

bravely, heroically right now that smaller countries committed to their own self-governance and self-rule can fight and take on giant authoritarian regimes. As the Ukrainians are showing the world today, we need to make sure Taiwan has the capability to do that itself.

As a matter of fact, there are discussions going on right now in the omnibus, and I sure hope the administration weighs in heavily about more assistance for Taiwan to build up its own military and weapons capability.

The second level of deterrence, of course, Madam President, is our ability as a country, with our allies, to come to Taiwan's aid if the President so orders. That has been a constant in the decades-long history. During these different crises when there have been threats by the CCP, the Chinese Communist Party, the PLA, to invade Taiwan, the United States has shown up every time. That is going to be increasingly important. We need the capability to do that.

And, finally, Madam President, a topic you and I have spoken about quite a lot is a third level of deterrence, which actually isn't talked about that much but, in my view and in the view of many of our Intel analysts, could be the most powerful, and that is devastating economic and financial consequences that we should let the Chinese Communist Party know about now that would ensue if they invaded Taiwan: economic, financial, energy.

Madam President, that is why I have been pushing my legislation called the STAND with Taiwan Act. It is legislation that would have very broad-based sanctions that would be triggered against all aspects of the Chinese Communist Party's economy and its leadership, that would be triggered by an invasion of Taiwan by the PLA. This is something I believe we, as the Congress, need to pass. It is something that I have pitched to many of our allies in Europe, in Asia, and it is something that I think could have an enormous, positive deterrent effect in the Taiwan Strait.

So let me conclude with this. With the invasion of Ukraine, it is clear that we have entered a new era of authoritarian aggression led by Xi Jinping and Putin like we saw in the 1930s. For nearly a century, American Presidents have seen Asia and Europe as theaters that, if under hostile control, would put U.S. national security at extreme risk. And generations of Americans have fought and died so that East Asia in Europe would not fall under the dictatorial control of U.S. adversaries.

Both of these theaters are at risk today. The world cannot be neutral in this contest between freedom and authoritarianism, especially in the Indo-Pacific region. American alliances, power, and ingenuity have helped build a world that has provided more freedom and prosperity to more people than ever before.

In fact—think about it, Madam President—the United States democracy, bolstered by our strong military, has done more to liberate humankind from oppression and tyranny—literally, hundreds of millions of people—than any other force in human history.

The Chinese Communist Party has clear plans to reverse all of this. It knows exactly what it wants to accomplish: to make the world safe for its tyrannical government, to profit off the export of its authoritarian model to other countries, to separate America from our democratic allies, and to erode U.S. leadership.

A world governed by Xi Jinping's totalitarian vision would be a world unsafe for America and our friends, and that is why Taiwan is so important and central to the future of the free world. It is a thriving, prosperous Chinese democracy that holds free elections with power bounded by the rule of law. For that reason, it threatens the CCP's central premise that one man ruling in perpetuity by crushing all dissent knows what is best for 1.4 billion people.

The Chinese Communist Party has already crushed Hong Kong, once a bastion of liberty, and the free world barely raised its voice in protest. Should America and the world stand by as China does something similar to Taiwan, a peaceful democracy of 24 million people, that would not simply undermine the security of the Western Pacific, as the Taiwan Relations Act says, but would undermine America's role in the world and the values we as Americans have infused into it? And I believe it would deeply and adversely affect concrete American national security and economic security interests.

So I am committed to working with all of my colleagues—the Presiding Officer has been a leader on many of these issues—working with her and others to make sure that that world never comes to pass. This is why Taiwan matters and we need policies of deterrence—all of them—to prevent its violent takeover by the Chinese Communist Party.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Iowa.

INTERNAL REVENUE SERVICE

Mr. GRASSLEY. Madam President, earlier this summer, my Democratic colleagues got through on reconciliation—a strictly partisan way—a bill that provided that the IRS would get \$80 billion in mandatory funding, which was meant to double the size of the IRS by 87,000 employees.

This additional \$80 billion, which comes on top of its annual appropriation, is over six times more than it received through annual appropriations in 2022. Now, I expect, in the new Congress, starting January 3 next year, there is going to be an attempt to reduce the \$80 billion and not go for the 87,000 additional employees. I favor doing just that.

However, in the meantime, the \$80 billion and the 87,000 employees is law,

and so this unprecedented increase in funding demands that Congress have a comparable increase in congressional oversight of the IRS—exact and unyielding oversight, to be precise. After all, we are talking about 87,000 new employees.

To begin this oversight, Finance Committee Republicans, including this Senator, sent a letter to the Government Accountability Office in October in pursuit of this oversight. In that letter, we asked for information on outstanding issues that the Government Accountability Office has identified at the Internal Revenue Service and the status of recommendations the IRS has failed to implement.

The Government Accountability Office responded to that letter at the end of November, and, as you might quite expect, there are many ongoing and persistent issues. In the November letter, the Government Accountability Office notes that the IRS had 41 unimplemented recommendations related to information systems control deficiencies at the beginning of the fiscal year 2022 audit of IRS's financial statements.

These outstanding recommendations related to information systems control deficiencies are especially concerning given the recent unauthorized disclosure of taxpayer information, contrary to U.S. code section 6103, which guarantees the privacy—or is supposed to guarantee the privacy—of your IRS information.

As you will recall, almost a year and a half ago, ProPublica, a publication, published stories based on “a vast trove of Internal Revenue Service data.”

We are no closer to understanding how ProPublica obtained this confidential taxpayer data now than we were in June of 2021. I have sent multiple letters to the Internal Revenue Service and to the Justice Department requesting updates on their supposed investigations on this matter of how did ProPublica get this private information of individual taxpayers. Yet these Agencies—the IRS and the Justice Department—have failed to provide any information concerning how confidential taxpayer information was disclosed or if additional taxpayer data remains at risk.

In fact, just last week, we learned of another confirmed data breach. The IRS inadvertently redisclosed information from tax returns filed by tax-exempt organizations. This is after the information was already improperly disclosed in September. The IRS clearly has a problem, then, protecting taxpayer information, as the law requires.

Now, the 41 information system deficiencies are only a fraction of the total open recommendations identified by the Government Accountability Office. GAO has said that “as of November 2022, IRS had 176 open recommendations. Fully implementing these recommendations could significantly improve the IRS's operations.”

Despite IRS's shortcomings, my Democratic colleagues handed the IRS \$80 billion in additional funding without seeing its plan for the funds or including the additional oversight. So that is why we are calling on additional oversight. It is very important to protect this \$80 billion.

Moreover, my Democratic colleagues have heavily weighted the additional funding toward enforcement rather than updating its systems or taxpayer services, because you can hardly call the IRS and get a live person. If you do, you probably don't get the right answers to your questions. So taxpayer service ought to be the No. 1 goal of this additional \$80 billion instead of enforcement.

Specifically, more than half of the additional IRS funding is dedicated to enforcement, while less than 5 percent is for taxpayer services. So you can see that taxpayer services isn't high on the agenda of the IRS. The lopsided nature of the IRS funding raises legitimate concerns of overly aggressive tax enforcement.

This is especially true given that 3.2 million tax filers are still waiting for the IRS to process their 2022 tax returns. Countless others are trying to voluntarily comply with the law but can't get anyone at the IRS to answer the telephone. As a result, my office has been flooded with calls from frustrated Iowans requesting assistance in getting the services they need from the IRS.

This is a recipe for disaster. While serving on the 1998 IRS Restructuring Commission, I heard firsthand from small businesses and from individuals about the abusive tactics the IRS can use when enforcement takes priority over taxpayer services.

Given these and other concerns, Senator THUNE and I introduced the IRS Funding Accountability Act. Our bill would place a moratorium on IRS spending its additional funding, other than for taxpayer services, until the IRS submits its spending plan to Congress for approval.

Congress would then have the option to reject the plan.

If Congress approves the spending plan, the IRS and the Treasury would be subject to regular reporting requirements and incur financial penalties for noncompliance—in other words, enhancing Congress's constitutional responsibility of oversight to see that the money spent is intended by Congress.

As the former chairman of the Senate Finance Committee, I understand the necessity for enforcement. Taxpayers should pay what they owe and not a penny less or a penny more. During my time on the Finance Committee, I have worked to provide the IRS with additional tools to identify tax cheats and to collect tax debts that are already due and owed. For instance, I helped create the bipartisan IRS Private Debt Collection Program, which uses private contractors to track down and collect taxes owed to the IRS

that they have shelved as a very low priority.

This program has collected nearly \$3 billion in net revenue since fiscal year 2019, including over 1.3 billion in the fiscal year of 2022 alone. Every year this program has operated, it has brought more revenue into the Treasury.

Additionally, I offered improvements to the IRS whistleblower program in 2006. This program incentivizes whistleblowers to expose tax fraud by corporations and high-net worth individuals. Since 2007, this program has collected over \$6 billion from noncompliant taxpayers.

Both of these proven programs initially received resistance from the IRS. However, I appreciated former Commissioner Rettig's public support for both of these programs.

If President Biden is really committed to closing the tax gap and going after wealthy tax cheats, he should encourage his nominee for IRS Commissioner, Daniel Werfel, to embrace both of these programs.

The IRS has significant and persistent issues that need to be addressed. Congress must exercise robust and aggressive oversight. This is especially true given the outrageous infusion of \$80 billion that is mostly geared toward enforcement against the taxpayer.

The IRS must do a better job protecting taxpayer data, provide better taxpayer service, and use its existing enforcement tools and regular appropriations funding more efficiently. Simply put, that is what the taxpayers deserve.

BIODIESEL

Madam President, on another subject matter, biodiesel producers are a vital part of Iowa's rural economy. In 2021, Iowa produced 340 million gallons of biodiesel, which helps Iowa farmers add value to each bushel of soybeans by producing a much needed transportation fuel in addition to high-protein animal feed.

Not only is biodiesel good for Iowa's economy, it is also significantly better for the environment. According to our Department of Energy, greenhouse gas emissions from biodiesel are as much as 74 percent lower as compared to traditional petroleum diesel.

Recently, we have seen rapid growth in the renewable diesel production, which also uses soybeans as a feedstock. Currently, the United States has the capacity to produce about 900 million gallons of renewable diesel. However, if all of the planned investments come to be, within 2 years, the United States will have the capacity to produce 5 billion gallons.

Despite rapid growth in the biodiesel industry, the Environmental Protection Agency has proposed a mere 60 million gallon increase in RFS volumes for 2023. The proposed RFS volume is particularly disappointing given that the Energy Information Administration predicts a 500 million gallon increase.

So it is very clear. It sounds like the EPA has failed to consult with the executive branch's own Energy Department. This bad policy can be corrected because this is just a proposed rule. The EPA has the ability to correct its mistakes in the final rule.

If the EPA fails to account for expected growth in this industry, then the EPA will have failed soybean farmers in the United States—in my State of Iowa as well. This also comes at a time when soybean farmers are making great strides in conservation practices that further reduce carbon emissions and improve soil health.

As the Treasury Department begins to look at the sustainable aviation fuel tax credit in the so-called Inflation Reduction Act that passed last August, they need to acknowledge these advances. I did not support the Inflation Reduction Act because it is chock-full of reckless spending and job-killing taxes.

However, that act tasks and requires the Treasury Department with determining how to measure carbon emissions for a variety of renewable fuels. What Treasury decides could make or break the renewable fuels industry. Treasury must use the best available science for determining carbon emissions.

So I want the Treasury Department to take note: This science is found at the Department of Energy's Argonne National Laboratory. The National Lab has developed a state-of-the-art model for estimating greenhouse emissions by fuel source.

Oddly, for determining the carbon emissions of sustainable aviation fuel, the Inflation Reduction Act directs Treasury to use the International Civil Aviation Organization model or a similar model.

If I was involved in writing the bill, I would have made sure that the Treasury Department could not outsource these important modeling decisions to an international organization when we have got a U.S. laboratory that can tell you how you do it in the most environmentally positive way.

The international model doesn't reflect advances in conservation practices used by American farmers. American farmers are at the cutting edge of conservation practices, and that should be reflected in any model that Treasury adopts.

Farmers across the country stand ready to provide low-cost and low-carbon fuel to consumers on land, air, and sea. However, if the international model is adopted, a sustainable aviation fuel made from homegrown corn and soybeans will be very much short-changed.

As the Treasury Department begins to write these regulations, as a result of the Inflation Reduction Act, it must listen to farmers and our own scientists, particularly the scientists at our own Department of Energy. We should not be awarding tax benefits based on an international model that is