

AMENDMENT TO H.R. 2415
OFFERED BY MR. GILMAN OF NEW YORK

Page 4, after line 9, add the following (and conform the table of contents accordingly):

1 **DIVISION A—DEPARTMENT OF**
2 **STATE AND RELATED PROVI-**
3 **SIONS**

4 Page 12, line 4, before the period insert “and for re-
5 turned or returning refugees, displaced persons, and other
6 victims of the humanitarian crisis within Kosovo”.

7 Page 15, strike lines 1 through 16, and insert the
8 following:

9 (4) NATIONAL ENDOWMENT FOR DEMOC-
10 RACY.—For the “National Endowment for Democ-
11 racy”, \$32,000,000 for the fiscal year 2000.

12 (5) REAGAN-FASCELL DEMOCRACY FELLOWS.—
13 For a fellowship program, to be known as the
14 “Reagan-Fascell Democracy Fellows”, for democ-
15 racy activists and scholars from around the world at
16 the International Forum for Democratic Studies in
17 Washington, D.C., to study, write, and exchange
18 views with other activists and scholars and with
19 Americans, \$2,000,000 for the fiscal year 2000.

Page 17, after line 14, insert the following:

1 (5) UNICEF.—Of the amounts authorized to
2 be appropriated under subsection (a), \$110,000,000
3 for the fiscal year 2000 is authorized to be appro-
4 priated only for a United States contribution to
5 UNICEF.

Page 21, line 25, strike “such sums as may be necessary” and insert “\$15,000,000”.

Page 56, strike line 16.

Page 67, after line 22, insert the following new section:

6 **SEC. 332. PRESERVATION OF DIVERSITY IN REORGANIZA-**
7 **TION.**

8 Section 1613(c) of the Foreign Affairs Reform and
9 Restructuring Act of 1998 (as enacted by division G of
10 the Omnibus Consolidated and Emergency Supplemental
11 Appropriations Act, 1999; Public Law 105-277) is amend-
12 ed in the first sentence by striking “changed.” and insert-
13 ing “changed, nor shall the relative positions of women
14 and minorities in the administrative structures of the
15 agencies subject to this section be adversely affected as
16 a result of such transfers.”.

Page 68, strike line 21, and all that follows through line 4 on page 70 and insert the following:

1 **SEC. 402. CONDUCT OF CERTAIN EDUCATIONAL AND**
2 **CULTURALEXCHANGE PROGRAMS.**

3 Section 102 of the Human Rights, Refugee, and
4 Other Foreign Relations Provisions Act of 1996 (22
5 U.S.C. 2452 note) is amended by striking “Director” and
6 all that follows through the period and inserting the fol-
7 lowing: “Secretary of State, with the assistance of the
8 Under Secretary for Public Diplomacy, shall—

9 “(1) include, as a significant proportion of the
10 participants in such programs, nationals of such
11 countries who the Secretary has reason to believe
12 are committed to freedom and democracy;

13 “(2) consult with human rights and democracy
14 advocates from such countries on the inclusion of
15 participants and grantee organizations for such pro-
16 grams;

17 “(3) take all appropriate steps to ensure that
18 inclusion in such programs does not compromise the
19 personal safety of participants; and

20 “(4) select grantee organizations for such pro-
21 grams through an open, competitive process in which
22 proposals are solicited from multiple applicants and
23 in which important factors inthe selection of a
24 grantee include the relative likelihood that each of
25 the competing applicants would be willing and
26 able—

1 “(A) to recruit as participants in the pro-
2 gram persons described in paragraph (1); and

3 “(B) in selecting participants who are as-
4 sociated with governments or other institutions
5 wielding power in countries described in this
6 section, to recruit those most likely to be open
7 to an understanding of the principles of free-
8 dom and democracy, and to avoid—

9 “(i) giving such governments inappro-
10 priate influence in the selection process;
11 and

12 “(ii) selecting those who are so firmly
13 committed to the suppression of freedom
14 and democracy that their inclusion could
15 create an appearance that the United
16 States condones such suppression.”.

Page 84, after line 16, add the following (and con-
form the table of contents accordingly):

17 **DIVISION B—SECURITY**
18 **ASSISTANCE PROVISIONS**

19 **SECTION 1001. SHORT TITLE.**

20 This division may be cited as the “Security Assist-
21 ance Act of 1999”.

1 **TITLE XI—TRANSFERS OF**
2 **EXCESS DEFENSE ARTICLES**

3 **SEC. 1101. EXCESS DEFENSE ARTICLES FOR CENTRAL EU-**
4 **ROPEAN COUNTRIES.**

5 Section 105 of Public Law 104–164 (110 Stat. 1427)
6 is amended by striking “1996 and 1997” and inserting
7 “2000 and 2001”.

8 **SEC. 1102. EXCESS DEFENSE ARTICLES FOR CERTAIN INDE-**
9 **PENDENT STATES OF THE FORMER SOVIET**
10 **UNION.**

11 (a) **USES FOR WHICH FUNDS ARE AVAILABLE.—**
12 Notwithstanding section 516(e) of the Foreign Assistance
13 Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal
14 years 2000 and 2001, funds available to the Department
15 of Defense may be expended for crating, packing, han-
16 dling, and transportation of excess defense articles trans-
17 ferred under the authority of section 516 of that Act to
18 Georgia, Kazakhstan, Kyrgyzstan, Moldova,
19 Turkmenistan, Ukraine, and Uzbekistan.

20 (b) **CONTENT OF CONGRESSIONAL NOTIFICATION.—**
21 Each notification required to be submitted under section
22 516(f) of the Foreign Assistance Act of 1961 (22 U.S.C.
23 2321j(f)) with respect to a proposed transfer of a defense
24 article described in subsection (a) shall include an esti-

1 mate of the amount of funds to be expended under sub-
2 section (a) with respect to that transfer.

3 **TITLE XII—FOREIGN MILITARY**
4 **SALES AUTHORITIES**

5 **SEC. 1201. TERMINATION OF FOREIGN MILITARY FINANCED**
6 **TRAINING.**

7 Section 617 of the Foreign Assistance Act of 1961
8 (22 U.S.C. 2367) is amended—

9 (1) by inserting in the second sentence “and the
10 Arms Export Control Act” after “under this Act”
11 the first place it appears;

12 (2) by striking “under this Act” the second
13 place it appears; and

14 (3) by inserting in the third sentence “and
15 under the Arms Export Control Act” after “this
16 Act”.

17 **SEC. 1202. SALES OF EXCESS COAST GUARD PROPERTY.**

18 Section 21(a)(1) of the Arms Export Control Act (22
19 U.S.C. 2761(a)(1)) is amended in the text above subpara-
20 graph (A) by inserting “and the Coast Guard” after “De-
21 partment of Defense”.

22 **SEC. 1203. COMPETITIVE PRICING FOR SALES OF DEFENSE**
23 **ARTICLES.**

24 Section 22(d) of the Arms Export Control Act (22
25 U.S.C. 2762(d)) is amended—

1 (1) by striking “Procurement contracts” and
2 inserting “(1) Procurement contracts”; and

3 (2) by adding at the end the following:

4 “(2) Direct costs associated with meeting additional
5 or unique requirements of the purchaser shall be allowable
6 under contracts described in paragraph (1). Loadings ap-
7 plicable to such direct costs shall be permitted at the same
8 rates applicable to procurement of like items purchased
9 by the Department of Defense for its own use.”.

10 **SEC. 1204. REPORTING OF OFFSET AGREEMENTS.**

11 (a) GOVERNMENT-TO-GOVERNMENT SALES.—Sec-
12 tion 36(b)(1) of the Arms Export Control Act (22 U.S.C.
13 2776(b)(1)) is amended in the fourth sentence by striking
14 “(if known on the date of transmittal of such certifi-
15 cation)” and inserting “and, if known on the date of trans-
16 mittal of such certification, a description of the offset
17 agreement. Such description may be included in the classi-
18 fied portion of such numbered certification”.

19 (b) COMMERCIAL SALES.—Section 36(c)(1) of the
20 Arms Export Control Act (22 U.S.C. 2776(c)(1)) is
21 amended in the second sentence by striking “(if known
22 on the date of transmittal of such certification)” and in-
23 serting “and, if known on the date of transmittal of such
24 certification, a description of the offset agreement. Such

1 description may be included in the classified portion of
2 such numbered certification”.

3 **SEC. 1205. NOTIFICATION OF UPGRADES TO DIRECT COM-**
4 **MERCIAL SALES.**

5 Section 36(c) of the Arms Export Control Act (22
6 U.S.C. 2776(c)) is amended by adding at the end the fol-
7 lowing new paragraph:

8 “(4) The provisions of subsection (b)(5) shall apply
9 to any equipment, article, or service for which a numbered
10 certification has been transmitted to Congress pursuant
11 to paragraph (1) in the same manner and to the same
12 extent as that subsection applies to any equipment, article,
13 or service for which a numbered certification has been
14 transmitted to Congress pursuant to subsection (b)(1).
15 For purposes of such application, any reference in sub-
16 section (b)(5) to ‘a letter of offer’ or ‘an offer’ shall be
17 deemed to be a reference to ‘a contract’.”.

18 **SEC. 1206. EXPANDED PROHIBITION ON INCENTIVE PAY-**
19 **MENTS.**

20 (a) IN GENERAL.—Section 39A(a) of the Arms Ex-
21 port Control Act (22 U.S.C. 2779a(a)) is amended—

- 22 (1) by inserting “or licensed” after “sold”; and
23 (2) by inserting “or export” after “sale”.

24 (b) DEFINITION OF UNITED STATES PERSON.—Sec-
25 tion 39A(d)(3)(B)(ii) of the Arms Export Control Act (22

1 U.S.C. 2779a(d)(3)(B)(ii)) is amended by inserting “or by
2 an entity described in clause (i)” after “subparagraph
3 (A)”.

4 **SEC. 1207. ADMINISTRATIVE FEES FOR LEASING OF DE-**
5 **FENSE ARTICLES.**

6 Section 61(a) of the Arms Export Control Act (22
7 U.S.C. 2796(a)) is amended in paragraph (4) of the first
8 sentence by inserting after “including reimbursement for
9 depreciation of such articles while leased,” the following:
10 “a fee for the administrative services associated with proc-
11 essing such leasing.”

12 **TITLE XIII—STOCKPILING OF**
13 **DEFENSE ARTICLES FOR FOR-**
14 **EIGN COUNTRIES**

15 **SEC. 1301. ADDITIONS TO UNITED STATES WAR RESERVE**
16 **STOCKPILES FOR ALLIES.**

17 Paragraph (2) of section 514(b) of the Foreign As-
18 sistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended
19 to read as follows:

20 “(2)(A) The value of such additions to stock-
21 piles of defense articles in foreign countries shall not
22 exceed \$340,000,000 for fiscal year 1999 and
23 \$60,000,000 for fiscal year 2000.

24 “(B)(i) Of the amount specified in subpara-
25 graph (A) for fiscal year 1999, not more than

1 \$320,000,000 may be made available for stockpiles
2 in the Republic of Korea and not more than
3 \$20,000,000 may be made available for stockpiles in
4 Thailand.

5 “(ii) Of the amount specified in subparagraph
6 (A) for fiscal year 2000, not more than \$40,000,000
7 may be made available for stockpiles in the Republic
8 of Korea and not more than \$20,000,000 may be
9 made available for stockpiles in Thailand.”.

10 **SEC. 1302. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**

11 **DEFENSE ARTICLES IN THE WAR RESERVES**

12 **STOCKPILE FOR ALLIES.**

13 (a) **ITEMS IN THE KOREAN STOCKPILE.—**

14 (1) **IN GENERAL.—**Notwithstanding section 514
15 of the Foreign Assistance Act of 1961 (22 U.S.C.
16 2321h), the President is authorized to transfer to
17 the Republic of Korea, in return for concessions to
18 be negotiated by the Secretary of Defense, with the
19 concurrence of the Secretary of State, any or all of
20 the items described in paragraph (2).

21 (2) **COVERED ITEMS.—**The items referred to in
22 paragraph (1) are munitions, equipment, and mate-
23 rial such as tanks, trucks, artillery, mortars, general
24 purpose bombs, repair parts, ammunition, barrier

1 material, and ancillary equipment, if such items
2 are—

3 (A) obsolete or surplus items;

4 (B) in the inventory of the Department of
5 Defense;

6 (C) intended for use as reserve stocks for
7 the Republic of Korea; and

8 (D) as of the date of enactment of this
9 Act, located in a stockpile in the Republic of
10 Korea.

11 (b) ITEMS IN THE THAILAND STOCKPILE.—

12 (1) IN GENERAL.—Notwithstanding section 514
13 of the Foreign Assistance Act of 1961 (22 U.S.C.
14 2321h), the President is authorized to transfer to
15 Thailand, in return for concessions to be negotiated
16 by the Secretary of Defense, with the concurrence of
17 the Secretary of State, any or all of the items in the
18 WRS–T stockpile described in paragraph (2).

19 (2) COVERED ITEMS.—The items referred to in
20 paragraph (1) are munitions, equipment, and mate-
21 rial such as tanks, trucks, artillery, mortars, general
22 purpose bombs, repair parts, ammunition, barrier
23 material, and ancillary equipment, if such items
24 are—

25 (A) obsolete or surplus items;

1 (B) in the inventory of the Department of
2 Defense;

3 (C) intended for use as reserve stocks for
4 Thailand; and

5 (D) as of the date of enactment of this
6 Act, located in a stockpile in Thailand.

7 (c) VALUATION OF CONCESSIONS.—The value of con-
8 cessions negotiated pursuant to subsections (a) and (b)
9 shall be at least equal to the fair market value of the items
10 transferred. The concessions may include cash compensa-
11 tion, services, waiver of charges otherwise payable by the
12 United States, and other items of value.

13 (d) PRIOR NOTIFICATIONS OF PROPOSED TRANS-
14 FERS.—Not less 30 days before making a transfer under
15 the authority of this section, the President shall transmit
16 to the chairmen of the Committee on Foreign Relations
17 of the Senate and the Committee on International Rela-
18 tions of the House of Representatives a detailed notifica-
19 tion of the proposed transfer, which shall include an iden-
20 tification of the items to be transferred and the conces-
21 sions to be received.

22 (e) TERMINATION OF AUTHORITY.—No transfer may
23 be made under the authority of this section more than
24 three years after the date of enactment of this Act.

1 **TITLE** **XIV—INTERNATIONAL**
2 **ARMS SALES CODE OF CON-**
3 **DUCT ACT OF 1999**

4 **SEC. 1401. SHORT TITLE.**

5 This title may be cited as the “International Arms
6 Sales Code of Conduct Act of 1999”.

7 **SEC. 1402. FINDINGS.**

8 The Congress finds the following:

9 (1) The proliferation of conventional arms and
10 conflicts around the globe are multilateral problems.

11 The only way to effectively prevent rogue nations
12 from acquiring conventional weapons is through a
13 multinational “arms sales code of conduct”.

14 (2) Approximately 40,000,000 people, over 75
15 percent of whom were civilians, died as a result of
16 civil and international wars fought with conventional
17 weapons during the 45 years of the cold war, dem-
18 onstrating that conventional weapons can in fact be
19 weapons of mass destruction.

20 (3) Conflict has actually increased in the post
21 cold war era.

22 (4) It is in the national security and economic
23 interests of the United States to reduce dramatically
24 the \$840,000,000,000 that all countries spend on
25 armed forces every year, \$191,000,000,000 of which

1 is spent by developing countries, an amount equiva-
2 lent to 4 times the total bilateral and multilateral
3 foreign assistance such countries receive every year.

4 (5) The Congress has the constitutional respon-
5 sibility to participate with the executive branch in
6 decisions to provide military assistance and arms
7 transfers to a foreign government, and in the formu-
8 lation of a policy designed to reduce dramatically the
9 level of international militarization.

10 (6) A decision to provide military assistance
11 and arms transfers to a government that is undemo-
12 cratic, does not adequately protect human rights, or
13 is currently engaged in acts of armed aggression
14 should require a higher level of scrutiny than does
15 a decision to provide such assistance and arms
16 transfers to a government to which these conditions
17 do not apply.

18 **SEC. 1403. INTERNATIONAL ARMS SALES CODE OF CON-**
19 **DUCT.**

20 (a) **NEGOTIATIONS.**—The President shall attempt to
21 achieve the foreign policy goal of an international arms
22 sales code of conduct with all Wassenaar Arrangement
23 countries. The President shall take the necessary steps to
24 begin negotiations with all Wassenaar Arrangement coun-
25 tries within 120 days after the date of the enactment of

1 this Act. The purpose of these negotiations shall be to con-
2 clude an agreement on restricting or prohibiting arms
3 transfers to countries that do not meet the following cri-
4 teria:

5 (1) PROMOTES DEMOCRACY.—The government
6 of the country—

7 (A) was chosen by and permits free and
8 fair elections;

9 (B) promotes civilian control of the mili-
10 tary and security forces and has civilian institu-
11 tions controlling the policy, operation, and
12 spending of all law enforcement and security in-
13 stitutions, as well as the armed forces;

14 (C) promotes the rule of law, equality be-
15 fore the law, and respect for individual and mi-
16 nority rights, including freedom to speak, pub-
17 lish, associate, and organize; and

18 (D) promotes the strengthening of politi-
19 cal, legislative, and civil institutions of democ-
20 racy, as well as autonomous institutions to
21 monitor the conduct of public officials and to
22 combat corruption.

23 (2) RESPECTS HUMAN RIGHTS.—The govern-
24 ment of the country—

1 (A) does not engage in gross violations of
2 internationally recognized human rights,
3 including—

4 (i) extra judicial or arbitrary execu-
5 tions;

6 (ii) disappearances;

7 (iii) torture or severe mistreatment;

8 (iv) prolonged arbitrary imprisonment;

9 (v) systematic official discrimination
10 on the basis of race, ethnicity, religion,
11 gender, national origin, or political affili-
12 ation; and

13 (vi) grave breaches of international
14 laws of war or equivalent violations of the
15 laws of war in internal conflicts;

16 (B) vigorously investigates, disciplines, and
17 prosecutes those responsible for gross violations
18 of internationally recognized human rights;

19 (C) permits access on a regular basis to
20 political prisoners by international humani-
21 tarian organizations such as the International
22 Committee of the Red Cross;

23 (D) promotes the independence of the judi-
24 ciary and other official bodies that oversee the
25 protection of human rights;

1 (E) does not impede the free functioning of
2 domestic and international human rights orga-
3 nizations; and

4 (F) provides access on a regular basis to
5 humanitarian organizations in situations of con-
6 flict or famine.

7 (3) NOT ENGAGED IN CERTAIN ACTS OF ARMED
8 AGGRESSION.—The government of the country is not
9 currently engaged in acts of armed aggression in
10 violation of international law.

11 (4) FULL PARTICIPATION IN UNITED NATIONS
12 REGISTER OF CONVENTIONAL ARMS.—The govern-
13 ment of the country is fully participating in the
14 United Nations Register of Conventional Arms.

15 (b) REPORTS TO CONGRESS.—(1) In the report re-
16 quired in sections 116(d) and 502B of the Foreign Assist-
17 ance Act of 1961, the Secretary of State shall describe
18 the extent to which the practices of each country evaluated
19 meet the criteria in paragraphs (1) through (4) of sub-
20 section (a).

21 (2) Not later than 6 months after the commencement
22 of the negotiations under subsection (a), and not later
23 than the end of every 6-month period thereafter until an
24 agreement described in subsection (a) is concluded, the

1 President shall report to the appropriate committees of the
2 Congress on the progress made during these negotiations.

3 (c) DEFINITION.—The term “Wassenaar Arrange-
4 ment countries” means Argentina, Australia, Austria, Bel-
5 gium, Bulgaria, Canada, the Czech Republic, Denmark,
6 Finland, France, Germany, Greece, Hungary, Ireland,
7 Italy, Japan, Luxembourg, Netherlands, New Zealand,
8 Norway, Poland, Portugal, the Republic of Korea, Roma-
9 nia, Russia, Slovakia, Spain, Sweden, Switzerland, Tur-
10 key, Ukraine, and the United Kingdom.

11 **TITLE XV—AUTHORITY TO EX-**
12 **EMPT INDIA AND PAKISTAN**
13 **FROM CERTAIN SANCTIONS**

14 **SEC. 1501. WAIVER AUTHORITY.**

15 (a) AUTHORITY.—

16 (1) IN GENERAL.—Except as provided in sub-
17 section (b), the President may waive, with respect to
18 India or Pakistan, the application of any sanction or
19 prohibition (or portion thereof) contained in section
20 101 or 102 of the Arms Export Control Act (22
21 U.S.C. 2799aa or 2799aa-1), section 620E(e) of the
22 Foreign Assistance Act of 1961 (22 U.S.C.
23 2375(e)), or section 2(b)(4) of the Export Import
24 Bank Act of 1945 (12 U.S.C. 635(b)(4)).

1 (2) **EFFECTIVE DATE.**—A waiver of the applica-
2 tion of a sanction or prohibition (or portion thereof)
3 under paragraph (1) shall be effective only for a pe-
4 riod ending on or before September 30, 2000.

5 (b) **EXCEPTION.**—The authority to waive the applica-
6 tion of a sanction or prohibition (or portion thereof) under
7 subsection (a) shall not apply with respect to a sanction
8 or prohibition contained in subparagraph (B), (C), or (G)
9 of section 102(b)(2) of the Arms Export Control Act.

10 (c) **NOTIFICATION.**—A waiver of the application of a
11 sanction or prohibition (or portion thereof) contained in
12 section 541 of the Foreign Assistance Act of 1961 shall
13 not become effective until 15 days after notice of such
14 waiver has been reported to the congressional committees
15 specified in section 634A(a) of such Act in accordance
16 with the procedures applicable to reprogramming notifica-
17 tions under that section.

18 **SEC. 1502. CONSULTATION.**

19 Prior to each exercise of the authority provided in
20 section 1501, the President shall consult with the appro-
21 priate congressional committees.

22 **SEC. 1503. REPORTING REQUIREMENT.**

23 Not later than August 31, 2000, the Secretary of
24 State shall prepare and submit to the appropriate congres-

1 sional committees a report on economic and national secu-
2 rity developments in India and Pakistan.

3 **SEC. 1504. APPROPRIATE CONGRESSIONAL COMMITTEES**
4 **DEFINED.**

5 In this title, the term “appropriate congressional
6 committees” means—

7 (1) the Committee on International Relations
8 and the Committee on Appropriations of the House
9 of Representatives; and

10 (2) the Committee on Foreign Relations and
11 the Committee on Appropriations of the Senate.

12 **TITLE XVI—TRANSFER OF**
13 **NAVAL VESSELS TO CERTAIN**
14 **FOREIGN COUNTRIES**

15 **SEC. 1601. AUTHORITY TO TRANSFER NAVAL VESSELS.**

16 (a) DOMINICAN REPUBLIC.—The Secretary of the
17 Navy is authorized to transfer to the Government of the
18 Dominican Republic the medium auxiliary floating dry
19 dock AFDM 2. Such transfer shall be on a grant basis
20 under section 516 of the Foreign Assistance Act of 1961
21 (22 U.S.C. 2321j).

22 (b) ECUADOR.—The Secretary of the Navy is author-
23 ized to transfer to the Government of Ecuador the “OAK
24 RIDGE” class medium auxiliary repair dry dock
25 ALAMOGORDO (ARDM 2). Such transfer shall be on a

1 sales basis under section 21 of the Arms Export Control
2 Act (22 U.S.C. 2761).

3 (c) EGYPT.—The Secretary of the Navy is authorized
4 to transfer to the Government of Egypt the “NEWPORT”
5 class tank landing ships BARBOUR COUNTY (LST
6 1195) and PEORIA (LST 1183). Such transfers shall be
7 on a sales basis under section 21 of the Arms Export Con-
8 trol Act (22 U.S.C. 2761).

9 (d) GREECE.—(1) The Secretary of the Navy is au-
10 thorized to transfer to the Government of Greece the
11 “KNOX” class frigate CONNOLE (FF 1056). Such
12 transfer shall be on a grant basis under section 516 of
13 the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

14 (2) The Secretary of the Navy is authorized to trans-
15 fer to the Government of Greece the medium auxiliary
16 floating dry dock COMPETENT (AFDM 6). Such trans-
17 fer shall be on a sales basis under section 21 of the Arms
18 Export Control Act (22 U.S.C. 2761).

19 (e) MEXICO.—The Secretary of the Navy is author-
20 ized to transfer to the Government of Mexico the “NEW-
21 PORT” class tank landing ship NEWPORT (LST 1179)
22 and the “KNOX” class frigate WHIPPLE (FF 1062).
23 Such transfers shall be on a sales basis under section 21
24 of the Arms Export Control Act (22 U.S.C. 2761).

1 (f) POLAND.—The Secretary of the Navy is author-
2 ized to transfer to the Government of Poland the “OLI-
3 VER HAZARD PERRY” class guided missile frigate
4 CLARK (FFG 11). Such transfer shall be on a grant basis
5 under section 516 of the Foreign Assistance Act of 1961
6 (22 U.S.C. 2321j).

7 (g) TAIWAN.—The Secretary of the Navy is author-
8 ized to transfer to the Taipei Economic and Cultural Rep-
9 resentative Office in the United States (which is the Tai-
10 wan instrumentality designated pursuant to section 10(a)
11 of the Taiwan Relations Act) the “NEWPORT” class
12 tank landing ship SCHENECTADY (LST 1185). Such
13 transfer shall be on a sales basis under section 21 of the
14 Arms Export Control Act (22 U.S.C. 2761).

15 (h) THAILAND.—The Secretary of the Navy is au-
16 thorized to transfer to the Government of Thailand the
17 “KNOX” class frigate TRUETT (FF 1095). Such trans-
18 fer shall be on a grant basis under section 516 of the For-
19 eign Assistance Act of 1961 (22 U.S.C. 2321j).

20 (i) TURKEY.—The Secretary of the Navy is author-
21 ized to transfer to the Government of Turkey the “OLI-
22 VER HAZARD PERRY” class guided missile frigates
23 FLATLEY (FFG 21) and JOHN A. MOORE (FFG 19).
24 Such transfers shall be on a sales basis under section 21
25 of the Arms Export Control Act (22 U.S.C. 2761).

1 **SEC. 1602. INAPPLICABILITY OF AGGREGATE ANNUAL LIMITATION ON VALUE OF TRANSFERRED EXCESS DEFENSE ARTICLES.**

2
3
4 The value of a vessel transferred to another country
5 on a grant basis under section 516 of the Foreign Assist-
6 ance Act of 1961 (22 U.S.C. 2321j) pursuant to authority
7 provided by section 1601 shall not be counted for the pur-
8 poses of section 516(g) of the Foreign Assistance Act of
9 1961 in the aggregate value of excess defense articles
10 transferred to countries under that section in any fiscal
11 year.

12 **SEC. 1603. COSTS OF TRANSFERS.**

13 Any expense incurred by the United States in connec-
14 tion with a transfer of a vessel authorized by section 1601
15 shall be charged to the recipient.

16 **SEC. 1604. EXPIRATION OF AUTHORITY.**

17 The authority to transfer vessels under section 1601
18 shall expire at the end of the 2-year period beginning on
19 the date of the enactment of this Act.

20 **SEC. 1605. REPAIR AND REFURBISHMENT OF VESSELS IN UNITED STATES SHIPYARDS.**

21
22 The Secretary of the Navy shall require, to the maxi-
23 mum extent possible, as a condition of a transfer of a ves-
24 sel under section 1601, that the country to which the ves-
25 sel is transferred have such repair or refurbishment of the
26 vessel as is needed, before the vessel joins the naval forces

1 of that country, performed at a shipyard located in the
2 United States, including a United States Navy shipyard.

3 **SEC. 1606. SENSE OF THE CONGRESS RELATING TO TRANS-**
4 **FER OF NAVAL VESSELS AND AIRCRAFT TO**
5 **THE GOVERNMENT OF THE PHILIPPINES.**

6 (a) SENSE OF THE CONGRESS.—It is the sense of the
7 Congress that—

8 (1) the President should transfer to the Govern-
9 ment of the Philippines, on a grant basis under sec-
10 tion 516 of the Foreign Assistance Act of 1961 (22
11 U.S.C. 2321j), the excess defense articles described
12 in subsection (b); and

13 (2) the United States should not oppose the
14 transfer of F-5 aircraft by a third country to the
15 Government of the Philippines.

16 (b) EXCESS DEFENSE ARTICLES.—The excess de-
17 fense articles described in this subsection are the follow-
18 ing:

19 (1) UH-1 helicopters, A-4 aircraft, and the
20 “POINT” class Coast Guard cutter POINT
21 EVANS.

22 (2) Amphibious landing craft, naval patrol ves-
23 sels (including patrol vessels of the Coast Guard),
24 and other naval vessels (such as frigates), if such
25 vessels are available.

1 **TITLE XVII—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 1701. ANNUAL MILITARY ASSISTANCE REPORTS.**

4 Section 655(b) of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2415(b)) is amended to read as follows:

6 “(b) INFORMATION RELATING TO MILITARY ASSIST-
7 ANCE AND MILITARY EXPORTS.—Each such report shall
8 show the aggregate dollar value and quantity of defense
9 articles (including excess defense articles), defense serv-
10 ices, and international military education and training ac-
11 tivities authorized by the United States and of such arti-
12 cles, services, and activities provided by the United States,
13 excluding any activity that is reportable under title V of
14 the National Security Act of 1947, to each foreign country
15 and international organization. The report shall specify,
16 by category, whether such defense articles—

17 “(1) were furnished by grant under chapter 2
18 or chapter 5 of part II of this Act or under any
19 other authority of law or by sale under chapter 2 of
20 the Arms Export Control Act;

21 “(2) were furnished with the financial assist-
22 ance of the United States Government, including
23 through loans and guarantees; or

24 “(3) were licensed for export under section 38
25 of the Arms Export Control Act.”.

1 **SEC. 1702. PUBLICATION OF ARMS SALES CERTIFICATIONS.**

2 Section 36 of the Arms Export Control Act (22
3 U.S.C. 2776) is amended in the second subsection (e) (as
4 added by section 155 of Public Law 104–164)—

5 (1) by inserting “in a timely manner” after “to
6 be published”; and

7 (2) by striking “the full unclassified text of”
8 and all that follows and inserting the following: “the
9 full unclassified text of—

10 “(1) each numbered certification submitted pur-
11 suant to subsection (b);

12 “(2) each notification of a proposed commercial
13 sale submitted under subsection (c); and

14 “(3) each notification of a proposed commercial
15 technical assistance or manufacturing licensing
16 agreement submitted under subsection (d).”.

17 **SEC. 1703. NOTIFICATION REQUIREMENTS FOR COMMER-**
18 **CIAL EXPORT OF SIGNIFICANT MILITARY**
19 **EQUIPMENT ON UNITED STATES MUNITIONS**
20 **LIST.**

21 (a) NOTIFICATION REQUIREMENT.—Section 38 of
22 the Arms Export Control Act (22 U.S.C. 2778) is amend-
23 ed by adding at the end the following:

24 “(i) As prescribed in regulations issued under this
25 section, a United States person to whom a license has been
26 granted to export an item identified as significant military

1 equipment on the United States Munitions List shall, not
2 later than 15 days after the item is exported, submit to
3 the Department of State a report containing all shipment
4 information, including a description of the item and the
5 quantity, value, port of exit, and destination of the item.”.

6 (b) QUARTERLY REPORTS TO CONGRESS.—Section
7 36(a) of the Arms Export Control Act (22 U.S.C.
8 2776(a)) is amended—

9 (A) in paragraph (11), by striking “and”
10 at the end;

11 (B) in paragraph (12), by striking “third-
12 party transfers.” and inserting “third-party
13 transfers; and”; and

14 (C) by adding after paragraph (12) (but
15 before the last sentence of the subsection), the
16 following:

17 “(13) a report on all exports of significant mili-
18 tary equipment for which information has been pro-
19 vided pursuant to section 38(i).”.

20 **SEC. 1704. ENFORCEMENT OF ARMS EXPORT CONTROL**
21 **ACT.**

22 The Arms Export Control Act (22 U.S.C. 2751 et
23 seq.) is amended in sections 38(e), 39A(c), and 40(k) by
24 inserting after “except that” each place it appears the fol-
25 lowing: “section 11(c)(2)(B) of such Act shall not apply,

1 and instead, as prescribed in regulations issued under this
2 section, the Secretary of State may assess civil penalties
3 for violations of this Act and regulations prescribed there-
4 under and further may commence a civil action to recover
5 such civil penalties, and except further that”.

6 **SEC. 1705. VIOLATIONS RELATING TO MATERIAL SUPPORT**
7 **TO TERRORISTS.**

8 Section 38(g)(1)(A)(iii) of the Arms Export Control
9 Act (22 U.S.C. 2778(g)(1)(A)(iii)) is amended by adding
10 at the end before the comma the following: “or section
11 2339A of such title (relating to providing material support
12 to terrorists)”.

13 **SEC. 1706. AUTHORITY TO CONSENT TO THIRD PARTY**
14 **TRANSFER OF EX-U.S.S. BOWMAN COUNTY TO**
15 **USS LST SHIP MEMORIAL, INC.**

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

18 (1) It is the long-standing policy of the United
19 States Government to deny requests for the retrans-
20 fer of significant military equipment that originated
21 in the United States to private entities.

22 (2) In very exceptional circumstances, when the
23 United States public interest would be served by the
24 proposed retransfer and end-use, such requests may
25 be favorably considered.

1 (3) Such retransfers to private entities have
2 been authorized in very exceptional circumstances
3 following appropriate demilitarization and receipt of
4 assurances from the private entity that the item to
5 be transferred would be used solely in furtherance of
6 Federal Government contracts or for static museum
7 display.

8 (4) Nothing in this section should be construed
9 as a revision of long-standing policy referred to in
10 paragraph (1).

11 (5) The Government of Greece has requested
12 the consent of the United States Government to the
13 retransfer of HS Rodos (ex-U.S.S. Bowman County
14 (LST 391)) to the USS LST Ship Memorial, Inc.

15 (b) AUTHORITY TO CONSENT TO RETRANSFER.—

16 (1) IN GENERAL.—Subject to paragraph (2),
17 the President may consent to the retransfer by the
18 Government of Greece of HS Rodos (ex-U.S.S. Bow-
19 man County (LST 391)) to the USS LST Ship Me-
20 morial, Inc.

21 (2) CONDITIONS FOR CONSENT.—The President
22 should not exercise the authority under paragraph
23 (1) unless USS LST Memorial, Inc.—

24 (A) utilizes the vessel for public, nonprofit,
25 museum-related purposes;

1 (B) submits a certification with the import
2 application that no firearms frames or receivers,
3 ammunition, or other firearms as defined in
4 section 5845 of the National Firearms Act (26
5 U.S.C. 5845) will be imported with the vessel;
6 and

7 (C) complies with regulatory policy re-
8 quirements related to the facilitation of mon-
9 itoring by the Federal Government of, and the
10 mitigation of potential environmental hazards
11 associated with, aging vessels, and has a dem-
12 onstrated financial capability to so comply.

13 **SEC. 1707. EXCEPTIONS RELATING TO PROHIBITIONS ON**
14 **ASSISTANCE TO COUNTRIES INVOLVED IN**
15 **TRANSFER OR USE OF NUCLEAR EXPLOSIVE**
16 **DEVICES.**

17 (a) **IN GENERAL.**—Section 2 of the Agriculture Ex-
18 port Relief Act of 1998 (Public Law 105–194; 112 Stat.
19 627) is amended—

20 (1) by striking subsection (d); and

21 (2) by striking the second sentence of sub-
22 section (e).

23 (b) **EFFECTIVE DATE.**—The amendments made by
24 subsection (a) shall take effect on the date of the enact-

1 ment of this Act or September 30, 1999, whichever occurs
2 earlier.

3 **SEC. 1708. CONTINUATION OF THE EXPORT CONTROL REG-**
4 **ULATIONS UNDER IEEPA.**

5 To the extent that the President exercises the au-
6 thorities of the International Emergency Economic Pow-
7 ers Act to carry out the provisions of the Export Adminis-
8 tration Act of 1979 in order to continue in full force and
9 effect the export control system maintained by the Export
10 Administration regulations issued under that Act, includ-
11 ing regulations issued under section 8 of that Act, the fol-
12 lowing shall apply:

13 (1) The penalties for violations of the regula-
14 tions continued pursuant to the International Emer-
15 gency Economic Powers Act shall be the same as the
16 penalties for violations under section 11 of the Ex-
17 port Administration Act of 1979, as if that section
18 were amended—

19 (A) by amending subsection (a) to read as
20 follows:

21 “(a) IN GENERAL.—Except as provided in subsection
22 (b), whoever knowingly violates or conspires to or attempts
23 to violate any provision of this Act or any license, order,
24 or regulation issued under this Act—

1 “(1) except in the case of an individual, shall be
2 fined not more than \$500,000 or 5 times the value
3 of any exports involved, whichever is greater; and

4 “(2) in the case of an individual, shall be fined
5 not more than \$250,000 or 5 times the value of any
6 exports involved, whichever is greater, or imprisoned
7 not more than 5 years, or both.”;

8 (B) in subsection (b)—

9 (i) in paragraphs (1)(A) and (2)(A)
10 by striking “five times” and inserting “10
11 times”;

12 (ii) in paragraph (1)(B) by striking
13 “\$250,000” and inserting “\$500,000”;
14 and

15 (iii) in paragraph (2)(B) by striking
16 “\$250,000, or imprisoned not more than 5
17 years” and inserting “\$500,000, or impris-
18 oned not more than 10 years”;

19 (C) in subsection (c)(1)—

20 (i) by striking “\$10,000” and insert-
21 ing “\$250,000”; and

22 (ii) by striking “except that the civil
23 penalty” and all that follows through the
24 end of the paragraph and inserting “except
25 that the civil penalty for a violation of the

1 regulations issued pursuant to section 8
2 may not exceed \$50,000.”; and

3 (D) in subsection (h)(1), by inserting after
4 “Arms Export Control Act (22 U.S.C. 2778)”
5 the following: “section 16 of the Trading with
6 the enemy Act (50 U.S.C. 16), or, to the extent
7 the violation involves the export of goods or
8 technology controlled under this or any other
9 Act or defense articles or defense services con-
10 trolled under the Arms Export Control Act, sec-
11 tion 371 or 1001 of title 18, United States
12 Code,”.

13 (2) The authorities set forth in section 12(a) of
14 the Export Administration Act of 1979 may be exer-
15 cised in carrying out the regulations continued pur-
16 suant to the International Emergency Economic
17 Powers Act.

18 (3) The provisions of sections 12(c) and 13 of
19 the Export Administration Act of 1979 shall apply
20 in carrying out the regulations continued pursuant
21 to the International Emergency Economic Powers
22 Act.

23 (4) The continuation of the provisions of the
24 Export Administration Regulations pursuant to the
25 International Emergency Economic Powers Act shall

1 not be construed as not having satisfied the require-
2 ments of that Act.