

in international organizations where statehood is not a prerequisite.

The U.S. also advocates for Taiwan's voice to be heard where membership is not possible. This principle has lasted decades across Republican and Democratic administrations, and it has repeatedly been reaffirmed in bills passed by Congress.

My bill is straightforward. It requires the Treasury Department to implement our Taiwan policy at the International Monetary Fund, or IMF.

Taiwan is not required to be a member state of the United Nations in order to gain membership in the IMF. For example, Kosovo, also not a U.N. member, has belonged to the IMF for over a decade.

If Taiwan seeks admission to the IMF, then the Treasury Department should carry out our longstanding U.S. policy and support its application. While Taiwan awaits its admission to the IMF, H.R. 540 encourages the U.S. Governor of the IMF to support integrating Taiwan into the IMF's regular economic monitoring activities and Taiwanese nationals with equal employment opportunities at the IMF.

The IMF is devoted to monetary cooperation, exchange rate stability, and the growth of international trade. Taiwan is one of our top 10 trading partners, and it has the fifth largest cash reserves of any foreign country; greater than Brazil, South Korea, Mexico, or any European country except Switzerland.

At a time when China has been threatening the work of the IMF through its nontransparent lending abroad and its lack of cooperation with other creditors, we must focus the IMF on effective international cooperation.

Mr. Speaker, advocating for Taiwan's membership in the IMF would also unlock additional opportunities for the country in other international financial institutions, as was mentioned, one of which is the World Bank which requires countries to first be members of the IMF before becoming a member of World Bank.

With Taiwan's election taking place this week, I urge my colleagues to vote in favor of H.R. 540 and send the Taiwanese people a strong message of solidarity and support for their democracy.

Mrs. BEATTY. Mr. Speaker, I reserve the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. LUETKEMEYER), the chair of the National Security, Illicit Finance, and International Financial Institutions Subcommittee.

Mr. LUETKEMEYER. Mr. Speaker, I thank the chairman for yielding and thank him for managing the floor today. I was supposed to do that, and I got stuck in a snowstorm and slid all the way here, but I am here and glad to be here.

Before us today are a number of bills that originated in the National Security, Illicit Finance, and International

Financial Institutions Subcommittee which I chair. I commend the sponsors for their diligent commitment to crafting meaningful policy.

Congressman MEUSER's China Exchange Rate Transparency Act of 2023 will provide much-needed transparency to China's use of tools to impact the exchange rate, and their actions to threaten the core mission of the IMF.

Ensuring China plays by the same rules of the road as everyone else has been and will continue to be a focus of my National Security, Illicit Finance, and International Financial Institutions Subcommittee.

H.R. 803, the PROTECT Taiwan Act, has been a project dutifully undertaken by Congressman LUCAS. This legislation will send an unwavering message that if the Xi Jinping regime is seeking to provoke a war in Taiwan, China will face a new reality, exclusion from the international community. I thank Congressman LUCAS for this strong bipartisan solution to China's aggression.

Finally, as we heard from Vice Chair Congresswoman KIM, H.R. 540, the Taiwan Non-Discrimination Act of 2023, will ensure that Taiwan's voice is properly heard at the IMF. Ultimately, the decision to apply for membership into the IMF, and subsequently the World Bank and other international financial institutions, belongs to Taiwan. However, if they so choose to apply, the United States should be unequivocally supportive.

I thank the gentlewoman for her unwavering support to defend Taiwan and ensuring that the international financial institutions which my subcommittee oversees prioritize Taiwan policy at the IMF. I also thank Chairman MCHENRY for his work on the full committee.

Mr. MCHENRY. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

Mrs. BEATTY. Mr. Speaker, since the gentleman from North Carolina has no further speakers, I yield myself the balance of my time to close.

This legislation from Congresswoman KIM and Congressman GREEN directs the United States to support Taiwan should the island pursue participation in the IMF.

Mr. Speaker, I again urge my colleagues to support this bill and yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, I would just reiterate that Mrs. KIM's bill is critical to strengthening both our national security and the global economy. I think it is important that we state clearly as the United States Congress our support for Taiwan.

Taiwan has one of the world's most advanced and innovative economies and should be included under the IMF's activities.

I urge my colleagues to support this bill and thank my Democratic colleagues on the House Financial Services Committee for working with committee Republicans on supporting this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 540, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. MCHENRY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PRESSURE REGULATORY ORGANIZATIONS TO END CHINESE THREATS TO TAIWAN ACT

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 803) to direct certain financial regulators to exclude representatives of the People's Republic of China from certain banking organizations upon notice of certain threats or danger, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pressure Regulatory Organizations To End Chinese Threats to Taiwan Act" or the "PROTECT Taiwan Act".

SEC. 2. STATEMENT OF POLICY REGARDING THE EXCLUSION OF REPRESENTATIVES OF THE PEOPLE'S REPUBLIC OF CHINA FROM CERTAIN BANKING ORGANIZATIONS UPON NOTICE OF CERTAIN THREATS OR DANGER.

(a) IN GENERAL.—If the President, pursuant to section 3(c) of the Taiwan Relations Act (22 U.S.C. 3302(c)), informs the Congress of any threat to the security or the social or economic system of the people on Taiwan and any danger to the interests of the United States arising therefrom resulting from actions of the People's Republic of China, it is the policy of the United States to seek to exclude representatives of the People's Republic of China, to the maximum extent practicable, from participation in meetings, proceedings, and other activities of the following organizations—

- (1) the Group of Twenty;*
- (2) the Bank for International Settlements;*
- (3) the Financial Stability Board;*
- (4) the Basel Committee on Banking Supervision;*
- (5) the International Association of Insurance Supervisors; and*
- (6) the International Organization of Securities Commissions.*

(b) POLICY ADVANCEMENT.—The Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission, shall take all necessary steps to advance the policy set forth in subsection (a).

(c) WAIVER.—The President may waive the application of subsection (a) with respect to an

organization upon submission of a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

(1) that such waiver is in the national interest of the United States; and

(2) that contains an explanation of the reasons therefor.

(d) *SUNSET*.—This Act and the requirements of this Act shall have no force or effect on the date that is the earlier of—

(1) 5 years after the date of the enactment of this Act; or

(2) 30 days after the date on which the President notifies Congress that the termination of this Act is in the national interest of the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentlewoman from Ohio (Mrs. BEATTY) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume. I rise in support of H.R. 803, the PROTECT Taiwan Act, introduced by the chairman of the Science, Space, and Technology Committee and senior member of the House Financial Services Committee, Mr. LUCAS.

In addition to its hostile rhetoric, China has sought to intimidate Taiwan by making large incursions into the island's airspace. In fact, according to the Global Taiwan Institute, there were 563 incursions in 2022. Between January and August 23, 2023, there were 461 median-line crossings and 560 southwest incursions. Those are a lot of incursions.

If the Xi Jinping regime seeks to provoke war in Taiwan, Congress must clearly signal the costs that will be imposed on the Chinese Communist Party if it acts against the island.

One of those costs should be China's exclusion from the international community, which is a bipartisan pressure point. Chinese leaders must understand that a threat to Taiwan is a threat to international order, and a threat to Taiwan is a threat to China's economic growth opportunities.

As a result, we think China should not be able to participate in multilateral organizations if they conduct this type of business.

We have already seen Russia's isolation on the international stage after its invasion of Ukraine. We must be clear that this is what awaits Beijing if they cross the line in Taiwan.

Mr. LUCAS' bill would make China a pariah in key organizations devoted to ensuring global economic stability. This includes the G20, the Financial Stability Board, and other gatherings

of international financial regulators. Participation in these groups should be reserved for countries that take international norms and values seriously.

A Chinese invasion of Taiwan would underscore that Beijing has surrendered its right to be included. I thank Mr. LUCAS for his hard work on the PROTECT Taiwan Act and Congressman VICENTE GONZALEZ of Texas on the Democrat side for being an original co-sponsor.

Now more than ever I think we must show that deterring Chinese aggression against Taiwan is a bipartisan issue for the United States Congress. I think this bill will send that right signal.

Mr. Speaker, I urge my colleagues to support the bill, and I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, February 28, 2023.

Hon. PATRICK MCHENRY,
Chairman, Committee on Financial Services,
Washington, DC.

DEAR CHAIRMAN MCHENRY: Thank you for consulting with the Committee on Foreign Affairs on H.R. 803, the PROTECT Taiwan Act.

I agree that the Foreign Affairs Committee may be discharged from further action on this measure, subject to the understanding that this waiver does not in any way diminish or alter the jurisdiction of the Foreign Affairs Committee, or prejudice its jurisdictional prerogatives on this bill or similar legislation in the future. The Committee also reserves the right to seek an appropriate number of conferees to any House-Senate conference involving this bill and would appreciate your support for any such request.

I ask that you place our exchange of letters into the Congressional Record during floor consideration of the bill. I appreciate your cooperation, and look forward to continuing to work with you as this measure moves through the legislative process.

Sincerely,

MICHAEL T. MCCAUL,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, March 1, 2023.

Hon. MICHAEL MCCAUL,
Chairman, Committee on Foreign Affairs, House
of Representatives, Washington, DC.

DEAR CHAIRMAN MCCAUL: Thank you for agreeing to be discharged from further consideration of H.R. 803, the PROTECT Taiwan Act, so that it may proceed expeditiously to the House Floor. I agree that by foregoing consideration of H.R. 803 at this time, you do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that you will be appropriately consulted and involved on this or similar legislation as it moves forward.

As discussed, I will seek to place a copy of our exchange of letters on this bill in the Congressional Record during floor consideration thereof.

Sincerely,

PATRICK MCHENRY,
Chairman, Committee on Financial Services.

Mrs. BEATTY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 803, the PROTECT Taiwan Act, sponsored by Congressman LUCAS of Oklahoma and Congressman VICENTE GONZALEZ of Texas.

This bill would impose financial consequences on China if it launched a

major act of aggression against Taiwan. Specifically, this bill would require Treasury, the Federal Reserve, and the Securities and Exchange Commission to seek China's exclusion from the proceedings of the major financial institutions and international organizations. These include the G20, the Bank for International Settlements, the Financial Stability Board, the Basel Committee on Banking Supervision, the International Association of Insurance Supervisors, and the International Organization of Securities Commissions.

In short, this bill would deny China the economic, political, and diplomatic benefits of participation in the international organizations that ensure stability of financial markets and businesses if it were to engage in a major act of aggression against Taiwan.

This bill imposes a high threshold with regard to what kind of aggression would trigger this action. Specifically, it requires a Presidential notification to Congress under section 3(c) of the Taiwan Relations Act, which would only occur if there were a substantial threat to Taiwan. For reference, section 3(c) was not triggered during the tensions of the Third Taiwan Straits Crisis of the 1990s.

I also thank the bill's sponsor for working with Democrats to adopt changes to the bill that ensures it closely mirrors a similar law passed in the last Congress aimed at Russia following its unlawful invasion of Ukraine.

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Accordingly, the United States is now actively seeking Russia's exclusion from these international bodies.

If China were to cross the line Russia crossed by invading Ukraine, we would similarly seek to exclude them from these international bodies.

For all of these reasons, I urge my colleagues to support the passage of this bill, and I reserve the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. LUCAS), the chair of the Committee on Science, Space, and Technology and a senior member of the House Financial Services Committee.

Mr. LUCAS. Mr. Speaker, I thank Chairman MCHENRY for yielding time to me on this bill.

First, before I address the topic at hand, I would like to take a moment to note that I have served with Chairman MCHENRY for his tenure in the United States Congress.

I can proudly say this is a body that everyone comes in brand new and full of fire and vinegar, but it is a body where people develop into their skills, where their natural talents are honed and sharpened, and where many of our friends become great statesmen and stateswomen.

I note for just a moment that Chairman MCHENRY, when he joined this

body, represented that fire and vinegar, that intensity.

In his time here, he has developed into a statesman, a chairman of great regard, and someone who ultimately, when he leaves this body at the end of the session, will be missed.

My colleague, and I would like to think I can call you my friend, but most assuredly I note my respect for your legislative skills.

The bill before us is a bipartisan piece of legislation, as my colleagues have noted, to send a clear message: If China intends to engage in conflict against Taiwan, then China should be prepared to withstand the consequences.

Under the Taiwan Relations Act, the President is required to notify Congress if China poses an immediate threat to Taiwan's security.

If this notification is triggered, my bill states it is U.S. policy to exclude Chinese representatives from key international organizations: The G20, the Financial Stability Board, and the Basel Committee on Banking Supervision.

A threat to Taiwan is a threat to the international order. Now, let me repeat that one more time: A threat to Taiwan is a threat to the international order.

We should make it clear that if China acts to throw the world into instability, China will be excluded from international bodies that work to uphold that very stability.

I thank my colleague from Texas, Congressman GONZALEZ, for working with me on this bill. I encourage my colleagues to support this piece of legislation.

Mrs. BEATTY. Mr. Speaker, I yield myself the balance of my time.

This legislation from Congressmen LUCAS and GONZALEZ is designed to send a message to China, discouraging escalation of its aggression toward Taiwan.

I again note that while I agree that sending a strong signal to China regarding the United States' support for the prevention of conflict in the Taiwan Strait is important, we must also send a strong signal to Russia by providing additional funding to our fellow democracy, Ukraine.

I urge my colleagues to support this bill, and I yield back the balance of my time.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

I reiterate that Chinese leaders must understand that a threat to Taiwan is a threat to international order, and it should be a threat to their standing in international institutions.

They will not be able to operate in major multilateral organizations as if it were business as usual.

We know the impact on Russia after its invasion of Ukraine. We have to let officials in Beijing know that that is what awaits them if they cross the line in Taiwan.

I urge adoption of this bill and support for the bill. I thank my colleague,

Mr. LUCAS, for his friendship and for his kind words, as well as his important leadership on this topic.

Mr. Speaker, I urge adoption of this bill, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. MCHENRY) that the House suspend the rules and pass the bill, H.R. 803, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. MCHENRY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

CHINA EXCHANGE RATE TRANSPARENCY ACT OF 2023

Mr. MCHENRY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 839) to require the United States Executive Director at the International Monetary Fund to advocate for increased transparency with respect to exchange rate policies of the People's Republic of China, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "China Exchange Rate Transparency Act of 2023".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Under Article IV of the Articles of Agreement of the International Monetary Fund (IMF), the People's Republic of China has committed to orderly exchange rate arrangements, the avoidance of exchange rate manipulation, and cooperation with the IMF to ensure "firm surveillance" of the exchange rate policies of the People's Republic of China. Pursuant to Article VIII of the Articles of Agreement of the IMF, the IMF may require the People's Republic of China to furnish data on gold and foreign exchange holdings, including assets held by non-official agencies of the People's Republic of China.

(2) In its November 2022 report, entitled "Macroeconomic and Foreign Exchange Policies of Major Trading Partners of the United States", the Department of the Treasury concluded, "China provides very limited transparency regarding key features of its exchange rate mechanism, including the policy objectives of its exchange rate management regime and its activities in the offshore RMB market." The Department continued: "China's lack of transparency and use of a wide array of tools complicate Treasury's ability to assess the degree to which official actions are designed to impact the exchange rate."

(3) In that report, the Department further noted that "China's failure to publish foreign

exchange intervention and broader lack of transparency around key features of its exchange rate mechanism make it an outlier among major economies and warrants Treasury's close monitoring."

SEC. 3. ADVOCACY FOR INCREASED EXCHANGE RATE TRANSPARENCY FROM CHINA.

The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund (in this Act referred to as the "IMF") to use the voice and vote of the United States to advocate for—

(1) increased transparency from the People's Republic of China, and enhanced multilateral and bilateral surveillance by the IMF, with respect to the exchange rate arrangements of the People's Republic of China, including any indirect foreign exchange market intervention through Chinese financial institutions or state-owned enterprises;

(2) in connection with consultations with the People's Republic of China under Article IV of the Articles of Agreement of the IMF, the inclusion of any significant divergences by the People's Republic of China from the exchange rate policies of other issuers of currencies used in determining the value of Special Drawing Rights; and

(3) during governance reviews of the IMF, stronger consideration by IMF members and management of the performance of China as a responsible stakeholder in the international monetary system when evaluating quota and voting shares at the IMF.

SEC. 4. SUNSET.

This Act shall have no force or effect on or after the date that is 30 days after the earlier of—

(1) the date that the United States Governor of the IMF reports to the Congress that the People's Republic of China—

(A) is in substantial compliance with obligations of the People's Republic of China under the Articles of Agreement of the IMF regarding orderly exchange rate arrangements; and

(B) has undertaken exchange rate policies and practices consistent with those of other issuers of currencies used in determining the value of Special Drawing Rights; and

(2) the date that is 7 years after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. MCHENRY) and the gentlewoman from Ohio (Mrs. BEATTY) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina.

GENERAL LEAVE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MCHENRY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 839, the China Exchange Rate Transparency Act of 2023, introduced by the gentleman from Pennsylvania (Mr. MEUSER).

The China Exchange Rate Transparency Act reflects a bipartisan objective to hold China accountable for its poor economic governance.

The International Monetary Fund's articles of agreement require member countries to "... collaborate with the Fund and other members to assure orderly exchange arrangements and to