

***In the Senate of the United States,***

*September 7, 2000.*

*Resolved,* That the bill from the House of Representatives (H.R. 4919) entitled “An Act to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, to authorize the transfer of naval vessels to certain foreign countries, and for other purposes.”, do pass with the following

**AMENDMENT:**

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Security Assistance Act*  
3 *of 2000”.*

1           **TITLE I—MILITARY AND**  
2           **RELATED ASSISTANCE**  
3           **Subtitle A—Foreign Military**  
4           **Financing Program**

5   **SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

6           *There are authorized to be appropriated for grant as-*  
7   *stance under section 23 of the Arms Export Control Act*  
8   *(22 U.S.C. 2763) and for the subsidy cost, as defined in*  
9   *section 502(5) of the Federal Credit Reform Act of 1990,*  
10   *of direct loans under such section for fiscal year 2001, the*  
11   *total amount of \$3,627,000,000.*

12           **Subtitle B—Other Assistance**

13   **SEC. 111. DEFENSE DRAWDOWN SPECIAL AUTHORITIES.**

14           *(a) EMERGENCY DRAWDOWN.—Section 506(a)(1) of*  
15   *the Foreign Assistance Act of 1961 (22 U.S.C. 2318(a)(1))*  
16   *is amended by striking “\$100,000,000” and inserting*  
17   *“\$150,000,000”.*

18           *(b) ADDITIONAL DRAWDOWN.—Section 506(a)(2)(A)(i)*  
19   *of such Act (22 U.S.C. 2318(a)(2)(A)(i)) is amended—*

20                   *(1) by striking “or” the first place it appears;*

21                   *and*

22                   *(2) by striking subclause (III) and inserting the*  
23   *following:*

24                                   *“(III) chapter 8 of part II (relat-*  
25   *ing to antiterrorism assistance);*

1                   “(IV) chapter 9 of part II (relat-  
2                   ing to nonproliferation assistance); or  
3                   “(V) the Migration and Refugee  
4                   Assistance Act of 1962; or”.

5 **SEC. 112. INCREASED TRANSPORT AUTHORITY.**

6           Section 516(e)(2)(C) of the Foreign Assistance Act of  
7 1961 (22 U.S.C. 23321j(e)(2)(C)) is amended by striking  
8 “25,000” and inserting “50,000”.

9 **TITLE II—INTERNATIONAL MILI-**  
10 **TARY EDUCATION AND TRAIN-**  
11 **ING**

12 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

13           There are authorized to be appropriated \$65,000,000  
14 for fiscal year 2001 to carry out chapter 5 of part II of  
15 the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.).

16 **SEC. 202. ADDITIONAL REQUIREMENTS RELATING TO**  
17 **INTERNATIONAL MILITARY EDUCATION AND**  
18 **TRAINING.**

19           Chapter 5 of part II of the Foreign Assistance Act of  
20 1961 (22 U.S.C. 2347 et seq.) is amended by adding at the  
21 end the following:

22 **“SEC. 547. CONSULTATION REQUIREMENT.**

23           “The selection of foreign personnel for training under  
24 this chapter shall be made in consultation with the United  
25 States defense attache to the relevant country.

1 **“SEC. 548. RECORDS REGARDING FOREIGN PARTICIPANTS.**

2       *“In order to contribute most effectively to the develop-*  
 3 *ment of military professionalism in foreign countries, the*  
 4 *Secretary of Defense shall develop and maintain a database*  
 5 *containing records on each foreign military or defense min-*  
 6 *istry civilian participant in education and training activi-*  
 7 *ties conducted under this chapter after December 31, 2000.*  
 8 *This record shall include the type of instruction received,*  
 9 *the dates of such instruction, whether such instruction was*  
 10 *completed successfully, and, to the extent practicable, a*  
 11 *record of the person’s subsequent military or defense min-*  
 12 *istry career and current position and location.”.*

13 **TITLE III—NONPROLIFERATION**  
 14 **AND EXPORT CONTROL AS-**  
 15 **SISTANCE**

16 **SEC. 301. NONPROLIFERATION AND EXPORT CONTROL AS-**  
 17 **SISTANCE.**

18       *Part II of the Foreign Assistance Act of 1961 (22*  
 19 *U.S.C. 2301 et seq.) is amended by adding at the end the*  
 20 *following new chapter:*

21 **“CHAPTER 9—NONPROLIFERATION AND**  
 22 **EXPORT CONTROL ASSISTANCE**

23 **“SEC. 581. GENERAL AUTHORITY.**

24       *“Notwithstanding any other provision of law that re-*  
 25 *stricts assistance to foreign countries (other than sections*  
 26 *502B and 620A of this Act), the President is authorized*

1 to furnish, on such terms and conditions as the President  
2 may determine, assistance to foreign countries in order to  
3 enhance the ability of such countries to halt the prolifera-  
4 tion of nuclear, chemical, and biological weapons, and ad-  
5 vanced conventional weaponry. Such assistance may in-  
6 clude training services and the provision of equipment and  
7 other commodities related to the detection, deterrence, moni-  
8 toring, interdiction, and prevention or countering of pro-  
9 liferation, the establishment of effective nonproliferation  
10 laws and regulations, and the apprehension of those indi-  
11 viduals involved in acts of proliferation of such weapons.

12 **“SEC. 582. PURPOSES.**

13 *“Activities conducted under this chapter shall be*  
14 *designed—*

15 *“(1) to enhance the nonproliferation and export*  
16 *control capabilities of friendly countries by providing*  
17 *training and equipment to detect, deter, monitor,*  
18 *interdict, and counter proliferation;*

19 *“(2) to strengthen the bilateral ties of the United*  
20 *States with friendly governments by offering concrete*  
21 *assistance in this area of vital national security in-*  
22 *terest; and*

23 *“(3) to accomplish the activities and objectives*  
24 *set forth in sections 503 and 504 of the FREEDOM*  
25 *Support Act (Public Law 102–511).*

1 **“SEC. 583. TRANSIT INTERDICTION.**

2       “(a) *ALLOCATION OF FUNDS.*—*In providing assistance*  
3 *under this chapter, the President should ensure that not less*  
4 *than one-quarter of the total of such assistance is expended*  
5 *for the purpose of enhancing the capabilities of friendly*  
6 *countries to detect and interdict proliferation-related ship-*  
7 *ments of cargo that originate from, and are destined for,*  
8 *other countries.*

9       “(b) *PRIORITY TO CERTAIN COUNTRIES.*—*Priority*  
10 *shall be given in the apportionment of the assistance de-*  
11 *scribed under subsection (a) to any friendly country that*  
12 *has been determined by the Secretary of State to be a coun-*  
13 *try frequently transited by proliferation-related shipments*  
14 *of cargo.*

15 **“SEC. 584. LIMITATIONS.**

16       “*The limitations contained in section 573 (a) and (d)*  
17 *of this Act shall apply to this chapter.*

18 **“SEC. 585. AUTHORIZATION OF APPROPRIATIONS.**

19       “(a) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*  
20 *authorized to be appropriated to the President to carry out*  
21 *this chapter \$129,000,000 for the fiscal year 2001.*

22       “(b) *AVAILABILITY OF FUNDS.*—*Funds made available*  
23 *under subsection (a) may be used notwithstanding any*  
24 *other provision of law (other than section 502B or 620A)*  
25 *and shall remain available until expended.”.*

1 **SEC. 302. NONPROLIFERATION AND EXPORT CONTROL**  
2 **TRAINING IN THE UNITED STATES.**

3 *Of the amount made available for fiscal year 2001*  
4 *under chapter 9 of part II of the Foreign Assistance Act*  
5 *of 1961, as added by section 301, \$2,000,000 is authorized*  
6 *to be available for the purpose of training and education*  
7 *of personnel from friendly countries in the United States.*

8 **SEC. 303. SCIENCE AND TECHNOLOGY CENTERS.**

9 *(a) AUTHORIZATION OF FUNDS.—Of the amounts*  
10 *made available for fiscal year 2001 under chapter 9 of part*  
11 *II of the Foreign Assistance Act of 1961, as added by section*  
12 *301, \$59,000,000 is authorized to be available for each such*  
13 *year for science and technology centers in the independent*  
14 *states of the former Soviet Union.*

15 *(b) SENSE OF THE SENATE.—It is the sense of the Sen-*  
16 *ate, taking into account the obligation contained in section*  
17 *1132 of Public Law 106–113, that the practice of auditing*  
18 *entities receiving funds authorized under this section should*  
19 *be significantly expanded and that the burden of supplying*  
20 *auditors should be spread equitably within the United*  
21 *States Government.*

22 **SEC. 304. TRIAL TRANSIT PROGRAM.**

23 *(a) ALLOCATION OF FUNDS.—Of the amount made*  
24 *available for fiscal year 2001 under chapter 9 of the Foreign*  
25 *Assistance Act of 1961, as added by section 301, \$5,000,000*  
26 *is authorized to be available to establish a static cargo x-*

1 ray facility in Malta, if the Secretary of State first certifies  
2 to the appropriate committees of Congress that the Govern-  
3 ment of Malta has provided adequate assurances that such  
4 a facility will be utilized in connection with random cargo  
5 inspections by Maltese customs officials of container traffic  
6 transiting through the Malta Freeport.

7 (b) *REQUIREMENT OF WRITTEN ASSESSMENT.*—In the  
8 event that a facility is established in Malta pursuant to  
9 subsection (a), the Secretary of State shall submit a written  
10 assessment to the appropriate committees of Congress not  
11 later than 270 days after such a facility commences oper-  
12 ation detailing—

13 (1) statistics on utilization of the facility by  
14 Malta;

15 (2) the contribution made by the facility to  
16 United States nonproliferation and export control ob-  
17 jectives; and

18 (3) the feasibility of establishing comparable fa-  
19 cilities in other countries identified by the Secretary  
20 of State pursuant to section 583 of the Foreign Assist-  
21 ance Act of 1961, as added by section 301.

22 (c) *TREATMENT OF ASSISTANCE.*—Assistance under  
23 this section shall be considered as assistance under section  
24 583(a) of the Foreign Assistance Act of 1961 (relating to  
25 transit interdiction), as added by section 301.



1 **SEC. 305. EXCEPTION TO AUTHORITY TO CONDUCT INSPEC-**  
2 **TIONS UNDER THE CHEMICAL WEAPONS CON-**  
3 **VENTION IMPLEMENTATION ACT OF 1998.**

4 *Section 303 of the Chemical Weapons Convention Im-*  
5 *plementation Act of 1998 (as contained in division I of*  
6 *Public Law 105–277) is amended by adding at the end the*  
7 *following new subsection:*

8 “(c) *EXCEPTION.—The requirement under subsection*  
9 *(b)(2)(A) shall not apply to inspections of United States*  
10 *chemical weapons destruction facilities (as used within the*  
11 *meaning of part IV(C)(13) of the Verification Annex to the*  
12 *Convention).”.*

13 **TITLE IV—ANTITERRORISM**  
14 **ASSISTANCE**

15 **SEC. 401. AUTHORIZATION OF APPROPRIATIONS.**

16 *Section 574(a) of the Foreign Assistance Act of 1961*  
17 *(22 U.S.C. 2349aa–4(a)) is amended by striking*  
18 *“\$9,840,000” and all that follows through the period and*  
19 *inserting the following: “\$73,000,000 for the fiscal year*  
20 *2001.”.*

1 **TITLE V—INTEGRATED SECUR-**  
2 **RITY ASSISTANCE PLANNING**  
3 **Subtitle A—Establishment of a Na-**  
4 **tional Security Assistance Strat-**  
5 **egy**

6 **SEC. 501. NATIONAL SECURITY ASSISTANCE STRATEGY.**

7 (a) *REQUIREMENT.*—Not later than 180 days after the  
8 date of enactment of this Act, and annually thereafter in  
9 connection with congressional presentation materials of the  
10 foreign operations appropriations budget request, the Sec-  
11 retary of State shall submit to the appropriate committees  
12 of Congress a report setting forth a National Security As-  
13 sistance Strategy for the United States.

14 (b) *ELEMENTS OF THE STRATEGY.*—The strategy  
15 shall—

16 (1) set forth a 5-year plan for security assistance  
17 programs;

18 (2) be consistent with the National Security  
19 Strategy of the United States;

20 (3) be coordinated with the Secretary of Defense  
21 and the Chairman of the Joint Chiefs of Staff;

22 (4) identify overarching security assistance objec-  
23 tives, including identification of the role that specific  
24 security assistance programs will play in achieving  
25 such objectives;

1           (5) *identify a primary security assistance objec-*  
2 *tive, as well as specific secondary objectives, for indi-*  
3 *vidual countries;*

4           (6) *identify, on a country-by-country basis, how*  
5 *specific resources will be allocated to accomplish both*  
6 *primary and secondary objectives;*

7           (7) *discuss how specific types of assistance, such*  
8 *as foreign military financing and international mili-*  
9 *tary education and training, will be combined at the*  
10 *country level to achieve United States objectives; and*

11           (8) *detail, with respect to each of the paragraphs*  
12 *(1) through (7), how specific types of assistance pro-*  
13 *vided pursuant to the Arms Export Control Act and*  
14 *Foreign Assistance Act of 1961 are coordinated with*  
15 *United States assistance programs managed by the*  
16 *Department of Defense and other agencies.*

17       (c) *COVERED ASSISTANCE.—The National Security*  
18 *Assistance Strategy shall cover assistance provided under—*

19           (1) *section 23 of the Arms Export Control Act*  
20 *(22 U.S.C. 2763);*

21           (2) *chapters 5, 8, and 9 of part II of the Foreign*  
22 *Assistance Act of 1961 (22 U.S.C. 2347 et seq.); and*

23           (3) *section 516 of the Foreign Assistance Act of*  
24 *1961 (22 U.S.C. 2321i).*

1 **SEC. 502. SECURITY ASSISTANCE SURVEYS.**

2       (a) *UTILIZATION.*—*The Secretary of State shall utilize*  
3 *security assistance surveys in preparation of the National*  
4 *Security Assistance Strategy required pursuant to section*  
5 *501 of this Act.*

6       (b) *FUNDING.*—*Of the amounts made available for fis-*  
7 *cal year 2001 under section 23 of the Arms Export Control*  
8 *Act (22 U.S.C. 2763), \$2,000,000 is authorized to be avail-*  
9 *able to the Secretary of State to conduct security assistance*  
10 *surveys, or to request such a survey, on a reimbursable*  
11 *basis, by the Department of Defense or other United States*  
12 *Government agencies. Such surveys shall be conducted con-*  
13 *sistent with the requirements of section 26 of the Arms Ex-*  
14 *port Control Act.*

15 ***Subtitle B—Allocations for Certain***  
16 ***Countries***

17 **SEC. 511. SECURITY ASSISTANCE FOR NEW NATO MEMBERS.**

18       (a) *FOREIGN MILITARY FINANCING.*—*Of the amounts*  
19 *made available for fiscal year 2001 under section 23 of the*  
20 *Arms Export Control Act (22 U.S.C. 2763), \$35,000,000 is*  
21 *authorized to be available on a grant basis for the Czech*  
22 *Republic, Hungary, and Poland.*

23       (b) *MILITARY EDUCATION AND TRAINING.*—*Of the*  
24 *amounts made available for fiscal year 2001 to carry out*  
25 *chapter 5 of part II of the Foreign Assistance Act of 1961*  
26 *(22 U.S.C. 2347 et seq.), \$7,000,000 is authorized to be*

1 *available only for the Czech Republic, Hungary, and Po-*  
2 *land.*

3 (c) *SELECT PRIORITIES.*—*In providing assistance*  
4 *under this section, the President shall give priority to sup-*  
5 *porting activities consistent with the objectives set forth in*  
6 *the following conditions of the Senate resolution of ratifica-*  
7 *tion for the Protocols to the North Atlantic Treaty of 1949*  
8 *on the Accession of Poland, Hungary, and the Czech Repub-*  
9 *lic:*

10 (1) *Condition (1)(A)(v), (vi), and (vii), relating*  
11 *to common threats, the core mission of NATO, and*  
12 *the capacity to respond to common threats.*

13 (2) *Condition (1)(B), relating to the funda-*  
14 *mental importance of collective defense.*

15 (3) *Condition (1)(C), relating to defense plan-*  
16 *ning, command structures, and force goals.*

17 (4) *Conditions (4)(B)(i) and (4)(B)(ii), relating*  
18 *to intelligence matters.*

19 **SEC. 512. INCREASED TRAINING ASSISTANCE FOR GREECE**  
20 **AND TURKEY.**

21 (a) *IN GENERAL.*—*Of the amounts made available for*  
22 *fiscal year 2001 to carry out chapter 5 of part II of the*  
23 *Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.)—*

24 (1) *\$1,000,000 is authorized to be available for*  
25 *Greece; and*

1           (2) \$2,500,000 is authorized to be available for  
2       *Turkey.*

3       **(b) USE FOR PROFESSIONAL MILITARY EDUCATION.—**  
4       *Of the amounts available under paragraphs (1) and (2) of*  
5       *subsection (a), \$500,000 of such amounts should be avail-*  
6       *able only for purposes of professional military education.*

7       **(c) USE FOR JOINT TRAINING.—***It is the sense of Con-*  
8       *gress that, to the maximum extent practicable, amounts*  
9       *available under subsection (a) that are used in accordance*  
10       *with subsection (b) should be used for joint training of*  
11       *Greek and Turkish officers.*

12       **SEC. 513. MINIMUM ALLOCATION FOR EGYPT AND ISRAEL.**

13       **(a) AVAILABILITY OF FUNDS.—***Of the amounts made*  
14       *available for fiscal year 2001 for assistance under the “For-*  
15       *oreign Military Financing Program” account under section*  
16       *23 of the Arms Export Control Act (22 U.S.C. 2763),*  
17       *\$1,980,000,000 is authorized to be available on a grant*  
18       *basis for Israel, and \$1,300,000,000 is authorized to be*  
19       *available on a grant basis for Egypt.*

20       **(b) DISBURSEMENT OF FUNDS.—***Funds authorized to*  
21       *be available for Israel under subsection (a) shall be dis-*  
22       *bursed not later than 30 days after the date of enactment*  
23       *of an Act making appropriations for foreign operations, ex-*  
24       *port financing, and related programs for fiscal year 2001,*  
25       *or October 31, 2000, whichever date is later.*

1           (c) *AVAILABILITY OF FUNDS FOR ADVANCED WEAPONS*  
2 *SYSTEMS.*—*To the extent the Government of Israel requests*  
3 *that funds be used for such purposes, grants made available*  
4 *for Israel out of funds authorized to be available under sub-*  
5 *section (a) for Israel shall, as agreed by Israel and the*  
6 *United States, be available for advanced weapons systems,*  
7 *of which not less than 26.3 percent shall be available for*  
8 *the procurement in Israel of defense articles and defense*  
9 *services, including research and development.*

10 **SEC. 514. SECURITY ASSISTANCE FOR CERTAIN COUNTRIES.**

11           (a) *FOREIGN MILITARY FINANCING.*—*Of the amounts*  
12 *made available for fiscal year 2001 under section 23 of the*  
13 *Arms Export Control Act (22 U.S.C. 2763)—*

14                   (1) *\$20,500,000 is authorized to be available on*  
15 *a grant basis for Estonia, Latvia, and Lithuania;*

16                   (2) *\$5,000,000 is authorized to be available on a*  
17 *grant basis for the Philippines;*

18                   (3) *\$5,000,000 is authorized to be available on a*  
19 *grant basis for Georgia;*

20                   (4) *\$1,000,000 is authorized to be available on a*  
21 *grant basis for Malta;*

22                   (5) *\$4,000,000 is authorized to be available on a*  
23 *grant basis for Slovenia;*

24                   (6) *\$8,400,000 is authorized to be available on a*  
25 *grant basis for Slovakia;*

1           (7) \$11,000,000 is authorized to be available on  
2           a grant basis for Romania; and

3           (8) \$8,500,000 is authorized to be available on a  
4           grant basis for Bulgaria.

5           (b) *IMET*.—Of the amounts made available for fiscal  
6 year 2001 to carry out chapter 5 of part II of the Foreign  
7 Assistance Act of 1961 (22 U.S.C. 2347 et seq.)—

8           (1) \$4,000,000 is authorized to be available for  
9           Estonia, Latvia, and Lithuania;

10          (2) \$1,500,000 is authorized to be available for  
11          the Philippines;

12          (3) \$1,000,000 is authorized to be available for  
13          Georgia;

14          (4) \$1,000,000 is authorized to be available for  
15          Malta;

16          (5) \$1,000,000 is authorized to be available for  
17          Slovenia;

18          (6) \$1,000,000 is authorized to be available for  
19          Slovakia;

20          (7) \$1,500,000 is authorized to be available for  
21          Romania; and

22          (8) \$1,200,000 is authorized to be available for  
23          Bulgaria.



1 **SEC. 515. BORDER SECURITY AND TERRITORIAL INDEPEND-**  
2 **ENCE.**

3 (a) *GUUAM COUNTRIES AND ARMENIA.*—For the pur-  
4 pose of carrying out section 499C of the Foreign Assistance  
5 Act of 1961 and assisting GUUAM countries and Armenia  
6 to strengthen national control of their borders and to pro-  
7 mote the independence and territorial sovereignty of such  
8 countries, the following amounts are authorized to be made  
9 available for fiscal year 2001:

10 (1) \$20,000,000 of the amounts made available  
11 for fiscal year 2001 under section 23 of the Arms Ex-  
12 port Control Act (22 U.S.C. 2763).

13 (2) \$10,000,000 of the amounts made available  
14 for fiscal year 2001 under chapter 9 of part II of the  
15 Foreign Assistance Act of 1961, as added by section  
16 301.

17 (3) \$5,000,000 of the amounts made available for  
18 fiscal year 2001 to carry out chapter 5 of part II of  
19 the Foreign Assistance Act of 1961 (22 U.S.C. 2347  
20 et seq.).

21 (4) \$2,000,000 of the amounts made available for  
22 fiscal year 2001 to carry out chapter 8 of part II of  
23 the Foreign Assistance Act.

24 (b) *GUUAM COUNTRIES DEFINED.*—In this section,  
25 the term “GUUAM countries” means the group of countries

1 *that signed a protocol on quadrilateral cooperation on No-*  
2 *vember 25, 1997, together with Uzbekistan.*

### 3 **TITLE VI—OTHER PROVISIONS**

#### 4 **SEC. 601. UTILIZATION OF DEFENSE ARTICLES AND SERV-** 5 **ICES.**

6 *Section 502 of the Foreign Assistance Act of 1961 (22*  
7 *U.S.C. 2302) is amended in the first sentence by inserting*  
8 *“(including for antiterrorism and nonproliferation pur-*  
9 *poses)” after “internal security”.*

#### 10 **SEC. 602. SENSE OF THE SENATE REGARDING EXCESS DE-** 11 **FENSE ARTICLES.**

12 *It is the sense of the Senate that the President should*  
13 *make expanded use of the authority provided under section*  
14 *21(a) of the Arms Export Control Act to sell excess defense*  
15 *articles by utilizing the flexibility afforded by section 47*  
16 *of such Act to ascertain the “market value” of excess defense*  
17 *articles.*

#### 18 **SEC. 603. SENSE OF THE SENATE.**

19 *It is the sense of the Senate that, prior to amending*  
20 *the International Traffic in Arms Regulations, the Sec-*  
21 *retary of State should consult with the Committee on For-*  
22 *ign Relations of the Senate for the purpose of determining*  
23 *whether certain agreements regarding defense trade with the*  
24 *United Kingdom and Australia should be submitted to the*  
25 *Senate as treaties.*

1 **SEC. 604. ADDITIONS TO UNITED STATES WAR RESERVE**  
2 **STOCKPILES FOR ALLIES.**

3 *Section 514(b)(2) of the Foreign Assistance Act of 1961*  
4 *(22 U.S.C. 2321h(b)(2)) is amended to read as follows:*

5 “(2)(A) *The value of such additions to stockpiles of de-*  
6 *fense articles in foreign countries shall not exceed*  
7 *\$50,000,000 for fiscal year 2001.*

8 “(B) *Of the amount specified in subparagraph (A) for*  
9 *fiscal year 2001, not more than \$50,000,000 may be made*  
10 *available for stockpiles in the Republic of Korea.”.*

11 **SEC. 605. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**  
12 **DEFENSE ARTICLES IN THE WAR RESERVE**  
13 **STOCKPILES FOR ALLIES TO ISRAEL.**

14 (a) *TRANSFERS TO ISRAEL.—*

15 (1) *AUTHORITY.—Notwithstanding section 514 of*  
16 *the Foreign Assistance Act of 1961 (22 U.S.C. 2321h),*  
17 *the President may transfer to Israel, in return for*  
18 *concessions to be negotiated by the Secretary of De-*  
19 *fense, with the concurrence of the Secretary of State,*  
20 *any or all of the items described in paragraph (2).*

21 (2) *ITEMS COVERED.—The items referred to in*  
22 *paragraph (1) are munitions such as armor, artillery,*  
23 *automatic weapons ammunition, missiles, and other*  
24 *munitions that—*

25 (A) *are obsolete or surplus items;*

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

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

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

7           (b) *CONCESSIONS.*—The value of concessions nego-  
8           tiated pursuant to subsection (a) shall be at least equal to  
9           the fair market value of the items transferred. The conces-  
10          sions shall consist solely of cash compensation.

11          (c) *ADVANCE NOTIFICATION OF TRANSFER.*—Not less  
12          than 30 days before making a transfer under the authority  
13          of this section, the President shall transmit to the Com-  
14          mittee on Foreign Relations of the Senate, and the Com-  
15          mittee on International Relations of the House of Rep-  
16          resentatives a notification of the proposed transfer. The no-  
17          tification shall identify the items to be transferred and the  
18          concessions to be received.

19          (d) *EXPIRATION OF AUTHORITY.*—No transfer may be  
20          made under the authority of this section 5 years after the  
21          date of enactment of this Act.

22   **SEC. 606. STINGER MISSILES IN THE PERSIAN GULF RE-**  
23   **GION.**

24          (a) *PROHIBITION.*—Notwithstanding any other provi-  
25          sion of law and except as provided in subsection (b), the

1 *United States may not sell or otherwise make available*  
2 *under the Arms Export Control Act or chapter 2 of part*  
3 *II of the Foreign Assistance Act of 1961 any Stinger*  
4 *ground-to-air missiles to any country bordering the Persian*  
5 *Gulf.*

6 (b) *ADDITIONAL TRANSFERS AUTHORIZED.—In addi-*  
7 *tion to other defense articles authorized to be transferred*  
8 *by section 581 of the Foreign Operations, Export Financ-*  
9 *ing, and Related Programs Appropriation Act, 1990, the*  
10 *United States may sell or make available, under the Arms*  
11 *Export Control Act or chapter 2 of part II of the Foreign*  
12 *Assistance Act of 1961, Stinger ground to air missiles to*  
13 *any country bordering the Persian Gulf in order to replace,*  
14 *on a one-for-one basis, Stinger missiles previously furnished*  
15 *to such country if the Stinger missiles to be replaced are*  
16 *nearing the scheduled expiration of their shelf-life.*

17 **SEC. 607. EXCESS DEFENSE ARTICLES FOR MONGOLIA.**

18 (a) *USES FOR WHICH FUNDS ARE AVAILABLE.—Not-*  
19 *withstanding section 516(e) of the Foreign Assistance Act*  
20 *of 1961 (22 U.S.C. 2321j(e)), during fiscal year 2001, funds*  
21 *available to the Department of Defense may be expended*  
22 *for crating, packing, handling, and transportation of excess*  
23 *defense articles transferred under the authority of section*  
24 *516 of that Act to Mongolia.*

1       (b) *CONTENT OF CONGRESSIONAL NOTIFICATION.*—  
2 *Each notification required to be submitted under section*  
3 *516(f) of the Foreign Assistance Act of 1961 (22 U.S.C.*  
4 *2321j(f)) with respect to a proposed transfer of a defense*  
5 *article described in subsection (a) shall include an estimate*  
6 *of the amount of funds to be expended under subsection (a)*  
7 *with respect to that transfer.*

8 **SEC. 608. SPACE COOPERATION WITH RUSSIAN PERSONS.**

9       (a) *ANNUAL CERTIFICATION.*—

10           (1) *REQUIREMENT.*—*The President shall submit*  
11 *each year to the appropriate committees of Congress,*  
12 *with respect to each Russian person described in*  
13 *paragraph (2), a certification that the person is not*  
14 *suspected of contributing to the acquisition, design,*  
15 *development, or production of MTCR-class ballistic*  
16 *missiles in Iran at any time since January 1, 2000.*

17           (2) *APPLICABILITY.*—*The certification require-*  
18 *ment under paragraph (1) applies with respect to*  
19 *each Russian person that, as of the date of the certifi-*  
20 *cation, is a person engaged in commercial cooperation*  
21 *relating to MTCR equipment or technology with a*  
22 *United States person pursuant to an arms export li-*  
23 *cence that was issued within the 36 months preceding*  
24 *the month in which the certification is made.*

1           (3) *COMMENCEMENT AND TERMINATION OF RE-*  
2           *QUIREMENT.*—

3                   (A) *TIMES FOR SUBMISSION.*—*The Presi-*  
4                   *dent shall submit—*

5                           (i) *the first certification under para-*  
6                           *graph (1) not later than 60 days after the*  
7                           *date of the enactment of this Act; and*

8                           (ii) *each annual certification thereafter*  
9                           *on the anniversary of the first submission.*

10                   (B) *TERMINATION OF REQUIREMENT.*—*No*  
11                   *certification is required under paragraph (1)*  
12                   *after the submission of the annual certification*  
13                   *that is required to be submitted 5 years after the*  
14                   *date on which the first certification is submitted.*

15           (b) *TERMINATION OF EXISTING LICENSES.*—*If, at any*  
16 *time after the issuance of a license under section 36(c) of*  
17 *the Arms Export Control Act relating to the use, develop-*  
18 *ment, or co-production of commercial rocket engine tech-*  
19 *nology with a foreign person, the President determines that*  
20 *the foreign person has engaged in any action described in*  
21 *section 73(a)(1) of the Arms Export Control Act (22 U.S.C.*  
22 *2797b(a)(1)) since the date the license was issued, the Presi-*  
23 *dent may terminate the license.*

24           (c) *REPORT ON EXPORT LICENSING OF MTCR ITEMS*  
25 *UNDER \$50,000,000.*—*Section 71(d) of the Arms Export*

1 *Control Act (22 U.S.C. 2797(d)) is amended by striking*  
2 *“Within 15 days” and all that follows through “MTCR*  
3 *Annex,” and inserting “Within 15 days after the issuance*  
4 *of a license (including any brokering license) for the export*  
5 *of items valued at less than \$50,000,000 that are controlled*  
6 *under this Act pursuant to United States obligations under*  
7 *the Missile Technology Control Regime or are goods or serv-*  
8 *ices that are intended to support the design, utilization, de-*  
9 *velopment, or production of a space launch vehicle system*  
10 *listed in Category I or II of the MTCR Annex,”.*

11 (d) *DEFINITIONS.—In this section:*

12 (1) *APPROPRIATE COMMITTEES OF CONGRESS.—*  
13 *The term “appropriate committees of Congress”*  
14 *means the Committee on Foreign Relations of the*  
15 *Senate and the Committee on International Relations*  
16 *of the House of Representatives.*

17 (2) *FOREIGN PERSON.—The term “foreign per-*  
18 *son” has the meaning given the term in section 74(7)*  
19 *of the Arms Export Control Act (22 U.S.C. 2797c(7)).*

20 (3) *MTCR EQUIPMENT OR TECHNOLOGY.—The*  
21 *term “MTCR equipment or technology” has the mean-*  
22 *ing given the term in section 74(5) of the Arms Ex-*  
23 *port Control Act (22 U.S.C. 2797c(5)).*



1           (4) *PERSON*.—The term “person” has the mean-  
2           ing given the term in section 74(8) of the Arms Ex-  
3           port Control Act (22 U.S.C. 2797c(8)).

4           (5) *UNITED STATES PERSON*.—The term “United  
5           States person” has the meaning given the term in sec-  
6           tion 74(6) of the Arms Export Control Act (22 U.S.C.  
7           2797c(6)).

8   **SEC. 609. ASSISTANCE FOR ISRAEL.**

9           (a) *DEFINITIONS*.—In this section:

10           (1) *ESF ASSISTANCE*.—The term “ESF assist-  
11           ance” means assistance under chapter 4 of part II of  
12           the Foreign Assistance Act of 1961 (22 U.S.C. 2346  
13           et seq.), relating to the economic support fund.

14           (2) *FOREIGN MILITARY FINANCING PROGRAM*.—  
15           The term “Foreign Military Financing Program”  
16           means the program authorized by section 23 of the  
17           Arms Export Control Act (22 U.S.C. 2763).

18           (b) *ESF ASSISTANCE*.—

19           (1) *IN GENERAL*.—Of the amounts made avail-  
20           able for each of the fiscal years 2001 through 2008 for  
21           ESF assistance, not less than the amount specified in  
22           paragraph (2) for each such fiscal year shall be avail-  
23           able only for Israel.

1           (2) *COMPUTATION OF AMOUNT.*—*Subject to sub-*  
2           *section (d), the amount referred to in paragraph (1)*  
3           *is equal to—*

4                   (A) *the amount made available for ESF as-*  
5                   *stance for Israel for the preceding fiscal year,*  
6                   *minus*

7                   (B) *\$120,000,000.*

8           (c) *FMMF PROGRAM.*—

9                   (1) *IN GENERAL.*—*Of the amount made available*  
10           *for each of the fiscal years 2001 through 2008 for as-*  
11           *stance under the Foreign Military Financing Pro-*  
12           *gram, not less than the amount specified in para-*  
13           *graph (2) for each such fiscal year shall be available*  
14           *only for Israel.*

15           (2) *COMPUTATION OF AMOUNT.*—*Subject to sub-*  
16           *section (d), the amount referred to in paragraph (1)*  
17           *is equal to—*

18                   (A) *the amount made available for assist-*  
19                   *ance under the Foreign Military Financing Pro-*  
20                   *gram for Israel for the preceding fiscal year, plus*

21                   (B) *\$60,000,000.*

22           (d) *EXCLUSION OF RESCISSIONS AND SUPPLEMENTAL*  
23           *APPROPRIATIONS.*—*For purposes of this section, the com-*  
24           *putation of amounts made available for a fiscal year shall*  
25           *not take into account any amount rescinded by an Act or*

1 *any amount appropriated by an Act making supplemental*  
2 *appropriations for a fiscal year.*

3           **TITLE VII—TRANSFERS OF**  
4                           **NAVAL VESSELS**

5 **SEC. 701. AUTHORITY TO TRANSFER NAVAL VESSELS TO**  
6                           **CERTAIN FOREIGN COUNTRIES.**

7           (a) *BRAZIL.*—*The President is authorized to transfer*  
8 *to the Government of Brazil two “THOMASTON” class*  
9 *dock landing ships ALAMO (LSD 33) and HERMITAGE*  
10 *(LSD 34), and four “GARCIA” class frigates BRADLEY*  
11 *(FF 1041), DAVIDSON (FF 1045), SAMPLE (FF 1048)*  
12 *and ALBERT DAVID (FF 1050). Such transfers shall be*  
13 *on a grant basis under section 516 of the Foreign Assistance*  
14 *Act of 1961 (22 U.S.C. 2321j).*

15           (b) *CHILE.*—*The President is authorized to transfer to*  
16 *the Government of the Chile two “OLIVER HAZARD*  
17 *PERRY” class guided missile frigates WADSWORTH*  
18 *(FFG 9), and ESTOCIN (FFG 15). Such transfers shall*  
19 *be on a combined lease-sale basis under sections 61 and 21*  
20 *of the Arms Export Control Act (22 U.S.C. 2796, 2761).*

21           (c) *GREECE.*—*The President is authorized to transfer*  
22 *to the Government of Greece two “KNOX” class frigates*  
23 *VREELAND (FF 1068), and TRIPPE (FF 1075). Such*  
24 *transfers shall be on a grant basis under section 516 of the*  
25 *Foreign Assistance Act of 1961 (22 U.S.C. 2321j).*

1           (d) *TURKEY.*—*The President is authorized to transfer*  
2 *to the Government of Turkey two “OLIVER HAZARD*  
3 *PERRY” class guided missile frigates JOHN A. MOORE*  
4 *(FFG 19), and FLATLEY (FFG 21). Such transfers shall*  
5 *be on a combined lease-sale basis under sections 61 and 21*  
6 *of the Arms Export Control Act (22 U.S.C. 2796, 2761).*  
7 *The authority granted by this section is in addition to that*  
8 *granted under section 1018(a)(9) of Public Law 106–65.*

9   **SEC. 702. INAPPLICABILITY OF AGGREGATE ANNUAL LIM-**  
10                           **TATION ON VALUE OF TRANSFERRED EXCESS**  
11                           **DEFENSE ARTICLES.**

12           *The value of naval vessels authorized under section 701*  
13 *of this Act to be transferred on a grant basis under section*  
14 *516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j)*  
15 *shall not be included in the aggregate annual value of trans-*  
16 *ferred excess defense articles which is subject to the aggre-*  
17 *gate annual limitation set forth in section 516(g) of the*  
18 *Foreign Assistance Act of 1961 (22 U.S.C. 2321j(g)).*

19   **SEC. 703. COSTS OF TRANSFERS.**

20           *Any expense of the United States in connection with*  
21 *a transfer authorized by this Act shall be charged to the*  
22 *recipient.*

1 **SEC. 704. CONDITIONS RELATING TO COMBINED LEASE-**  
2 **SALE TRANSFERS.**

3 *A transfer of a vessel on a combined lease-sale basis*  
4 *authorized by section 701 shall be made in accordance with*  
5 *the following requirements:*

6 (1) *The President may initially transfer the ves-*  
7 *sel by lease, with lease payments suspended for the*  
8 *term of the lease, if the country entering into the lease*  
9 *for the vessel simultaneously enters into a foreign*  
10 *military sales agreement for the transfer of title to the*  
11 *vessel.*

12 (2) *The President may not deliver to the pur-*  
13 *chasing country title to the vessel until the purchase*  
14 *price of the vessel under such a foreign military sales*  
15 *agreement is paid in full.*

16 (3) *Upon payment of the purchase price in full*  
17 *under such a sales agreement and delivery of title to*  
18 *the recipient country, the President shall terminate*  
19 *the lease.*

20 (4) *If the purchasing country fails to make full*  
21 *payment of the purchase price in accordance with the*  
22 *sales agreement by the date required under the sales*  
23 *agreement—*

24 (A) *the sales agreement shall be imme-*  
25 *diately terminated;*

1           (B) the suspension of lease payments under  
2           the lease shall be vacated; and

3           (C) the United States shall be entitled to re-  
4           tain all funds received on or before the date of  
5           the termination under the sales agreement, up to  
6           the amount of lease payments due and payable  
7           under the lease and all other costs required by  
8           the lease to be paid to that date.

9           (5) If a sales agreement is terminated pursuant  
10          to paragraph (4), the United States shall not be re-  
11          quired to pay any interest to the recipient country on  
12          any amount paid to the United States by the recipi-  
13          ent country under the sales agreement and not re-  
14          tained by the United States under the lease.

15 **SEC. 705. FUNDING OF CERTAIN COSTS OF TRANSFERS.**

16          There are authorized to be appropriated to the Defense  
17          Vessels Transfer Program Account such funds as may be  
18          necessary to cover the costs (as defined in section 502 of  
19          the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of  
20          the lease-sale transfers authorized by section 701. Funds au-  
21          thorized to be appropriated under the preceding sentence  
22          for the purpose described in that sentence may not be avail-  
23          able for any other purpose.

1 **SEC. 706. EXPIRATION OF AUTHORITY.**

2 *The authority granted by section 701 of this Act shall*  
3 *expire two years after the date of enactment of this Act.*

4 **TITLE VIII—DEFINITION**

5 **SEC. 801. APPROPRIATE COMMITTEES OF CONGRESS DE-**  
6 **FINED.**

7 *In this Act, the term “appropriate committees of Con-*  
8 *gress” means the Committee on Foreign Relations and the*  
9 *Committee on Armed Services of the Senate and the Com-*  
10 *mittee on International Relations and the Committee on*  
11 *Armed Services of the House of Representatives.*

Attest:

*Secretary.*





106TH CONGRESS  
2D SESSION

**H. R. 4919**

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**AMENDMENT**

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