Re-
22 public of China into the community of nations.

23 (7) To limit the use of United States taxpayer
24 funds for the subsidization of the Government of the
25 People's Republic of China through such mecha-

1 nisms as assistance through multilateral develop-
2 ment banks and other United States Government
3 programs.

4 **TITLE I—SANCTIONS**

5 **SEC. 101. DENIAL OF ENTRY INTO UNITED STATES OF CER-** 6 **TAIN OFFICIALS OF THE PEOPLE’S REPUBLIC** 7 **OF CHINA.**

8 (a) DENIAL OF ENTRY.—Except as provided in sub-
9 section (b), the Secretary of State may not issue any visa
10 to, and the Attorney General may not admit to the United
11 States, any of the following officials of the Government
12 of the People’s Republic of China:

13 (1) High-ranking officials of the People’s Lib-
14 eration Army, as determined by the Secretary.

15 (2) High-ranking officials of the Public Security
16 Bureau, as so determined.

17 (3) High-ranking officials of the Religious Af-
18 fairs Bureau, as so determined.

19 (4) Other high-ranking officials determined by
20 the Secretary to be involved in the implementation
21 or enforcement of laws and directives of the People’s
22 Republic of China which restrict religious freedom.

23 (5) High-ranking officials determined by the
24 Secretary to be involved in the implementation or

1 enforcement of laws and directives of the People's
2 Republic of China on family planning.

3 (6) Officials determined by the Secretary to
4 have been materially involved in ordering or carrying
5 out the massacre of students in Tiananmen Square
6 in 1989.

7 (b) WAIVER.—

8 (1) IN GENERAL.—Subject to paragraph (2),
9 the President may waive the applicability of sub-
10 section (a) with respect to any official otherwise cov-
11 ered by that subsection if the President determines
12 that the waiver with respect to the official is in the
13 interests of the United States.

14 (2) NOTICE.—

15 (A) REQUIREMENT.—The President may
16 not exercise the authority provided in para-
17 graph (1) with respect to an official unless the
18 President submits to Congress a written notifi-
19 cation of the exercise of the authority before the
20 entry of the official into the United States.

21 (B) CONTENTS.—Each notice shall include
22 a justification of the exercise of the authority,
23 including—

(i) a statement why the exercise of the authority is in the interests of the United States; and

(ii) a statement why such interests supersede the need for the United States to deny entry to the official concerned in response to the practices of the Government of the People's Republic of China which limit the free exercise of religion and other human rights.

**SEC. 102. LIMITATIONS ON MULTILATERAL ASSISTANCE
FOR THE PEOPLE'S REPUBLIC OF CHINA.**

(a) INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT.—

(1) OPPOSITION TO ASSISTANCE.—

(A) OPPOSITION.—Except as provided in subparagraph (B), the Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to vote against any loan or other utilization of the funds of the Bank to or for the People's Republic of China.

(B) EXCEPTION.—Subparagraph (A) shall not apply to any loan or other utilization of funds for purposes of—

- 1 (i) meeting basic human needs; or
- 2 (ii) environmental improvements or
- 3 safeguards.

4 (2) OPPOSITION TO MODIFICATION OF SINGLE
 5 COUNTRY LOAN LIMIT.—The Secretary shall instruct
 6 the United States Executive Director of the Inter-
 7 national Bank for Reconstruction and Development
 8 to vote against any modification of the limitation on
 9 the share of the total funds of the Bank that may
 10 be loaned to a single country.

11 (b) ASIAN DEVELOPMENT BANK.—

12 (1) OPPOSITION TO ASSISTANCE.—Except as
 13 provided in paragraph (2), the Secretary shall in-
 14 struct the United States Director of the Asian De-
 15 velopment Bank to vote against any loan or other
 16 utilization of the funds of the Bank to or for the
 17 People's Republic of China.

18 (2) EXCEPTION.—Paragraph (1) shall not
 19 apply to any loan or other utilization of funds for
 20 purposes of—

- 21 (A) meeting basic human needs; or
- 22 (B) environmental improvements or safe-
- 23 guards.

24 (c) INTERNATIONAL MONETARY FUND.—

1 (1) OPPOSITION TO ASSISTANCE.—Except as
 2 provided in paragraph (2), the Secretary shall in-
 3 struct the United States Executive Director of the
 4 International Monetary Fund to vote against any
 5 loan or other utilization of the funds of the Fund to
 6 or for the People’s Republic of China.

7 (2) EXCEPTION.—Paragraph (1) shall not
 8 apply to any loan or other utilization of funds for
 9 purposes of—

10 (A) meeting basic human needs; or

11 (B) environmental improvements or safe-
 12 guards.

13 (d) BASIC HUMAN NEEDS DEFINED.—In this sec-
 14 tion, the term “basic human needs” refers to human needs
 15 arising from natural disasters or famine.

16 **SEC. 103. SANCTIONS REGARDING CHINA NORTH INDUS-**
 17 **TRIES GROUP, CHINA POLY GROUP, AND CER-**
 18 **TAIN OTHER ENTITIES AFFILIATED WITH**
 19 **THE PEOPLE’S LIBERATION ARMY.**

20 (a) FINDING; PURPOSE.—

21 (1) FINDING.—Congress finds that, in May
 22 1996, United States authorities caught representa-
 23 tives of the People’s Liberation Army enterprise,
 24 China Poly Group, and the civilian defense indus-
 25 trial company, China North Industries Group, at-

1 tempting to smuggle 2,000 AK-47s into Oakland,
2 California, and offering to sell to Federal undercover
3 agents 300,000 machine guns with silencers, 66-mil-
4 limeter mortars, hand grenades, and “Red Para-
5 keet” surface-to-air missiles, which, as stated in the
6 criminal complaint against one of those representa-
7 tives, “. . . could take out a 747” aircraft.

8 (2) PURPOSE.—The purpose of this section is
9 to impose targeted sanctions against entities affili-
10 ated with the People’s Liberation Army that engage
11 in the proliferation of weapons of mass destruction,
12 the importation of illegal weapons or firearms into
13 the United States, or espionage in the United
14 States.

15 (b) SANCTIONS AGAINST CERTAIN PLA AFFILI-
16 ATES.—

17 (1) SANCTIONS.—Except as provided in para-
18 graph (2) and subject to paragraph (3), the Presi-
19 dent shall—

20 (A) prohibit the importation into the Unit-
21 ed States of all products that are produced,
22 grown, or manufactured by a covered entity, the
23 parent company of a covered entity, or any af-
24 filiate, subsidiary, or successor entity of a cov-
25 ered entity;

1 (B) direct the Secretary of State and the
2 Attorney General to deny or impose restrictions
3 on the entry into the United States of any for-
4 eign national serving as an officer, director, or
5 employee of a covered entity or other entity de-
6 scribed in subparagraph (A);

7 (C) prohibit the issuance to a covered en-
8 tity or other entity described in subparagraph
9 (A) of licenses in connection with the export of
10 any item on the United States Munitions List;

11 (D) prohibit the export to a covered entity
12 or other entity described in subparagraph (A)
13 of any goods or technology on which export con-
14 trols are in effect under section 5 or 6 of the
15 Export Administration Act of 1979;

16 (E) direct the Export-Import Bank of the
17 United States not to give approval to the issu-
18 ance of any guarantee, insurance, extension of
19 credit, or participation in the extension of credit
20 with respect to a covered entity or other entity
21 described in subparagraph (A);

22 (F) prohibit United States nationals from
23 directly or indirectly issuing any guarantee for
24 any loan or other investment to, issuing any ex-
25 tension of credit to, or making any investment

1 in a covered entity or other entity described in
2 subparagraph (A); and

3 (G) prohibit the departments and agencies
4 of the United States and United States nation-
5 als from entering into any contract with a cov-
6 ered entity or other entity described in subpara-
7 graph (A) for the procurement or other provi-
8 sion of goods or services from such entity.

9 (2) EXCEPTIONS.—

10 (A) IN GENERAL.—The President shall not
11 impose sanctions under this subsection—

12 (i) in the case of the procurement of
13 defense articles or defense services—

14 (I) under contracts or sub-
15 contracts that are in effect on October
16 1, 1997 (including the exercise of op-
17 tions for production quantities to sat-
18 isfy United States operational military
19 requirements);

20 (II) if the President determines
21 that the person or entity to whom the
22 sanctions would otherwise be applied
23 is a sole source supplier of essential
24 defense articles or services and no al-
25 ternative supplier can be identified; or

1 (III) if the President determines
2 that such articles or services are es-
3 sential to the national security; or

4 (ii) in the case of—

5 (I) products or services provided
6 under contracts or binding agree-
7 ments (as such terms are defined by
8 the President in regulations) or joint
9 ventures entered into before October
10 1, 1997;

11 (II) spare parts;

12 (III) component parts that are
13 not finished products but are essential
14 to United States products or produc-
15 tion;

16 (IV) routine servicing and main-
17 tenance of products; or

18 (V) information and technology
19 products and services.

20 (B) IMMIGRATION RESTRICTIONS.—The
21 President shall not apply the restrictions de-
22 scribed in paragraph (1)(B) to a person de-
23 scribed in that paragraph if the President, after
24 consultation with the Attorney General, deter-
25 mines that the presence of the person in the

1 United States is necessary for a Federal or
2 State judicial proceeding against a covered en-
3 tity or other entity described in paragraph
4 (1)(A).

5 (3) TERMINATION.—The sanctions under this
6 subsection shall terminate as follows:

7 (A) In the case of an entity referred to in
8 paragraph (1) or (2) of subsection (c), on the
9 date that is one year after the date of enact-
10 ment of this Act.

11 (B) In the case of an entity that becomes
12 a covered entity under paragraph (3) or (4) of
13 subsection (c) by reason of its identification in
14 a report under subsection (d), on the date that
15 is one year after the date on which the entity
16 is identified in such report.

17 (c) COVERED ENTITIES.—For purposes of subsection
18 (b), a covered entity is any of the following:

19 (1) China North Industries Group.

20 (2) China Poly Group, also known as
21 Polytechnologies Incorporated or BAOLI.

22 (3) Any affiliate of the People's Liberation
23 Army identified in a report of the Director of
24 Central Intelligence under subsection (d)(1).

1 (4) Any affiliate of the People's Liberation
2 Army identified in a report of the Director of the
3 Federal Bureau of Investigation under subsection
4 (d)(2).

5 (d) REPORTS ON ACTIVITIES OF PLA AFFILIATES.—

6 (1) TRANSFERS OF SENSITIVE ITEMS AND
7 TECHNOLOGIES.—Not later than 30 days after the
8 date of enactment of this Act and annually there-
9 after through 2002, the Director of Central Intel-
10 ligence shall submit to the appropriate members
11 Congress a report that identifies each entity owned
12 wholly or in part by the People's Liberation Army
13 which, during the 2-year period ending on the date
14 of the report, transferred to any other entity a con-
15 trolled item for use in the following:

16 (A) Any item listed in category I or cat-
17 egory II of the MTCR Annex.

18 (B) Activities to develop, produce, stock-
19 pile, or deliver chemical or biological weapons.

20 (C) Nuclear activities in countries that do
21 not maintain full-scope International Atomic
22 Energy Agency safeguards or equivalent full-
23 scope safeguards.

24 (2) ILLEGAL ACTIVITIES IN THE UNITED
25 STATES.—Not later than 30 days after the date of

1 enactment of this Act and annually thereafter
2 through 2002, the Director of the Federal Bureau of
3 Investigation shall submit to the appropriate mem-
4 bers Congress a report that identifies each entity
5 owned wholly or in part by the People's Liberation
6 Army which, during the 2-year period ending on the
7 date of the report, attempted to—

8 (A) illegally import weapons or firearms
9 into the United States; or

10 (B) engage in military intelligence collec-
11 tion or espionage in the United States under
12 the cover of commercial business activity.

13 (3) FORM.—Each report under this subsection
14 shall be submitted in classified form.

15 (e) DEFINITIONS.—In this section:

16 (1) AFFILIATE.—The term “affiliate” does not
17 include any United States national engaged in a
18 business arrangement with a covered entity or other
19 entity described in subsection (b)(1)(A).

20 (2) APPROPRIATE MEMBERS OF CONGRESS.—
21 The term “appropriate members of congress” means
22 the following:

23 (A) The Majority leader and Minority lead-
24 er of the Senate.

1 (B) The chairmen and ranking members of
2 the Committee on Foreign Relations and the
3 Committee on Armed Services of the Senate.

4 (C) The Speaker and Minority leader of
5 the House of Representatives.

6 (D) The chairmen and ranking members of
7 the Committee on International Relations and
8 the Committee on National Security of the
9 House of Representatives.

10 (3) COMPONENT PART.—The term “component
11 part” means any article that is not usable for its in-
12 tended function without being embedded or inte-
13 grated into any other product and, if used in the
14 production of a finished product, would be substan-
15 tially transformed in that process.

16 (4) CONTROLLED ITEM.—The term “controlled
17 item” means the following:

18 (A) Any item listed in the MTCR Annex.

19 (B) Any item listed for control by the Aus-
20 tralia Group.

21 (C) Any item relevant to the nuclear fuel
22 cycle of nuclear explosive applications that are
23 listed for control by the Nuclear Suppliers
24 Group.

1 (5) FINISHED PRODUCT.—The term “finished
2 product” means any article that is usable for its in-
3 tended function without being embedded in or inte-
4 grated into any other product, but does not include
5 an article produced by a person or entity other than
6 a covered entity or other entity described in sub-
7 section (b)(1)(A) that contains parts or components
8 of such an entity if the parts or components have
9 been substantially transformed during production of
10 the finished product.

11 (6) INVESTMENT.—The term “investment” in-
12 cludes any contribution or commitment of funds,
13 commodities, services, patents, processes, or tech-
14 niques, in the form of—

15 (A) a loan or loans;

16 (B) the purchase of a share of ownership;

17 (C) participation in royalties, earnings, or
18 profits; and

19 (D) the furnishing of commodities or serv-
20 ices pursuant to a lease or other contract,

21 but does not include routine maintenance of prop-
22 erty.

23 (7) MTCR ANNEX.—The term “MTCR Annex”
24 has the meaning given that term in section 74(4) of
25 the Arms Export Control Act (22 U.S.C. 2797c(4)).

1 (8) UNITED STATES NATIONAL.—

2 (A) IN GENERAL.—The term “United
3 States national” means—

4 (i) any United States citizen; and

5 (ii) any corporation, partnership, or
6 other organization created under the laws
7 of the United States, any State, the Dis-
8 trict of Columbia, or any territory or pos-
9 session of the United States.

10 (B) EXCEPTION.—The term “United
11 States national” does not include a subsidiary
12 or affiliate of corporation, partnership, or orga-
13 nization that is a United States national if the
14 subsidiary or affiliate is located outside the
15 United States.

16 **SEC. 104. CONSULTATIONS WITH ALLIES REGARDING SANC-**
17 **TIONS AGAINST THE PEOPLE’S REPUBLIC OF**
18 **CHINA.**

19 (a) SENSE OF CONGRESS.—It is the sense of Con-
20 gress that the President should begin consultations with
21 the major allies and other trading partners of the United
22 States in order to encourage such allies and trading part-
23 ners to adopt sanctions against the People’s Republic of
24 China that are similar to the sanctions imposed on the
25 People’s Republic of China by section 102.

1 (b) REPORT.—Not later than 45 days after the com-
 2 pletion of the first Group of Seven summit meeting after
 3 the date of enactment of this Act, the President shall sub-
 4 mit to Congress a report on the results, if any, of consulta-
 5 tions referred to in subsection (a).

6 **SEC. 105. TERMINATION OF CERTAIN AUTHORITIES.**

7 (a) TERMINATION DATE.—Sections 101 and 102
 8 shall cease to apply at the end of the five-year period be-
 9 ginning on the date of enactment of this Act.

10 (b) SENSE OF CONGRESS ON REVIEW.—It is the
 11 sense of Congress that Congress should review the desir-
 12 ability of terminating the sanctions in this title before the
 13 date on which the sanctions would otherwise terminate
 14 under this title upon the occurrence of any of the following
 15 events:

16 (1) The admission of the People’s Republic of
 17 China into the World Trade Organization on com-
 18 mercially viable terms.

19 (2) A determination by the President that the
 20 Government of the People’s Republic of China is im-
 21 plementing fully all applicable international agree-
 22 ments relating to the proliferation of arms.

23 (3) A determination by the President that the
 24 Government of the People’s Republic of China is ac-

1 tively and effectively combatting all forms of reli-
2 gious persecution in China.

3 (4) A determination by the President that the
4 Government of the People's Republic of China is re-
5 evaluating in a meaningful manner its actions re-
6 garding the massacre of students in Tiananmen
7 Square in 1989.

8 (5) The publication by the Government of the
9 People's Republic of China of a report on the na-
10 tional security strategy of that government which in-
11 cludes a comprehensive description and discussion of
12 the elements of that strategy similar to the descrip-
13 tion and discussion of the national security strategy
14 of the United States in the annual report required
15 by section 108 of the National Security Act of 1947
16 (50 U.S.C. 404a).

17 (6) A determination by the President that the
18 Government of the People's Republic of China has
19 taken meaningful actions toward improving overall
20 human rights conditions in China and Tibet, includ-
21 ing the release of political prisoners, improving pris-
22 on conditions, providing prisoners with adequate
23 medical care, and full compliance with any inter-
24 national human rights accords to which that govern-
25 ment is a signatory.

1 **TITLE II—HUMAN RIGHTS, RELI-**
2 **GIOUS FREEDOM, AND DE-**
3 **MOCRACY IN CHINA**

4 **SEC. 201. FINDINGS ON HUMAN RIGHTS ABUSES IN THE**
5 **PEOPLE’S REPUBLIC OF CHINA.**

6 Congress makes the following findings regarding
7 human rights abuses in the People’s Republic of China:

8 (1) Congress concurs in the following conclu-
9 sions of the Department of State regarding human
10 rights in the People’s Republic of China in 1996:

11 (A) The People’s Republic of China is “an
12 authoritarian state” in which “citizens lack the
13 freedom to peacefully express opposition to the
14 party-led political system and the right to
15 change their national leaders or form of govern-
16 ment”.

17 (B) The Government of the People’s Re-
18 public of China has “continued to commit wide-
19 spread and well documented human rights
20 abuses, in violation of internationally accepted
21 norms, stemming from the authorities’ intoler-
22 ance of dissent, fear of unrest, and the absence
23 or inadequacy of laws protecting basic free-
24 doms”.

1 (C) “Abuses include torture and mistreat-
 2 ment of prisoners, forced confessions, and arbi-
 3 trary and incommunicado detention”.

4 (D) “Prison conditions remained harsh
 5 [and] [t]he Government continued severe re-
 6 strictions on freedom of speech, the press, as-
 7 sembly, association, religion, privacy, and work-
 8 er rights”.

9 (E) “Although the Government denies that
 10 it holds political prisoners, the number of per-
 11 sons detained or serving sentences for
 12 ‘counterrevolutionary crimes’ or ‘crimes against
 13 the state’ and for peaceful political or religious
 14 activities are believed to number in the thou-
 15 sands”.

16 (F) “Non-approved religious groups, in-
 17 cluding Protestant and Catholic
 18 groups . . . experienced intensified repression”.

19 (G) “Serious human rights abuses persist
 20 in minority areas, including Tibet, Xinjiang,
 21 and Inner Mongolia [, and] [c]ontrols on reli-
 22 gion and other fundamental freedoms in these
 23 areas have also intensified”.

24 (H) “Overall in 1996, the authorities
 25 stepped up efforts to cut off expressions of pro-

1 test or criticism. All public dissent against the
2 party and government was effectively silenced
3 by intimidation, exile, the imposition of prison
4 terms, administrative detention, or house ar-
5 rest. No dissidents were known to be active at
6 year's end.'".

7 (2) People's Republic of China authorities con-
8 tinue to hold Wei Jingsheng in prison for his
9 prodemocracy beliefs, and he is suffering in prison
10 from a lack of medical attention and beatings by fel-
11 low prisoners.

12 (3) On October 30, 1996, a People's Republic
13 of China court sentenced Wang Dan to 11 years in
14 prison primarily for articles published outside the
15 People's Republic of China, and People's Republic of
16 China authorities are not providing him with ade-
17 quate medical care.

18 (4) In addition to Wei Jingsheng and Wang
19 Dan, hundreds, if not thousands, of other political,
20 religious, and labor dissidents are imprisoned in
21 China for peacefully expressing their beliefs and ex-
22 ercising their internationally recognized rights of
23 free association and expression.

24 (5) Labor activist Liu Nianchun, severely ill in
25 a labor camp, has not only been denied medical

1 treatment but has been tortured with electric batons
2 and has had his 3 year reeducation-through-labor
3 sentence in prison arbitrarily extended by 216 days.

4 (6) Li Hai was charged with prying into and
5 gathering state secrets and subsequently sentenced
6 to a 9-year term in prison on December 18, 1996,
7 for going door-to-door to collect the names, ages,
8 family situations, alleged crimes, lengths of prison
9 sentences, locations of imprisonment, and treatment
10 while imprisoned of people sentenced to prison for
11 their activities during the 1989 Tiananmen Square
12 protests.

13 (7) Gao Yu, serving a 6-year term in prison on
14 charges of “leaking state secrets” despite the fact
15 that the information in question was already com-
16 mon knowledge, has been denied medical parole and
17 adequate medical care despite life threatening illness
18 and was vilified by People’s Republic of China au-
19 thorities after she was awarded the UNESCO
20 Guillemo Cano World Press Freedom Prize.

21 (8) People’s Republic of China companies still
22 export prison labor products to the United States.
23 Since 1991, the United States Customs Service has
24 issued 27 detention orders banning the importation
25 of goods suspected to be products of prison labor in

1 China, including hand tools, artificial flowers,
2 Christmas tree lights, and diesel engines.

3 (9) The People's Republic of China has not
4 fully complied with the 1992 Memorandum of Un-
5 derstanding on Prison Labor, and People's Republic
6 of China authorities often wait several years before
7 granting requests by United States Customs Service
8 officials to inspect prison facilities in China. In
9 1996, such authorities granted just one of eight out-
10 standing requests by such officials to inspect prison
11 facilities in China.

12 (10) Under current law, People's Republic of
13 China authorities may administratively sentence
14 China citizens to 3 years of labor reform without
15 trial.

16 (11) The People's Republic of China restricts
17 the access of its citizens to the Internet and blocks
18 web sites operated by foreign news organizations and
19 human rights organizations.

20 (12) The Government of the People's Republic
21 of China prohibits independent labor unions, and
22 workers who attempt to form unions without state
23 approval are given severe prison sentences as shown
24 in the treatment of Zhang Jingsheng, a labor leader
25 in Hunan province who was arrested following the

1 1989 Tiananmen Square Massacre and sentenced to
2 13 years in prison for organizing workers.

3 **SEC. 202. FINDINGS ON RELIGIOUS FREEDOM IN THE PEO-**
4 **PLE'S REPUBLIC OF CHINA.**

5 Congress makes the following findings regarding reli-
6 gious freedom in the People's Republic of China:

7 (1) The Government of the People's Republic of
8 China restricts the ability of religious adherents, in-
9 cluding Christians, Buddhists, Muslims, and others,
10 to practice outside of state-approved religious orga-
11 nizations, and detains worshipers and clergy who
12 participate in religious services conducted outside
13 state-approved religious organizations, as well as
14 those who refuse to register with the authorities as
15 required.

16 (2) Bishop Zeng Jingmu, 76 years old, detained
17 for the third time in 7 months and in poor health
18 from pneumonia, is serving a reeducation through
19 labor term for organizing religious assemblies and
20 masses not sanctioned by the official Chinese Catho-
21 lic Church.

22 (3) On January 31, 1994, Premier Li Peng
23 signed decrees number 144 and 145 which restrict
24 worship, religious education, distribution of Bibles

1 and others religious literature, and contact with for-
2 eign coreligionists.

3 (4) The Government of the People's Republic of
4 China has created official religious organizations
5 that control all religious worship, activity, and asso-
6 ciation in China and Tibet and supplant the inde-
7 pendent authority of the Roman Catholic Church,
8 independent Protestant churches, and independent
9 Buddhist, Taoist, and Islamic associations.

10 (5) In July 1995, Ye Xiaowen, a rigid com-
11 munist hostile to religion, was appointed to head the
12 Bureau of Religious Affairs, a government agency of
13 the People's Republic of China that is controlled by
14 the United Front Work Department of the Chinese
15 Communist Party. The Bureau of Religious Affairs
16 has administrative control over all religious worship
17 and activity in China and Tibet through a system of
18 granting or denying rights through an official reg-
19 istration system. Those who fail to or are not al-
20 lowed to register are subject to punitive measures.

21 (6) Unofficial Christian and Catholic commu-
22 nities were targeted by the Government of the Peo-
23 ple's Republic of China during 1996. A renewed
24 campaign aimed at forcing all churches to register
25 or face dissolution resulted in beating and harass-

1 ment of congregants, closure of churches, and nu-
2 merous arrests, fines, and sentences. In Shanghai,
3 for example, more than 300 house churches or meet-
4 ing points were closed down by the security authori-
5 ties in April alone.

6 **SEC. 203. FINDINGS ON TIBET.**

7 Congress makes the following findings regarding
8 Tibet:

9 (1) The Department of State China Country
10 Report on Human Rights Practices for 1996 states:
11 “Chinese government authorities continued to com-
12 mit widespread human rights abuses in Tibet, in-
13 cluding instances of death in detention, torture, ar-
14 bitrary arrest, detention without public trial, long
15 detention of Tibetan nationalists for peacefully ex-
16 pressing their religious and political views, and in-
17 tensified controls on religion and on freedom of
18 speech and the press, particularly for ethnic Tibet-
19 ans.”.

20 (2) The report also cites three instances in
21 which Tibetan Buddhist monks died in prison in the
22 People’s Republic of China in 1996.

23 (3) Many victims of the brutality committed by
24 the People’s Armed Police and the Public Security

1 Bureau of the People's Republic of China have been
2 young Tibetan Buddhist nuns and monks.

3 (4) Between June 1994 and May 1995, three
4 Tibetan nuns—15-year-old Sherab Ngawang, 24-
5 year-old Gyaltsen Kelsang, and 20-year-old
6 Phuntsok Yangkyi—died as a result of torture in
7 prison in Tibet.

8 (5) On March 11, 1997, the Senate adopted a
9 resolution calling for the release by the Government
10 of the People's Republic of China of Tibetan
11 ethnomusicologist and Fulbright Scholar Ngawang
12 Choephel, who was sentenced to 18 years in prison
13 in the People's Republic of China in December
14 1996, and of other Tibetans who are prisoners in
15 the People's Republic of China for reasons of con-
16 science.

17 (6) In May 1995, authorities of the Government
18 of the People's Republic of China detained Gedhun
19 Choekyi Nyima, then 6 years old, and his parents,
20 just days after the boy was recognized by the Dalai
21 Lama as the 11th Panchen Lama, and authorities of
22 that government continue to hold him and his fam-
23 ily.

24 (7) In May 1997, the Government of the Peo-
25 ple's Republic of China announced the sentencing of

1 Chadrel Rinpoche, the head of the search committee
 2 for the 11th Panchen Lama, to 6 years in prison.

3 (8) In April 1996, authorities of the Govern-
 4 ment of the People's Republic of China banned the
 5 display of photographs of the Dalai Lama, even in
 6 private homes, and the decision led to demonstra-
 7 tions in Ganden monastery during which 90 monks
 8 were arrested and 1 monk was shot to death by se-
 9 curity forces of that government.

10 **SEC. 204. FINDINGS ON COERCIVE FAMILY PLANNING**
 11 **PRACTICES IN THE PEOPLE'S REPUBLIC OF**
 12 **CHINA.**

13 Congress makes the following findings regarding fam-
 14 ily planning practices in the People's Republic of China:

15 (1) For more than 15 years there have been
 16 frequent and credible reports of forced abortion and
 17 forced sterilization in connection with the coercive
 18 population control practices of the People's Republic
 19 of China.

20 (2) Forced abortion was rightly denounced as a
 21 crime against humanity by the Nuremberg War
 22 Crimes Tribunal.

23 (3) Although it is the stated position of the po-
 24 litburo of the Chinese Communist Party that forced
 25 abortion and forced sterilization have no role in the

1 population control program of the Government of
2 the People's Republic of China, the policy of that
3 government seems to encourage both forced abortion
4 and forced sterilization through a combination of
5 strictly enforced birth quotas and impunity for local
6 population control officials who engage in coercion.
7 Officials acknowledge that there have been instances
8 of forced abortions and sterilization, yet there is no
9 evidence that the perpetrators of such acts have
10 been punished.

11 (4) The People's Republic of China population
12 control officials, in cooperation with employers and
13 works unit officials, monitor women's menstrual cy-
14 cles and subject women who conceive without gov-
15 ernment authorization to extreme psychological pres-
16 sure, to harsh economic sanctions (including
17 unpayable fines and loss of employment), and to
18 physical force.

19 (5) Official sanctions for giving birth to unau-
20 thorized children include fines in amounts several
21 times larger than the per capita annual incomes of
22 residents of the People's Republic of China. In
23 Fujian, for example, the average fine is estimated to
24 be twice a family's gross annual income. Families

1 who cannot pay the fine have had their homes and
2 personal property confiscated and destroyed.

3 (6) Especially harsh punishments have been in-
4 flicted on those whose resistance to such policies is
5 motivated by religion. For example, according to a
6 1995 Amnesty International report, the Catholic in-
7 habitants of two villages in Hebei Province were sub-
8 jected to population control under the slogan “better
9 to have more graves than one more child”. Enforce-
10 ment measures included torture, sexual abuse, and
11 the detention of resisters’ relatives as hostages.

12 (7) Forced abortions in the People’s Republic of
13 China often take place in the very late stages of
14 pregnancy, or even during the process of birth itself.

15 **SEC. 205. COMBATING SLAVE LABOR AND “REEDUCATION”**
16 **CENTERS.**

17 (a) AUTHORIZATIONS FOR APPROPRIATIONS FOR AD-
18 DITIONAL MONITORING OF EXPORTATION OF SLAVE
19 LABOR PRODUCTS.—There are authorized to be appro-
20 priated \$2,000,000 for fiscal year 1998 and \$2,000,000
21 for fiscal year 1999 for monitoring by the United States
22 Customs Service and the Department of State of the ex-
23 port by the People’s Republic of China to the United
24 States of products which may be made with slave labor
25 in violation of section 307 of the Tariff Act of 1930 (19

1 U.S.C. 1307) or section 1761 of title 18, United States
2 Code.

3 (b) REPORTS ON EXPORTATION OF PRODUCTS MADE
4 WITH SLAVE LABOR.—

5 (1) REPORTS.—

6 (A) IN GENERAL.—Not later than 1 year
7 after the date of enactment of this Act and an-
8 nually thereafter, the Commissioner of Customs
9 and the Secretary of State shall each submit to
10 the Members of Congress referred to in sub-
11 paragraph (B) a report on the manufacturing
12 and exportation of products made with slave
13 labor in the People’s Republic of China during
14 the one-year period ending on the date of the
15 report. Each report shall be submitted in un-
16 classified form, but may include a classified
17 annex.

18 (B) MEMBERS OF CONGRESS.—Reports
19 under subparagraph (A) shall be submitted to
20 the following Members of Congress:

21 (i) The Majority leader and Minority
22 leader of the Senate.

23 (ii) The chairman and ranking mem-
24 ber of the Committee on Foreign Relations
25 of the Senate.

1 (iii) The Speaker and Minority leader
2 of the House of Representatives.

3 (iv) The chairman and ranking mem-
4 ber of the Committee on International Re-
5 lations of the House of Representatives.

6 (2) CONTENTS OF REPORTS.—Each report
7 under paragraph (1) shall include information con-
8 cerning the following:

9 (A) The extent of the use of slave labor in
10 manufacturing products for exportation by the
11 People's Republic of China, as well as the vol-
12 ume of exports of such slave labor products by
13 that country.

14 (B) The progress of the United States
15 Government—

16 (i) in identifying products made with
17 slave labor in the People's Republic of
18 China that are destined for the United
19 States market in violation of section 307 of
20 the Tariff Act of 1930 or section 1761 of
21 title 18, United States Code; and

22 (ii) in stemming the importation of
23 such products.

24 (c) RENEGOTIATION OF MEMORANDUM OF UNDER-
25 STANDING ON PRISON LABOR WITH THE PEOPLE'S RE-

1 PUBLIC OF CHINA.—It is the sense of Congress that, since
2 the People’s Republic of China has substantially frus-
3 trated the purposes of the 1992 Memorandum of Under-
4 standing with the United States on Prison Labor, the
5 President should immediately commence negotiations to
6 replace the memorandum of understanding with one pro-
7 viding for effective monitoring of forced labor in the Peo-
8 ple’s Republic of China, without restrictions on which pris-
9 on labor camps international monitors may visit.

10 **SEC. 206. INTERNATIONAL BROADCASTING TO CHINA.**

11 (a) AUTHORIZATION OF APPROPRIATIONS.—In addi-
12 tion to such sums as are otherwise authorized to be appro-
13 priated for “International Broadcasting Activities” for fis-
14 cal year 1998, there is authorized to be appropriated for
15 “International Broadcasting Activities” for that fiscal
16 year \$5,000,000, which shall be available only for broad-
17 casting by Radio Free Asia and the Voice of America to
18 the People’s Republic of China.

19 (b) SENSE OF CONGRESS.—It is the sense of Con-
20 gress that United States international broadcasting
21 through Radio Free Asia and Voice of America should be
22 increased to provide continuous 24-hour broadcasting in
23 Chinese and Tibetan dialects which include Mandarin Chi-
24 nese, Tibetan, and at least one other dialect.

1 **SEC. 207. NATIONAL ENDOWMENT FOR DEMOCRACY.**

2 In addition to such sums as are otherwise authorized
 3 to be appropriated for fiscal year 1998 for grants to the
 4 National Endowment for Democracy, there is authorized
 5 to be appropriated for that fiscal year \$2,000,000 for
 6 grants to the Endowment which shall be available only for
 7 purposes of programs relating to the People's Republic of
 8 China.

9 **SEC. 208. UNITED STATES INFORMATION AGENCY STU-**
 10 **DENT, CULTURAL, AND LEGISLATIVE EX-**
 11 **CHANGE PROGRAMS.**

12 In addition to such sums as are otherwise authorized
 13 to be appropriated to the United States Information Agen-
 14 cy for fiscal year 1998, there is authorized to be appro-
 15 priated for the Agency for that fiscal year \$2,000,000,
 16 which shall be available only for the purposes of student,
 17 cultural, and legislative exchange activities in or with the
 18 People's Republic of China.

19 **SEC. 209. ANNUAL REPORTS ON FAMILY PLANNING ACTIVI-**
 20 **TIES IN THE PEOPLE'S REPUBLIC OF CHINA**
 21 **BY RECIPIENTS OF UNITED STATES FUNDS.**

22 (a) ANNUAL REPORTS.—

23 (1) REQUIREMENT.—Not later than January
 24 15 each year, the Secretary of State shall submit to
 25 Congress a report that describes the family planning
 26 activities in the People's Republic of China during

1 the preceding year of each covered family planning
 2 organization that carried out such activities in the
 3 People's Republic of China during that year.

4 (2) ADDITIONAL INFORMATION.—Each report
 5 under paragraph (1) shall include the filing submit-
 6 ted to the Secretary for purposes of such report by
 7 each covered family planning organization whose ac-
 8 tivities are covered by such report.

9 (b) COVERED FAMILY PLANNING ORGANIZATION DE-
 10 FINED.—In this section, the term “covered family plan-
 11 ning organization” means any for-profit or non-profit en-
 12 tity that receives United States funds to conduct family
 13 planning activities abroad.

14 **SEC. 210. SENSE OF CONGRESS REGARDING MULTILAT-**
 15 **ERAL EFFORTS TO ADDRESS CHINA'S HUMAN**
 16 **RIGHTS RECORD.**

17 (a) FINDINGS.—Congress makes the following find-
 18 ings:

19 (1) On April 15, 1997, members of the United
 20 Nations Human Rights Commission voted 27–17 to
 21 block a resolution, sponsored by Denmark, critical of
 22 the human rights record of the Government of the
 23 People's Republic of China.

24 (2) The United States Government failed to
 25 vigorously lobby other nations to support the resolu-

1 tion in a timely and effective manner, and France,
 2 Canada, Germany, Italy, Spain, Australia, and
 3 Japan did not cosponsor the resolution.

4 (3) In response to support for the resolution by
 5 Denmark and the Netherlands, the Government of
 6 the People's Republic of China has adopted punitive
 7 measures against Denmark and Netherlands busi-
 8 nesses—including the denial of contracts to Nether-
 9 lands companies and undue delays in authorizing ex-
 10 pansion plans by the Denmark shipping line
 11 Maersk—thereby linking human rights and trade.

12 (b) SENSE OF CONGRESS.—It is the sense of Con-
 13 gress that—

14 (1) the United States Government should great-
 15 ly increase efforts in the United Nations Human
 16 Rights Commission and other international fora to
 17 draw attention to and condemn the gross violations
 18 of international standards on human rights by the
 19 Government of the People's Republic of China;

20 (2) the President should vigorously lobby other
 21 countries for passage of future Commission resolu-
 22 tions on the human rights record of the Government
 23 of the People's Republic of China; and

1 (3) such lobbying should begin not later than 6
 2 months before the commencement of the next annual
 3 meeting of the Commission.

4 **SEC. 211. SENSE OF CONGRESS REGARDING COMPLIANCE**
 5 **BY THE PEOPLE’S REPUBLIC OF CHINA WITH**
 6 **THE JOINT DECLARATION ON HONG KONG.**

7 (a) FINDINGS.—Congress makes the following find-
 8 ings:

9 (1) The People’s Republic of China resumed
 10 sovereignty over Hong Kong on July 1, 1997.

11 (2) In the Joint Declaration, a legally binding
 12 document in all its parts and the highest form of
 13 commitment between sovereign states, the People’s
 14 Republic of China pledged that after its resumption
 15 of sovereignty over Hong Kong “[t]he current social
 16 and economic systems in Hong Kong will remain un-
 17 changed, and so will the life-style. Rights and free-
 18 doms, including those of the person, of speech, of
 19 the press, of association, of travel, of movement, of
 20 correspondence, of strike, of choice of occupation, of
 21 academic research and religious belief will be en-
 22 sured by law in the Hong Kong Special Administra-
 23 tive Region”.

24 (3) The People’s Republic of China further
 25 pledged in the Joint Declaration that the policies of

1 the "... Joint Declaration will be stipulated in a
 2 Basic Law of the Hong Kong Special Administrative
 3 Region of the People's Republic of China, by the
 4 National People's Congress of the People's Republic
 5 of China, and they will remain unchanged for 50
 6 years".

7 (4) The Basic Law prescribes the systems to be
 8 practiced in the Hong Kong Special Administrative
 9 Region after the resumption of sovereignty over
 10 Hong Kong by the People's Republic of China.

11 (5) According to Article 2 of the Basic Law:
 12 "The National People's Congress authorizes the
 13 Hong Kong Special Administrative Region to exer-
 14 cise a high degree of autonomy and enjoy executive,
 15 legislative and independent judicial power, including
 16 that of final adjudication".

17 (6) According to Article 5 of the Basic Law:
 18 "The socialist system and policies (of the People's
 19 Republic of China) shall not be practiced in the
 20 Hong Kong Special Administrative Region, and the
 21 previous capitalist system and way of life shall re-
 22 main unchanged for 50 years".

23 (7) According to Article 27 of the Basic Law:
 24 "Hong Kong residents shall have freedom of speech,
 25 of the press and publication; freedom of association,

1 of assembly, of procession and of demonstration; and
2 the right and freedom to form and join trade unions,
3 and to strike”.

4 (8) According to Article 32 of the Basic Law:
5 “Hong Kong residents shall have freedom of reli-
6 gious belief and freedom to preach and to conduct
7 and participate in religious activities in public”.

8 (9) According to Article 34 of the Basic Law:
9 “Hong Kong residents shall have freedom to engage
10 in academic research, literary and artistic creation,
11 and other cultural activities”.

12 (10) According to Article 39 of the Basic Law:
13 “The provisions of the International Covenant on
14 Civil and Political Rights, the International Cov-
15 enant on Economic, Social and Cultural Rights, and
16 international labour conventions as applied to Hong
17 Kong shall remain in force and shall be implemented
18 through the laws of the Hong Kong Special Admin-
19 istrative Region”.

20 (11) President Jiang Zemin of the People’s Re-
21 public of China, in his statement of July 1, 1997,
22 at the ceremony in Hong Kong marking the estab-
23 lishment of the Hong Kong Special Administrative
24 Region, said that “... Hong Kong will enjoy a high
25 degree of autonomy as provided for by the Basic

1 Law, which includes the executive, legislative and
2 independent judicial power, including that of final
3 adjudication”.

4 (12) President Jiang further said that the
5 Hong Kong Special Administrative Region has the
6 “ultimate aim of electing the Chief Executive and
7 the Legislative Council by universal suffrage”.

8 (13) President Jiang further said that “[n]o
9 central department or locality (of the People’s Re-
10 public of China) may or will be allowed to interfere
11 in the affairs which, under the Basic Law, should be
12 administered by the Hong Kong Special Administra-
13 tive Region on its own”.

14 (14) President Jiang further said that “the pro-
15 visions of the International Covenant on Civil and
16 Political Rights, the International Covenant on Eco-
17 nomic, Social and Cultural Rights, and international
18 covenants as applied to Hong Kong shall remain in
19 force to be implemented through the laws of Hong
20 Kong’s regional legislation”.

21 (15) President Jiang further said that adher-
22 ence to these principles “serves Hong Kong, serves
23 the (People’s Republic of China) and serves the en-
24 tire nation as well. Therefore there is no reason
25 whatsoever to change them. Here I want to reaffirm

1 that ‘one country, two systems, Hong Kong admin-
 2 istering Hong Kong’ and ‘a high degree of auton-
 3 omy’ will remain unchanged for 50 years”.

4 (16) President Jiang, in another statement of
 5 July 1, 1997, at a rally in Beijing marking the es-
 6 tablishment of the Hong Kong Special Administra-
 7 tive Region, said that the People’s Republic of China
 8 “will unswervingly carry out the principles of ‘one
 9 country, two systems’, ‘Hong Kong people admin-
 10 istering Hong Kong’ and ‘high degree of autonomy’,
 11 and make sure that the previous socio-economic sys-
 12 tem and way of life of Hong Kong remain un-
 13 changed and that laws previously in force will re-
 14 main basically unchanged. We will firmly support
 15 the Hong Kong SAR in its exercise of the functions
 16 and powers bestowed on it by the Basic Law and the
 17 Hong Kong SAR Government in its administration
 18 in accordance with law.”.

19 (b) SENSE OF CONGRESS.—It is the sense of Con-
 20 gress that—

21 (1) the statements of President Jiang Zemin of
 22 the People’s Republic of China constitute a welcome
 23 reaffirmation of the obligations of the People’s Re-
 24 public of China under the Joint Declaration to en-
 25 sure that Hong Kong remains autonomous, the

1 human rights of the people of Hong Kong remain
 2 protected, and the government of the Hong Kong
 3 Special Administrative Region is elected democratically;
 4 and

5 (2) the fulfillment by the People's Republic of
 6 China of the obligations under the terms of the
 7 Joint Declaration and the Basic Law constitutes a
 8 crucial test of Beijing's ability to play a responsible
 9 global role.

10 (c) DEFINITIONS.—In this section:

11 (1) BASIC LAW.—The term “Basic Law” means
 12 the Basic Law of the Hong Kong Special Administrative
 13 Region of the People's Republic of China, as
 14 adopted on April 4, 1990, by the Seventh National
 15 People's Congress of the People's Republic of China.

16 (2) JOINT DECLARATION.—The term “Joint
 17 Declaration” means the Joint Declaration of the
 18 Government of the United Kingdom of Great Britain
 19 and Northern Ireland and the Government of the
 20 People's Republic of China on the Question of Hong
 21 Kong, done at Beijing on December 19, 1984.

1 **TITLE III—NATIONAL SECURITY**
2 **MATTERS**

3 **SEC. 301. FINDINGS ON THE PROLIFERATION OF BALLISTIC**
4 **MISSILES BY THE PEOPLE'S REPUBLIC OF**
5 **CHINA.**

6 Congress makes the following findings regarding the
7 proliferation of ballistic missiles by the People's Republic
8 of China:

9 (1) In December 1992, the Government of the
10 People's Republic of China violated the Arms Export
11 Control Act and the Export Administration Act of
12 1979 with the transfer by the Ministry of Aerospace
13 Industry of approximately 24 M-11 missiles to
14 Sargodha Air Force Base in Pakistan.

15 (2) From September 1994 to June 1996, the
16 Government of the People's Republic of China again
17 violated the Arms Export Control Act and the Ex-
18 port Administration Act of 1979 with the transfer
19 by the Ministry of Aerospace Industry of as many as
20 30 M-11 ballistic missiles to Sargodha Air Force
21 Base.

22 (3) In June 1995, the Government of the Peo-
23 ple's Republic of China violated the Arms Export
24 Control Act and the Export Administration Act of
25 1979 with the transfer by the Chinese Aerospace

1 Corporation to Iran of possibly hundreds of missile
2 guidance systems and computerized machine tools
3 for the production of ballistic missiles.

4 (4) In August 1996, the Government of the
5 People's Republic of China violated the Arms Export
6 Control Act and the Export Administration Act of
7 1979 with the transfer to Pakistan of factory plans
8 and equipment capable of constructing a ballistic
9 missile factory.

10 (5) In August 1996, the Government of the
11 People's Republic of China violated the Arms Export
12 Control Act, the Export Administration Act of 1979,
13 and the Iran-Iraq Arms Non-Proliferation Act of
14 1992 with the transfer by the China Precision Engi-
15 neering Institute to Iran's Defense Industries of gy-
16 roscopes, accelerometers, and test equipment for the
17 construction and test of ballistic missile guidance
18 systems.

19 (6) It has been reported that the Central Intel-
20 ligence Agency discovered a shipment by the Peo-
21 ple's Republic of China to the Syrian Scientific
22 Studies and Research Center, a Syria Government
23 agency that oversees missile development, of guid-
24 ance equipment for M-11 ballistic missiles. This al-
25 leged shipment would be a violation of the Missile

1 Technology Control Regime. This alleged shipment
2 would have taken place after the limited sanctions
3 imposed by the United States on the People's Re-
4 public of China for shipments of M-11 missiles and
5 components to Pakistan had been lifted following the
6 assurances of the Government of the People's Re-
7 public of China that it would comply with the Missile
8 Technology Control Regime.

9 (7) After each of these violations, the President
10 either failed to take appropriate actions to deter fu-
11 ture violations of such Acts and the Regime, took
12 the least onerous action against the Government of
13 the People's Republic of China that was possible
14 under such Acts and the Regime, or rescinded pre-
15 vious actions thereby diluting or eliminating the de-
16 terrent effect of sanctions under such Acts and the
17 Regime with respect to the Government of the Peo-
18 ple's Republic of China.

19 (8) This inaction forces Congress to take af-
20 firmative action in the bilateral relations between the
21 United States and the People's Republic of China in
22 order to respond sufficiently to these violations of
23 United States law.

1 **SEC. 302. FINDINGS ON THE PROLIFERATION OF WEAPONS**
2 **OF MASS DESTRUCTION BY THE PEOPLE'S**
3 **REPUBLIC OF CHINA.**

4 Congress makes the following findings regarding the
5 proliferation of weapons of mass destruction by the Peo-
6 ple's Republic of China:

7 (1) In January 1996, the Government of the
8 People's Republic of China violated the Arms Export
9 Control Act, the Nuclear Proliferation Prevention
10 Act of 1994, and the Export-Import Bank Act of
11 1945 with the transfer by the China Nuclear Energy
12 Industry Corporation to the Abdul Qadeer Khan Re-
13 search Laboratory in Kahuta, Pakistan, of as many
14 as 5,000 ring-magnets for the extraction of enriched
15 uranium for the potential use in nuclear weapons.

16 (2) In September 1996, the Government of the
17 People's Republic of China violated the Arms Export
18 Control Act, the Export Administration Act of 1979,
19 and the Nuclear Proliferation Prevention Act of
20 1994 with the transfer by the China Nuclear Energy
21 Industry Corporation to a nuclear reactor facility in
22 Khushab, Pakistan, of an industrial furnace and
23 special diagnostic equipment capable of converting
24 plutonium and uranium to weapons grade material.

25 (3) In March 1996, the Government of the Peo-
26 ple's Republic of China violated the Arms Export

1 Control Act, the Export Administration Act of 1979,
2 the Iran-Iraq Arms Non-Proliferation Act of 1992,
3 and Executive Order 12938 with the transfer by the
4 Jiangsu Corporation to Iran organizations affiliated
5 with the Iranian Defense Industries Organization
6 and the Revolutionary Guards of virtually complete
7 chemical weapons production facilities.

8 (4) After each of these violations, the President
9 either failed to take any action to deter future viola-
10 tions of such Acts or took such trifling action as to
11 have no meaning or effect on the future proliferation
12 of weapons of mass destruction by the People's Re-
13 public of China.

14 (5) This inaction forces Congress to take af-
15 firmative action in the bilateral relations between the
16 People's Republic of China and the United States in
17 order to respond sufficiently to these violations of
18 United States law.

19 **SEC. 303. FINDINGS ON THE PROLIFERATION OF DESTA-**
20 **BILIZING ADVANCED CONVENTIONAL WEAP-**
21 **ONS BY THE PEOPLE'S REPUBLIC OF CHINA.**

22 Congress makes the following findings regarding the
23 proliferation of destabilizing advanced conventional weap-
24 ons by the People's Republic of China:

1 (1) In January 1996, the Government of the
2 People's Republic of China violated the Iran-Iraq
3 Arms Non-Proliferation Act of 1992 with the trans-
4 fer by the Chinese Precision Machinery Import-Ex-
5 port Corporation to the Iran military of 60 C-802
6 advanced anti-ship missiles and 20 Houdong fast-at-
7 tack patrol craft, 15 of which were equipped with C-
8 802 missiles.

9 (2) In test firings of this missile from land-
10 based batteries and from naval vessels, and test
11 firings of a similar missile from fighter aircraft, the
12 Iran Government claimed direct hits on the intended
13 targets. This operational ability restores an anti-sur-
14 face warfare capability lost by the Iran military dur-
15 ing the Iran-Iraq War.

16 (3) The Commander of the United States Fifth
17 Fleet commented that these missiles represented a
18 new dimension to the threat faced by the United
19 States Navy, stating "[i]t used to be we just had to
20 worry about land-based cruise missiles. Now [the
21 Iranians] have the potential to have that throughout
22 the [Persian] Gulf mounted on ships.'".

23 (4) It was reported in numerous press sources
24 that the Department of Defense found these trans-
25 fers destabilizing, and pressed for the imposition of

1 sanctions under the Iran-Iraq Arms Non-Prolifera-
2 tion Act of 1992 but that the Department of State
3 did not wish to impose such sanctions for fear of
4 damaging bilateral relations between the People's
5 Republic of China and the United States.

6 (5) The Iran-Iraq Arms Non-Proliferation Act
7 of 1992 does not differentiate between transfers of
8 destabilizing weapons that will and will not damage
9 bilateral relations. Any determination of whether to
10 impose sanctions on the People's Republic of China
11 for this transfer should have been made strictly on
12 the basis whether this transfer was or was not desta-
13 bilizing.

14 (6) In light of these reports, it is likely that
15 sanctions would have been imposed if the Clinton
16 Administration had been more concerned with the
17 stability of the region and the security of United
18 States troops than with the maintenance of cordial
19 relations between the People's Republic of China and
20 the United States.

21 (7) This inaction forces Congress to take af-
22 firmative action in the bilateral relations between the
23 People's Republic of China and the United States in
24 order to respond sufficiently to this violation of
25 United States law.

1 **SEC. 304. FINDINGS ON THE EVASION OF UNITED STATES**
2 **EXPORT CONTROL LAWS BY THE PEOPLE'S**
3 **REPUBLIC OF CHINA.**

4 Congress makes the following findings regarding the
5 evasion of United States export control laws by the Peo-
6 ple's Republic of China:

7 (1) On November 14, 1994, the President is-
8 sued Executive Order 12938, relating to the emer-
9 gency regarding weapons of mass destruction, de-
10 claring that the proliferation of weapons of mass de-
11 struction and the means of delivering them con-
12 stitute “an unusual and extraordinary threat to the
13 national security, foreign policy, and economy of the
14 United States” and that he had therefore decided to
15 “declare a national emergency to deal with that
16 threat”.

17 (2) The President reaffirmed Executive Order
18 12938 on November 15, 1995, and again on Novem-
19 ber 11, 1996.

20 (3) The Director of Central Intelligence stated
21 in the report entitled “The Acquisition of Tech-
22 nology Relating to Weapons of Mass Destruction
23 and Advanced Conventional Munitions” that, from
24 July to December 1996, “China was the most sig-
25 nificant supplier of W[eapons of] M[ass]

1 D[estruction]-related goods and technology to for-
2 eign countries.”.

3 (4) United States supercomputers are the com-
4 puter of choice for the nuclear weapons agencies of
5 the People’s Republic of China as highlighted by the
6 comments of the Chinese Academy of Sciences, an
7 agency known to work on nuclear weapons develop-
8 ment, that its United States-built supercomputer
9 provides the Academy with “computational power
10 previously unknown” and is available to “all the
11 major scientific and technological institutes across
12 China”.

13 (5) The People’s Republic of China has consist-
14 ently provided technical and scientific assistance for
15 the development of nuclear weapons to both Iran
16 and Pakistan, and it is illogical to believe that such
17 assistance would not also include computational as-
18 sistance if needed.

19 (6) According to the Under Secretary of Com-
20 merce for Export Administration, 47 United States
21 high-performance supercomputers were exported to
22 the People’s Republic of China between January
23 1996 and March 1997. Press reports indicate Unit-
24 ed States intelligence sources consider the actual
25 number of such supercomputers exported to the Peo-

1 ple's Republic of China during that period to have
2 been in the hundreds.

3 (7) Current United States export regulations
4 require an export license for shipments of super-
5 computers to the People's Republic of China only if
6 the end-use will be militarily related. However, the
7 determination of that end-use is left to the exporter,
8 thereby providing an incentive for inadequate inves-
9 tigation of the end-use of supercomputers exported
10 to the People's Republic of China.

11 (8) The Department of Commerce has initiated
12 investigations of United States supercomputer man-
13 ufacturers who, as last as June 1996, allegedly sold
14 supercomputers to the Chinese Academy of Sciences,
15 which also administers research in nuclear weapons
16 and missiles, in violation of existing United States
17 export control regulations relating to supercomput-
18 ers.

19 (9) On 14 July 1997, the "China Daily", the
20 newspaper of the Government of the People's Repub-
21 lic of China, stated that "China will open up its de-
22 fense sector to foreign investors" by "strengthening
23 international military-related electronic technology
24 exchanges" and that "China's defense-related elec-

1 tronics should no longer be hidden from foreign in-
2 vestors”.

3 (10) It was exactly this concern of diversion to
4 military end-use and to third nation proliferators
5 that prompted the President, on June 16, 1997, to
6 tighten export controls for supercomputers so as to
7 address the concern of “[t]he potential diversion to
8 military use of technology acquired” through experi-
9 ence developed in operating supercomputers and cus-
10 tomizing software and the concern that “the Peo-
11 ple’s Republic of China may transfer advanced-weap-
12 ons related technology to other countries, as in the
13 case of ballistic missile transfers”.

14 (11) Throughout this period, the President has
15 consistently acted in a manner so as to loosen con-
16 trols on the export of supercomputers from the Unit-
17 ed States and thereby make it easier for the Govern-
18 ment of the People’s Republic of China to divert
19 United States supercomputers to military end-uses
20 and to assist in the proliferation of weapons of mass
21 destruction.

22 (12) This inaction forces Congress to take af-
23 firmative action in the bilateral relations between the
24 People’s Republic of China and the United States in

1 order to respond sufficiently to these violations of
2 United States law.

3 **SEC. 305. FINDINGS ON THE INCONSISTENT APPLICATION**
4 **OF UNITED STATES EXPORT CONTROL LAWS**
5 **TO THE PEOPLE'S REPUBLIC OF CHINA AND**
6 **HONG KONG.**

7 Congress makes the following findings regarding the
8 inconsistent application of United States export control
9 laws to the People's Republic of China and Hong Kong:

10 (1) While Hong Kong was sovereign territory of
11 the United Kingdom, United States control of United
12 States exports to Hong Kong of items listed on
13 the United States Munitions List and the Commerce
14 Control List was considerably more lax than United
15 States control of exports of such items to the People's
16 Republic of China.

17 (2) On June 19, 1997, at a time when Hong
18 Kong was still territory of the United Kingdom, the
19 Department of Commerce discovered that a super-
20 computer exported to a Hong Kong based company
21 without the need of an export license because it was
22 being exported to Hong Kong was reexported to a
23 defense research institute in Changsha, People's Re-
24 public of China.

1 (3) A Federal grand jury is currently inves-
2 tigating the 1995 diversion by the Government of
3 the People's Republic of China to military aviation
4 production of aircraft machining equipment that was
5 originally exported from the United States for civil-
6 ian end-use.

7 (4) The People's Republic of China is the only
8 country which does not allow United States officials
9 to investigate the final end-use of exported tech-
10 nology and recently refused United States requests
11 to examine the location of the supercomputer di-
12 verted from Hong Kong.

13 (5) The continuation of this inconsistent export
14 control regime without specific assurances and ver-
15 ification measures to prevent unauthorized reexport
16 from Hong Kong, or diversion to military end-use,
17 provides the Government of the People's Republic of
18 China with the means to circumvent United States
19 export controls and gain access to critical technology
20 necessary both for defense modernization and the
21 proliferation of ballistic missiles and weapons of
22 mass destruction.

23 (6) This inaction forces Congress to take af-
24 firmative action in the bilateral relations between the
25 People's Republic of China and the United States in

1 order to respond sufficiently to these violations of
2 United States law.

3 **SEC. 306. EXPORTS OF SUPERCOMPUTERS TO THE PEO-**
4 **PLE'S REPUBLIC OF CHINA.**

5 (a) PRIOR APPROVAL OF EXPORTS AND REEX-
6 PORTS.—The President shall require that no covered com-
7 puter may be exported or reexported to the People's Re-
8 public of China without the prior written approval of each
9 of the designated officials.

10 (b) EXPORT OR REEXPORT WITHOUT UNANIMOUS
11 APPROVAL.—If any one of the designated officials does
12 not approve of the export or reexport of a covered com-
13 puter to the People's Republic of China, the computer may
14 be exported or reexported to the People's Republic of
15 China only pursuant to a license issued by the Secretary
16 of Commerce under the export administration regulations
17 of the Department of Commerce, and without regard to
18 the licensing exceptions otherwise authorized under sec-
19 tion 740.7 of title 15, Code of Federal Regulations, as in
20 effect on June 10, 1997.

21 (c) DEADLINE FOR RESPONSE TO APPLICATION.—
22 Each designated official shall approve or disapprove in
23 writing of the export or reexport of a covered computer
24 to the People's Republic of China not later than 10 days

1 after receipt by the United States of the application for
2 the export or reexport of the computer.

3 (d) DEFINITIONS.—In this section:

4 (1) COVERED COMPUTERS.—The term “covered
5 computers” means the digital computers listed as
6 “eligible computers” in section 740.7(d)(2) of title
7 15, Code of Federal Regulations, as in effect on
8 June 10, 1997.

9 (2) DESIGNATED OFFICIALS.—The term “des-
10 ignated officials” means the following:

11 (1) The Secretary of Commerce.

12 (2) The Secretary of Defense.

13 (3) The Secretary of Energy.

14 (4) The Secretary of State.

15 (5) The Director of the Arms Control and Dis-
16 armament Agency.

17 **SEC. 307. DUAL-USE EXPORTS TO HONG KONG.**

18 (a) IN GENERAL.—Notwithstanding any other provi-
19 sion of law, the provisions of this section shall apply with
20 respect to exports of covered items to Hong Kong.

21 (b) PRE-LICENSE VERIFICATIONS.—The Secretary of
22 State and the Secretary of Commerce shall not approve
23 an export license application for the export of a covered
24 item to Hong Kong if United States officials are denied
25 an opportunity to conduct a pre-license verification with

1 respect to the end-use of such covered item and the recipi-
2 ent of such item.

3 (c) POST-SHIPMENT VERIFICATION.—If United
4 States officials are denied the ability to a conduct post-
5 shipment verification of the location, recipient, and end
6 use of a covered item that has been exported to Hong
7 Kong from the United States pursuant to an export li-
8 cense granted by the Secretary of State and the Secretary
9 of Commerce, thereafter any application to export a cov-
10 ered item to Hong Kong shall be treated in the same man-
11 ner as a request to export such item to the People's Re-
12 public of China.

13 (d) DIVERSION OF COVERED ITEMS.—If the Presi-
14 dent, or any other official of the United States, obtains
15 credible evidence that a covered item exported from the
16 United States to Hong Kong on or after July 1, 1997,
17 has been diverted—

18 (1) to the People's Republic of China;

19 (2) to an end use not authorized under the ex-
20 port control laws or regulations of the United
21 States, or

22 (3) to a recipient, other than the recipient spec-
23 ified in the export license application,

24 any application to export a covered item to Hong Kong
25 that is pending or filed after the date on which such evi-

1 dence is obtained shall be treated in the same manner as
2 a request to export such item to the People's Republic of
3 China.

4 (e) COVERED ITEM DEFINED.—In this section, the
5 term “covered item” means the following:

6 (1) Any item on the United States Munitions
7 List.

8 (2) Any item on the Commerce Control List of
9 the Department of Commerce.

10 **SEC. 308. ENFORCEMENT OF IRAN-IRAQ ARMS NON-PRO-**
11 **LIFERATION ACT WITH RESPECT TO THE**
12 **PEOPLE'S REPUBLIC OF CHINA.**

13 (a) STATEMENT OF POLICY.—It shall be the policy
14 of the United States that—

15 (1) the delivery of 60 C-802 cruise missiles by
16 the China National Precision Machinery Import Ex-
17 port Corporation to Iran poses a new, direct threat
18 to deployed United States forces in the Middle East
19 and materially contributed to the efforts of Iran to
20 acquire destabilizing numbers and types of advanced
21 conventional weapons; and

22 (2) the delivery is a violation of the Iran-Iraq
23 Arms Non-Proliferation Act of 1992 (50 U.S.C.
24 1701 note).

25 (b) IMPLEMENTATION OF SANCTIONS.—

1 (1) REQUIREMENT.—The President shall im-
2 pose on the People’s Republic of China the manda-
3 tory sanctions set forth in paragraphs (3), (4), and
4 (5) of section 1605(b) of the Iran-Iraq Arms Non-
5 Proliferation Act of 1992.

6 (2) NONAVAILABILITY OF WAIVER.—For pur-
7 poses of this section, the President shall not have
8 the authority contained in section 1606 of the Iran-
9 Iraq Arms Non-Proliferation Act of 1992 to waive
10 the sanctions required under paragraph (1).

11 **SEC. 309. TRANSFERS OF SENSITIVE EQUIPMENT AND**
12 **TECHNOLOGY BY THE PEOPLE’S REPUBLIC**
13 **OF CHINA.**

14 (a) FINDINGS.—Congress makes the following find-
15 ings:

16 (1) Credible allegations exist that the People’s
17 Republic of China has transferred equipment and
18 technology as follows:

19 (A) Gyroscopes, accelerometers, and test
20 equipment for missiles to Iran.

21 (B) Chemical weapons equipment and
22 technology to Iran.

23 (C) Missile guidance systems and comput-
24 erized machine tools to Iran.

1 (D) Industrial furnace equipment and high
2 technology diagnostic equipment to a nuclear
3 facility in Pakistan.

4 (E) Blueprints and equipment to manufac-
5 ture M-11 missiles to Pakistan.

6 (F) M-11 missiles and components to
7 Pakistan.

8 (2) The Department of State has failed to de-
9 termine whether most such transfers violate provi-
10 sions of relevant United States laws and Executive
11 orders relating to the proliferation of sensitive equip-
12 ment and technology, including the Arms Export
13 Control Act, the Nuclear Proliferation Prevention
14 Act of 1994, the Export Administration Act of
15 1979, and the Export-Import Bank Act of 1945,
16 and Executive Order 12938.

17 (3) Where the Department of State has made
18 such determinations, it has imposed the least oner-
19 ous form of sanction, which significantly weakens
20 the intended deterrent effect of the sanctions pro-
21 vided for in such laws.

22 (b) SENSE OF CONGRESS.—It is the sense of Con-
23 gress that—

24 (1) the transfers of equipment and technology
25 by the People's Republic of China described in sub-

1 section (a)(1) pose a threat to the national security
2 interests of the United States;

3 (2) the failure of the Clinton Administration to
4 initiate a formal process to determine whether to im-
5 pose sanctions for such transfers under the provi-
6 sions of law referred to in subsection (a)(2) contrib-
7 utes to the threat posed to the national security in-
8 terests of the United States by the proliferation of
9 such equipment and technology; and

10 (3) the President should immediately initiate
11 the procedures necessary to determine whether sanc-
12 tions should be imposed under such provisions of law
13 for such transfers.

14 (c) REPORT.—

15 (1) REQUIREMENT.—Not later than 60 days
16 after the date of enactment of this Act, the Presi-
17 dent shall submit to Congress a report setting
18 forth—

19 (A) the date, if any, of the commencement
20 and of the conclusion of each formal process
21 conducted by the Department of State to deter-
22 mine whether to impose sanctions under the
23 provisions of law referred to in subsection
24 (a)(2) for each transfer described in subsection
25 (a)(1);

(B) the facts providing the basis for each determination not to impose sanctions under such provisions of law on the Government of the People's Republic of China, or entities within or having a relationship with that government, for each transfer, and the legal analysis supporting such determination; and

(C) a schedule for initiating a formal process described in paragraph (1) for each transfer not yet addressed by such formal process and an explanation for the failure to commence such formal process with respect to such transfer before the date of the report.

(2) FORM.—The report shall be submitted in unclassified form, but may include a classified annex.

SEC. 310. ANNUAL REPORTS ON ACTIVITIES OF THE PEOPLE'S LIBERATION ARMY.

(a) ENTITIES OWNED BY PLA.—Not later than January 31 each year, the Secretary of State shall publish in the Federal Register a list of each corporation or other business entity that was owned in whole or in part by the People's Liberation Army of the People's Republic of China as of December 31 of the preceding year.

(b) REPORT ON PRC MILITARY MODERNIZATION.—

1 (1) REQUIREMENT.—

2 (A) IN GENERAL.—Not later than March
3 31 each year, the Secretary of Defense, in con-
4 sultation with the Secretary of State, shall sub-
5 mit to Congress a report on the military mod-
6 ernization activities of the People's Liberation
7 Army.

8 (B) SUBMITTAL.—The Secretary of De-
9 fense shall submit each report to the following:

10 (i) The Majority leader and Minority
11 leader of the Senate.

12 (ii) The chairmen and ranking mem-
13 bers of the Committee on Foreign Rela-
14 tions and the Committee on Armed Serv-
15 ices of the Senate.

16 (iii) The Speaker and Minority leader
17 of the House of Representatives.

18 (iv) The chairmen and ranking mem-
19 bers of the Committee on International Re-
20 lations and the Committee on National Se-
21 curity of the House of Representatives.

22 (C) FORM.—The report shall be submitted
23 in unclassified form, but may include a classi-
24 fied annex.

25 (2) CONTENTS OF REPORT.—

1 (A) CONTENTS.—Each report under para-
2 graph (1) shall include the following:

3 (i) A description of developments
4 within the People's Liberation Army, in-
5 cluding the implications of the develop-
6 ments for United States policy toward the
7 People's Republic of China.

8 (ii) A description of the scope and
9 pace of modernization by the People's Lib-
10 eration Army.

11 (iii) To the maximum extent prac-
12 ticable, an analysis of the intent of such
13 modernization programs.

14 (B) RELATIONSHIP TO ANNUAL HUMAN
15 RIGHTS REPORT.—The report shall complement
16 and not replace applicable sections of the an-
17 nual report on human rights in China by the
18 Department of State.

19 (c) PROTECTION OF SOURCES AND METHODS.—In
20 publishing a list under subsection (a) and preparing a re-
21 port under subsection (b), the Secretary of Defense shall
22 take appropriate actions to ensure the protection of
23 sources and methods of gathering intelligence.

1 **SEC. 311. ANNUAL REPORTS ON INTELLIGENCE ACTIVITIES**
2 **OF THE PEOPLE'S REPUBLIC OF CHINA.**

3 (a) REPORTS.—

4 (1) IN GENERAL.—Not later than March 31
5 each year, the Director of Central Intelligence and
6 the Director of the Federal Bureau of Investigation,
7 jointly and in consultation with the heads of other
8 appropriate Federal agencies (including the Depart-
9 ments of Defense, Justice, Treasury, and State),
10 shall submit to the Members of Congress referred to
11 in paragraph (2) a report on the intelligence activi-
12 ties of the People's Republic of China directed
13 against or affecting the interests of the United
14 States.

15 (2) SUBMITTAL.—Each report under paragraph
16 (1) shall be submitted to the following:

17 (A) The Majority leader and Minority lead-
18 er of the Senate.

19 (B) The chairman and ranking member of
20 the Select Committee on Intelligence of the
21 Senate.

22 (C) The Speaker and Minority leader of
23 the House of Representatives.

24 (D) The chairman and ranking member of
25 the Permanent Select Committee on Intelligence
26 of the House of Representatives.

1 (3) FORM.—Each report shall be submitted in
 2 unclassified form, but may include a classified
 3 annex.

4 (b) CONTENTS OF REPORTS.—Each report under
 5 subsection (a) shall include information concerning the fol-
 6 lowing:

7 (1) Political and military espionage.

8 (2) Intelligence activities designed to gain polit-
 9 ical influence, including activities undertaken or co-
 10 ordinated by the United Front Work Department of
 11 the Chinese Communist Party.

12 (3) Efforts to gain direct or indirect influence
 13 through commercial or noncommercial
 14 intermediaries subject to control by the People's Re-
 15 public of China, including enterprises controlled by
 16 the People's Liberation Army.

17 (4) Disinformation and press manipulation by
 18 the People's Republic of China with respect to the
 19 United States, including activities undertaken or co-
 20 ordinated by the United Front Work Department of
 21 the Chinese Communist Party.

22 **SEC. 312. STUDY OF THEATER BALLISTIC MISSILE DEFENSE**
 23 **SYSTEM FOR TAIWAN.**

24 (a) STUDY.—The Secretary of Defense shall carry
 25 out, with appropriate representatives of the Government

1 of Taiwan, a study of the architecture requirements for
2 the establishment and operation of a theater ballistic mis-
3 sile defense system for Taiwan, including the Penghu Is-
4 lands, Kinmen, and Matsu. The study shall include the
5 following:

6 (1) An assessment of missile threats to Taiwan.

7 (2) Identification of the requirements of Taiwan
8 for deployment of an effective theater ballistic mis-
9 sile defense system.

10 (3) Identification of existing theater ballistic
11 missile defense systems or existing technology for
12 such systems, that the United States could sell to
13 Taiwan to assist in meeting the requirements identi-
14 fied under paragraph (2).

15 (4) Systems or technologies the United States
16 is developing that could address the missile threats
17 to Taiwan's security.

18 (5) Identification of potential joint cooperative
19 efforts by the United States and Taiwan to develop
20 theater ballistic missile defense systems.

21 (b) SUBMITTAL TO CONGRESS.—

22 (1) SUBMITTAL.—Not later than July 1, 1998,
23 the Secretary of Defense shall submit to the Com-
24 mittee on Armed Services and the Committee on Ap-
25 propriations of the Senate and the Committee on

1 National Security and the Committee on Appropria-
2 tions of the House of Representatives a report on
3 the study conducted under subsection (a).

4 (2) FORM.—The report shall be submitted in
5 unclassified form, but may include a classified
6 annex.

7 **SEC. 313. SENSE OF CONGRESS REGARDING UNITED**
8 **STATES FORCE LEVELS IN ASIA.**

9 It is the sense of Congress that—

10 (1) the current force levels in the Pacific Com-
11 mand Theater of Operations are necessary to the
12 fulfillment of the military mission of that command
13 and are vital to continued peace and stability in the
14 region covered by that command;

15 (2) any reductions in such force levels should
16 only be done in close consultation with Congress and
17 with a clear understanding of their impact upon the
18 capacity of the United States to fulfill its current
19 treaty obligations with other states in the region as
20 well as to the continued ability of the United States
21 to deter potential aggression in the region; and

22 (3) the annual report on the national security
23 strategy of the United States required by section
24 108 of the National Security Act of 1947 (50 U.S.C.
25 404a) should include specific information on the

1 adequacy of the capabilities of the United States
2 Armed Forces to support the implementation of the
3 national security strategy of the United States as it
4 relates to the People's Republic of China.

5 **SEC. 314. SENSE OF CONGRESS REGARDING ESTABLISH-**
6 **MENT OF COMMISSION ON SECURITY AND**
7 **COOPERATION IN ASIA.**

8 It is the sense of Congress that the President and
9 the Secretary of State should initiate negotiations with the
10 Government of the People's Republic of China and the
11 governments of other countries in Asia to establish a com-
12 mission on matters relating to security and cooperation
13 in Asia that would be modeled after the Commission on
14 Security and Cooperation in Europe.

15 **TITLE IV—TRADE**

16 **SEC. 401. SENSE OF CONGRESS REGARDING THE ACCES-**
17 **SION OF TAIWAN TO THE WORLD TRADE OR-**
18 **GANIZATION.**

19 It is the sense of Congress that Taiwan should be
20 admitted to the World Trade Organization as a separate
21 customs territory when Taiwan meets the established cri-
22 teria of the Organization for membership on that basis.

1 **TITLE V—HUMAN RIGHTS AND**
 2 **RELIGIOUS FREEDOM**
 3 **WORLDWIDE**

4 **SEC. 501. TRAINING FOR IMMIGRATION OFFICERS REGARD-**
 5 **ING RELIGIOUS PERSECUTION.**

6 Section 235 of the Immigration and Nationality Act
 7 (8 U.S.C. 1225) is amended by adding at the end the fol-
 8 lowing:

9 “(e) TRAINING ON RELIGIOUS PERSECUTION.—The
 10 Attorney General shall establish and operate a program
 11 to provide to immigration officers performing functions
 12 under subsection (b), or section 207 or 208, training on
 13 religious persecution, including training on—

14 “(1) the fundamental components of the right
 15 to freedom of religion;

16 “(2) the variation in beliefs of religious groups;
 17 and

18 “(3) the governmental and nongovernmental
 19 methods used in violation of the right to freedom of
 20 religion.”.

21 **SEC. 502. PROMOTION OF RELIGIOUS FREEDOM AND**
 22 **HUMAN RIGHTS WORLDWIDE.**

23 (a) REPORTS ON RELIGIOUS PERSECUTION.—

24 (1) REPORTS.—Not later than March 30, 1998,
 25 and annually thereafter, the Secretary of State shall

1 submit to the Committee on Foreign Relations of
 2 the Senate and the Committee on International Re-
 3 lations of the House of Representatives a report on
 4 religious persecution worldwide.

5 (2) CONTENTS.—Each report shall include a
 6 list of the government officials of any country world-
 7 wide who have been materially involved in the com-
 8 mission of acts of persecution that are motivated by
 9 a person's religion.

10 (b) PRISONER INFORMATION REGISTRY.—

11 (1) ESTABLISHMENT.—The Secretary of State
 12 shall establish and maintain a registry to be known
 13 as the Prisoner Information Registry.

14 (2) CONTENTS.—The registry shall be a reposi-
 15 tory of information on matters relating to the penal
 16 systems of the various countries and of individuals
 17 in such systems, including—

18 (A) the charges brought against the indi-
 19 viduals in such systems;

20 (B) the judicial or administrative processes
 21 to which such individuals were subject;

22 (C) the length of imprisonment of such in-
 23 dividuals in such systems;

24 (D) the use (if any) of forced labor in such
 25 systems;

1 (E) the incidences (if any) of torture in
 2 such systems;

3 (F) the physical and health conditions in
 4 such systems; and

5 (G) such other matters as the Secretary
 6 considers appropriate.

7 (3) ALLOCATION OF RESOURCES.—The Sec-
 8 retary may make funds available to non-govern-
 9 mental organizations currently engaged in monitor-
 10 ing penal systems worldwide or individuals in such
 11 systems in order to assist in the establishment and
 12 maintenance of the registry.

13 **TITLE VI—OTHER MATTERS**

14 **SEC. 601. TERMINATION OF UNITED STATES ASSISTANCE** 15 **FOR EAST-WEST CENTER.**

16 (a) REPEAL OF AUTHORIZATION OF ASSISTANCE.—
 17 The Center for Cultural and Technical Interchange Be-
 18 tween East and West Act of 1960 (chapter VII of Public
 19 Law 86–472; 22 U.S.C. 2054 et seq.) is repealed.

20 (b) PROHIBITION ON USE OF FUNDS FOR CENTER.—
 21 Notwithstanding any other law, no funds appropriated or
 22 otherwise made available to the Director of the United
 23 States Information Agency for any fiscal year after fiscal
 24 year 1997 may be used for any purposes (including grants
 25 and payments and expenses of operation) relating to the

- 1 Center for Cultural and Technical Interchange Between
- 2 East and West.

