Differentiation between Israel and the Occupied Palestinian Territory: Reverses changes made by the previous administration which blur the Green Line between Israel and the West Bank; specifically, the bill would undo: 1) a Trump-era customs rule change, which requires that products made in Area C of the West Bank be labeled “Made in Israel” and 2) the Trump administration’s removal of a geographic restriction on US funding for projects administered through binational foundations, which allows US taxpayer dollars to go to projects conducted in settlements;

Aid to Israel: Calls for full implementation of the Memorandum of Understanding that provides Israel with $3.8 billion per year in US security assistance — and clarifies that no US aid or US-provided military equipment may support unilateral Israeli efforts to annex or exercise permanent control over any part of the occupied Palestinian territory, including through settlement expansion, demolitions or evictions;

Addressing Settlements, Demolitions and Evictions: Reaffirms that settlements are inconsistent with international law, and that settlement expansion, demolitions of Palestinian homes, evictions and revocation of residency permits for Palestinians impede the establishment of a Palestinian state and violate Palestinian human rights;

Funding for Palestinian Civil Society and Human Rights: Addresses Palestinian poor governance, Hamas terrorism and Palestinian Authority human rights violations and corruption, and authorizes a minimum of $20 million to be appropriated over each of the next five years in grants to nonprofit organizations to promote human rights and rule of law and strengthen civil society organizations in the occupied Palestinian territory, compliant with all existing US law and USAID mission directives; (con’t)
Key provisions of the Two-State Solution Act (con't):

- **US-Palestinian Diplomatic Relations**: Supports the US maintaining diplomatic relations with the Palestinians — including by calling for the reopening of the US consulate in Jerusalem and the Palestinian Liberation Organization (PLO) mission in Washington;

- **Incentivizes Compliance with the Taylor Force Act and Addresses Incitement**: Reaffirms that Act and incentivizes the PLO to reform its prisoner payments program, providing for the termination of its terrorist organization designation if it does so; and

- **People-to-People Programming for Israelis and Palestinians**: Enhances such programming by authorizing funding for shared educational and youth activities and calling for the urgent implementation of the Nita M. Lowey Middle East Partnership for Peace Act.

**Support for the Two-State Solution and Opposition to Deepening Occupation:**

- Secretary of State Antony Blinken affirmed the two-state solution in May 2021 as the “only way to ensure Israel’s future as a Jewish and democratic state, and of course the only way to give the Palestinians the state to which they’re entitled.”

- The House passed H.Res.326, which affirmed support for the two-state solution, asserted longstanding US opposition to Israeli settlements and rejected unilateral Israeli annexation of Palestinian territory, in December 2019.

- The two-state solution enjoys the support of a majority of all Americans and three-quarters of Jewish Americans.

- The Democratic Party’s 2020 platform states support for “a negotiated two-state solution that ensures Israel’s future as a Jewish and democratic state with recognized borders and upholds the right of Palestinians to live in freedom and security in a viable state of their own.” It opposes “any unilateral steps by either side — including annexation — that undermine prospects for two states,” “incitement and terror” and “settlement expansion.”

- A majority of Jewish American voters support BOTH aid to Israel (71%) and restricting it so that it cannot be used to entrench the occupation (58%).

- More Americans support use restrictions on aid to Israel than oppose them (50% to 45%). Among Democrats, the ratio of support vs. oppose is nearly 2:1 (62% to 32%).

- Most Jewish Americans have a negative view of settlements and settlement expansion; 82% believe Israel should halt construction in settlements outside the core settlement blocs, while 42% want Israel to stop settlement construction altogether.