

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: SR 1704

INTRODUCER: Senator Flores

SUBJECT: Taiwan

DATE: February 3, 2020

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Argote</u>	<u>McKay</u>	<u>CM</u>	<u>Pre-meeting</u>
2.	_____	_____	<u>RC</u>	_____

I. Summary:

SR 1704 recognizes the economic and cultural ties between Florida and the Republic of China, also known as Taiwan, and expresses support for future opportunities of international trade.

Legislative resolutions have no force of law and are not subject to the approval or veto powers of the Governor.

II. Present Situation:

Taiwan is an island located in Eastern Asia and has a population of roughly 23.5 million.¹ In comparison to the United States, Taiwan is somewhat smaller than the combined area of Maryland and Delaware.² Taiwan is a semi-presidential republic and operates in a capitalist economy that is driven primarily by industrial manufacturing and the exports of electronics, machinery, and crude petroleum.³

1979 Taiwan Relations Act

In 1979, the U.S. recognized the Government of the People's Republic of China as the sole legal government of China, thereby acknowledging Taiwan as a part of China.⁴ The 1979 Taiwan Relations Act authorizes the continuation of commercial, cultural, and other relations between the U.S. and Taiwan to help preserve peace, security, and stability in the Western Pacific.⁵ The 41st anniversary of The 1979 Taiwan Relations Act will be celebrated in 2020.

¹ Central Intelligence Agency, *The World Factbook, Taiwan, East & Southeast Asia*, available at <https://www.cia.gov/library/publications/the-world-factbook/geos/tw.html> (last visited February 3, 2020)

² *Id.*

³ *Id.*

⁴ United States Department of State, *U.S. Relations with Taiwan Fact Sheet*, available at <https://www.state.gov/r/pa/ei/bgn/35855.htm> (last visited February 3, 2020).

⁵ American Institute in Taiwan, *Taiwan Relations Act (1979)*, available at <https://www.ait.org.tw/our-relationship/policy-history/key-u-s-foreign-policy-documents-region/taiwan-relations-act/> (last visited February 3, 2020)

Bilateral Relations

The United States has upheld and furthered its commercial relations with Taiwan since 1979. Taiwan is the United States' tenth largest trading partner and Florida's sixth largest export market in Asia. This partnership garnered Florida roughly 8,000 jobs and \$944.3 million in trade and investment ties in 2018.⁶ Taiwan enjoys Export-Import Bank financing, Overseas Private Investment Corporation guarantees, normal trade relation status, and ready access to U.S. markets.⁷ As of 2013, Taiwanese corporations employed more than 12,000 workers in the U.S. with total compensation equaling over \$1 billion.⁸

Taiwan partakes in more than 50 international organizations and holds membership status in organizations that do not call for statehood as a condition of membership. The Legislature encourages and supports Taiwan's participation in international organizations, including its bid for observer status in the International Criminal Police Organization (INTERPOL) and the World Health Assembly, which promote ideals in which the U.S. shares.

Sister-state relations exist between the State of Florida and the Republic of China.⁹ Tsai Ing-wen, the first female president of Taiwan, visited Florida in June 2016 to meet with Senator Marco Rubio and discuss ways to strengthen the security and economic relationship between the U.S. and Taiwan, in which Florida plays an important role.¹⁰ The Speaker of Tainan City, Kuo Hsin-liang, along with his delegation, will be visiting Florida in 2020 to further enhance the bilateral relationship between the Republic of China and Florida.

III. Effect of Proposed Changes:

The resolution recognizes the relationship and shared interests between the people of Taiwan and the U.S. and further expresses the Senate's support for future opportunities of international trade with Taiwan. A copy of this resolution, with the Seal of the Senate affixed, will be transmitted to President Tsai Ing-wen and Speaker Kuo Hsin-liang through the Taipei Economic and Cultural Office in Miami and the Executive Office of the Governor as a tangible token of the sentiments of the Florida Senate.

Legislative resolutions have no force of law and are not subject to the approval or veto powers of the Governor.

⁶ City of Jacksonville, *Proclamation (2019)*, available at [https://www.coj.net/mayor/docs/proclamations/2019/10-oct-2019/09-16-19-proc-national-day-of-taiwan-\(october-10\).aspx](https://www.coj.net/mayor/docs/proclamations/2019/10-oct-2019/09-16-19-proc-national-day-of-taiwan-(october-10).aspx) (last visited February 3, 2020)

⁷ United States Department of State, *U.S. Relations with Taiwan Fact Sheet*, available at <https://www.state.gov/r/pa/ei/bgn/35855.htm> (last visited February 3, 2020).

⁸ *Id.*

⁹ The following foster the sister-state relations between Florida and the Republic of China: Miami-Dade County and New Taipei City; the Port of Miami and the Port of Kaohsiung; Tainan City the City of Orlando; and Kaohsiung City and the City of Fort Lauderdale, the City of Miami, and the City of Pensacola.

¹⁰ Office of Senator Marco Rubio, *Rubio Welcomes Taiwanese President to Miami* (2016), available at <https://www.rubio.senate.gov/public/index.cfm/press-releases?ID=5061149F-F0E3-4FF5-B4AC-C6E2AD09B785> (last visited February 3, 2020).

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

None.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
