

112TH CONGRESS
2D SESSION

H. R. 6018

IN THE SENATE OF THE UNITED STATES

JULY 18, 2012

Received; read twice and referred to the Committee on Foreign Relations

AN ACT

To authorize appropriations for the Department of State
for fiscal year 2013, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Foreign Relations Au-
3 thorization Act, Fiscal Year 2013”.

4 SEC. 2. TABLE OF CONTENTS.

5 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Appropriate congressional committees defined.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

- Sec. 101. Administration of foreign affairs.
- Sec. 102. Contributions to International Organizations.
- Sec. 103. Contributions for International Peacekeeping Activities.
- Sec. 104. International Commissions.
- Sec. 105. Peace Corps.
- Sec. 106. National Endowment for Democracy.

**TITLE II—DEPARTMENT OF STATE AUTHORITIES AND
ACTIVITIES**

Subtitle A—Basic Authorities and Activities

- Sec. 201. International Litigation Fund.
- Sec. 202. Actuarial valuations.
- Sec. 203. Special agents.
- Sec. 204. Diplomatic security program contracting.
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- Sec. 206. Physical security of certain soft targets.
- Sec. 207. Rewards program update and technical corrections.
- Sec. 208. Cybersecurity efforts of the Department of State.
- Sec. 209. Center for Strategic Counterterrorism Communications of the De-
partment of State.

Subtitle B—Consular Services and Related Matters

- Sec. 211. Extension of authority to assess passport surcharge.
- Sec. 212. Border crossing card fee for minors.

Subtitle C—Reporting Requirements

- Sec. 221. Reporting reform.

TITLE III—ORGANIZATION AND PERSONNEL AUTHORITIES

- Sec. 301. Suspension of Foreign Service members without pay.
- Sec. 302. Repeal of recertification requirement for Senior Foreign Service.
- Sec. 303. Limited appointments in the Foreign Service.
- Sec. 304. Limitation of compensatory time off for travel.
- Sec. 305. Department of State organization.
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- Sec. 307. Overseas comparability pay limitation.

TITLE IV—UNITED STATES INTERNATIONAL BROADCASTING

- Sec. 401. Authorization of appropriations for international broadcasting.
- Sec. 402. Personal services contracting program.
- Sec. 403. Technical amendment relating to civil immunity for Broadcasting Board of Governors members.

TITLE V—ARMS EXPORT CONTROL ACT AMENDMENTS AND RELATED PROVISIONS

Subtitle A—General Provisions

- Sec. 501. Authority to transfer excess defense articles.
- Sec. 502. Annual military assistance report.
- Sec. 503. Annual report on foreign military training.
- Sec. 504. Increase in congressional notification thresholds.
- Sec. 505. Return of defense articles.
- Sec. 506. Annual estimate and justification for sales program.
- Sec. 507. Updating and conforming penalties for violations of sections 38 and 39 of the Arms Export Control Act.
- Sec. 508. Clarification of prohibitions relating to state sponsors of terrorism and their nationals.
- Sec. 509. Exemption for transactions with countries supporting acts of international terrorism.
- Sec. 510. Report on Foreign Military Financing program.
- Sec. 511. Congressional notification of regulations and amendments to regulations under section 38 of the Arms Export Control Act.
- Sec. 512. Diplomatic efforts to strengthen national and international arms export controls.
- Sec. 513. Review and report of investigations of violations of section 3 of the Arms Export Control Act.
- Sec. 514. Reports on commercial and governmental military exports under the Arms Export Control Act; congressional actions.

Subtitle B—Miscellaneous Provisions

- Sec. 521. Treatment of militarily insignificant parts and components.
- Sec. 522. Special export licensing for United States allies.
- Sec. 523. Improving and streamlining licensing under United States Government arms export control programs.
- Sec. 524. Authority to remove satellites and related components from the United States Munitions List.
- Sec. 525. Report on licenses and other authorizations to export commercial satellites and related components and technology contained on the Commerce Control List.
- Sec. 526. Review of United States Munitions List.
- Sec. 527. Report on country exemptions for licensing of exports of munitions and related technical data.
- Sec. 528. End-use monitoring of munitions.
- Sec. 529. Definitions.

1 **SEC. 3. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
 2 **FINED.**

3 Except as otherwise provided in this Act, the term
 4 “appropriate congressional committees” means the Com-
 5 mittee on Foreign Affairs of the House of Representatives
 6 and the Committee on Foreign Relations of the Senate.

7 **TITLE I—AUTHORIZATION OF**
 8 **APPROPRIATIONS**

9 **SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.**

10 The following amounts are authorized to be appro-
 11 priated for the Department of State under “Administra-
 12 tion of Foreign Affairs” to carry out the authorities, func-
 13 tions, duties, and responsibilities in the conduct of foreign
 14 affairs of the United States, and for other purposes au-
 15 thorized by law:

16 (1) **DIPLOMATIC AND CONSULAR PROGRAMS.—**
 17 For “Diplomatic and Consular Programs”,
 18 \$8,983,778,000 for fiscal year 2013.

19 (A) **WORLDWIDE SECURITY PROTEC-**
 20 **TION.—**Of such amounts, not less than
 21 \$1,591,201,000 is authorized to be appro-
 22 priated for worldwide security protection.

23 (B) **BUREAU OF DEMOCRACY, HUMAN**
 24 **RIGHTS, AND LABOR.—**Of such amounts, not
 25 less than \$24,147,000 for fiscal year 2013 is

1 authorized to be appropriated for the Bureau of
2 Democracy, Human Rights and Labor.

3 (2) CAPITAL INVESTMENT FUND.—For “Cap-
4 ital Investment Fund”, \$59,380,000 for fiscal year
5 2013.

6 (3) EMBASSY SECURITY, CONSTRUCTION AND
7 MAINTENANCE.—For “Embassy Security, Construc-
8 tion and Maintenance”, \$1,570,000,000 for fiscal
9 year 2013.

10 (4) EDUCATIONAL AND CULTURAL EXCHANGE
11 PROGRAMS.—For “Educational and Cultural Ex-
12 change Programs”, \$598,800,000 for fiscal year
13 2013.

14 (5) CONFLICT STABILIZATION OPERATIONS.—

15 (A) IN GENERAL.—For “Conflict Stabiliza-
16 tion Operations”, \$8,500,000 for fiscal year
17 2013.

18 (B) TRANSFER.—Subject to subparagraph
19 (C) of this paragraph, of the amount authorized
20 to be appropriated pursuant to paragraph (1),
21 up to \$35,000,000 is authorized to be trans-
22 ferred to, and merged with, the amount speci-
23 fied in subparagraph (A) of this paragraph.

24 (C) NOTIFICATION.—If the Secretary of
25 State exercises the transfer authority described

1 in subparagraph (B), the Secretary shall notify
2 the Committee on Foreign Affairs and the
3 Committee on Appropriations of the House of
4 Representatives and the Committee on Foreign
5 Relations and the Committee on Appropriations
6 of the Senate.

7 (6) REPRESENTATION ALLOWANCES.—For
8 “Representation Allowances”, \$7,300,000 for fiscal
9 year 2013.

10 (7) PROTECTION OF FOREIGN MISSIONS AND
11 OFFICIALS.—For “Protection of Foreign Missions
12 and Officials”, \$27,000,000 for fiscal year 2013.

13 (8) EMERGENCIES IN THE DIPLOMATIC AND
14 CONSULAR SERVICE.—For “Emergencies in the Dip-
15 lomatic and Consular Service”, \$9,300,000 for fiscal
16 year 2013.

17 (9) REPATRIATION LOANS.—For “Repatriation
18 Loans”, \$1,447,000 for fiscal year 2013.

19 (10) PAYMENT TO THE AMERICAN INSTITUTE
20 IN TAIWAN.—

21 (A) IN GENERAL.—For “Payment to the
22 American Institute in Taiwan”, \$21,108,000
23 for fiscal year 2013.

24 (B) TRANSFER.—Subject to subparagraph

25 (C) of this paragraph, of the amount authorized

1 to be appropriated pursuant to paragraph (1),
2 up to \$15,300,000 is authorized to be trans-
3 ferred to, and merged with, the amount speci-
4 fied in subparagraph (A) of this paragraph.

5 (C) NOTIFICATION.—If the Secretary of
6 State exercises the transfer authority described
7 in subparagraph (B), the Secretary shall notify
8 the Committee on Foreign Affairs and the
9 Committee on Appropriations of the House of
10 Representatives and the Committee on Foreign
11 Relations and the Committee on Appropriations
12 of the Senate.

13 (11) OFFICE OF THE INSPECTOR GENERAL.—
14 For “Office of the Inspector General”,
15 \$129,086,000 for fiscal year 2013, including for the
16 Special Inspector General for Iraq Reconstruction
17 and the Special Inspector General for Afghanistan
18 Reconstruction, notwithstanding section 209(a)(1) of
19 the Foreign Service Act of 1980 (22 U.S.C.
20 3929(a)(1)) as such section relates to the inspection
21 of the administration of activities and operations of
22 each Foreign Service post.

1 **SEC. 102. CONTRIBUTIONS TO INTERNATIONAL ORGANIZA-**
2 **TIONS.**

3 There are authorized to be appropriated for “Con-
4 tributions to International Organizations”,
5 \$1,551,000,000 for fiscal year 2013, for the Department
6 of State to carry out the authorities, functions, duties, and
7 responsibilities in the conduct of the foreign affairs of the
8 United States with respect to international organizations
9 and to carry out other authorities in law consistent with
10 such purposes.

11 **SEC. 103. CONTRIBUTIONS FOR INTERNATIONAL PEACE-**
12 **KEEPING ACTIVITIES.**

13 There are authorized to be appropriated for “Con-
14 tributions for International Peacekeeping Activities”,
15 \$1,828,182,000 for fiscal year 2013 for the Department
16 of State to carry out the authorities, functions, duties, and
17 responsibilities of the United States with respect to inter-
18 national peacekeeping activities and to carry out other au-
19 thorities in law consistent with such purposes.

20 **SEC. 104. INTERNATIONAL COMMISSIONS.**

21 The following amounts are authorized to be appro-
22 priated under “International Commissions” for the De-
23 partment of State to carry out the authorities, functions,
24 duties, and responsibilities in the conduct of the foreign
25 affairs of the United States and for other purposes author-
26 ized by law:

1 (1) INTERNATIONAL BOUNDARY AND WATER
2 COMMISSION, UNITED STATES AND MEXICO.—For
3 “International Boundary and Water Commission,
4 United States and Mexico”—

5 (A) for “Salaries and Expenses”,
6 \$44,722,000 for fiscal year 2013; and

7 (B) for “Construction”, \$31,453,000 for
8 fiscal year 2013.

9 (2) INTERNATIONAL BOUNDARY COMMISSION,
10 UNITED STATES AND CANADA.—For “International
11 Boundary Commission, United States and Canada”,
12 \$2,279,000 for fiscal year 2013.

13 (3) INTERNATIONAL JOINT COMMISSION.—For
14 “International Joint Commission”, \$7,012,000 for
15 fiscal year 2013.

16 (4) INTERNATIONAL FISHERIES COMMIS-
17 SIONS.—For “International Fisheries Commissions”,
18 \$36,300,000 for fiscal year 2013.

19 (5) BORDER ENVIRONMENT COOPERATION COM-
20 MISSION.—For “Border Environment Cooperation
21 Commission”, \$2,396,000 for fiscal year 2013.

22 **SEC. 105. PEACE CORPS.**

23 There are authorized to be appropriated for the Peace
24 Corps \$375,000,000 for fiscal year 2013, of which not less

1 than \$5,150,000 is authorized to be appropriated for the
2 Office of the Inspector General of the Peace Corps.

3 **SEC. 106. NATIONAL ENDOWMENT FOR DEMOCRACY.**

4 There are authorized to be appropriated for the “Na-
5 tional Endowment for Democracy” for authorized activi-
6 ties \$122,764,000 for fiscal year 2013.

7 **TITLE II—DEPARTMENT OF**
8 **STATE AUTHORITIES AND AC-**
9 **TIVITIES**

10 **Subtitle A—Basic Authorities and**
11 **Activities**

12 **SEC. 201. INTERNATIONAL LITIGATION FUND.**

13 Paragraph (3) of section 38(d) of the State Depart-
14 ment Basic Authorities Act of 1956 (22 U.S.C. 2710(d))
15 is amended by striking “by the Department of State from
16 another agency of the United States Government or pur-
17 suant to” and inserting “by the Department of State as
18 a result of a decision of an international tribunal, from
19 another agency of the United States Government, or pur-
20 suant to”.

21 **SEC. 202. ACTUARIAL VALUATIONS.**

22 The Foreign Service Act of 1980 is amended—
23 (1) in section 818 (22 U.S.C. 4058)—

1 (A) in the first sentence, by striking “Sec-
2 retary of the Treasury” and inserting “Sec-
3 retary of State”; and

4 (B) by amending the second sentence to
5 read as follows: “The Secretary of State is au-
6 thorized to expend from money to the credit of
7 the Fund such sums as may be necessary to ad-
8 minister the provisions of this subchapter, in-
9 cluding actuarial advice, but only to the extent
10 and in such amounts as are provided in advance
11 in appropriations Acts.”;

12 (2) in section 819 (22 U.S.C. 4059), in the first
13 sentence, by striking “Secretary of the Treasury”
14 the second place it appears and inserting “Secretary
15 of State”;

16 (3) in section 825(b) (22 U.S.C. 4065(b)), by
17 striking “Secretary of the Treasury” and inserting
18 “Secretary of State”; and

19 (4) section 859(c) (22 U.S.C. 4071h(c))—

20 (A) by striking “Secretary of the Treas-
21 ury” and inserting “Secretary of State”; and

22 (B) by striking “and shall advise the Sec-
23 retary of State of” and inserting “that will pro-
24 vide”.

1 **SEC. 203. SPECIAL AGENTS.**

2 (a) IN GENERAL.—Paragraph (1) of section 37(a) of
3 the State Department Basic Authorities Act of 1956 (22
4 U.S.C. 2709(a)) is amended to read as follows:

5 “(1) conduct investigations concerning—

6 “(A) illegal passport or visa issuance or
7 use;

8 “(B) identity theft or document fraud af-
9 fecting or relating to the programs, functions,
10 and authorities of the Department of State; and

11 “(C) Federal offenses committed within
12 the special maritime and territorial jurisdiction
13 of the United States as defined in paragraph
14 (9) of section 7 of title 18, United States Code,
15 except as that jurisdiction relates to the prem-
16 ises of United States military missions and re-
17 lated residences;”.

18 (b) RULE OF CONSTRUCTION.—Nothing in para-
19 graph (1) of section 37(a) the State Department Basic
20 Authorities Act of 1956 (as amended by subsection (a)
21 of this section) shall be construed to limit the investigative
22 authority of any other Federal department or agency.

23 **SEC. 204. DIPLOMATIC SECURITY PROGRAM CONTRACTING.**

24 Section 136 of the Foreign Relations Authorization
25 Act, Fiscal Years 1990 and 1991 (22 U.S.C. 4864) is
26 amended—

1 (1) in subsection (c)—

2 (A) in the matter preceding paragraph (1),
3 by striking “With respect” and inserting “Ex-
4 cept as provided in subsection (d), with re-
5 spect”; and

6 (B) in paragraph (3), by striking “sub-
7 section (d)” and inserting “subsection (e)”;

8 (2) by redesignating subsections (d), (e), (f),
9 and (g) as subsections (e), (f), (g), and (h), respec-
10 tively;

11 (3) by inserting after subsection (c) the fol-
12 lowing new subsection:

13 “(d) AWARD OF LOCAL GUARD AND PROTECTIVE
14 SERVICE CONTRACTS IN HIGH RISK AREAS.—With re-
15 spect to local guard contracts for Foreign Service build-
16 ings located in high risk areas which exceed \$250,000, the
17 Secretary of State shall—

18 “(1) comply with paragraphs (1), (2), (4), (5),
19 and (6) of subsection (c) in the award of such con-
20 tracts;

21 “(2) in evaluating proposals for such contracts,
22 award contracts to the firm representing the best
23 value to the Government in accordance with the best
24 value tradeoff process described in subpart 15.1 of

1 the Federal Acquisition Regulation (48 C.F.R.
2 15.101–1); and

3 “(3) ensure that in all contracts awarded under
4 this subsection, contractor personnel providing local
5 guard or protective services are classified as—

6 “(A) employees of the offeror;

7 “(B) if the offeror is a joint venture, as
8 the employees of one of the persons or parties
9 constituting the joint venture; or

10 “(C) as employees of a subcontractor to
11 the offeror, and not as independent contractors
12 to the offeror or any other entity performing
13 under such contracts.”; and

14 (4) in subsection (e), as redesignated by para-
15 graph (2) of this section—

16 (A) in paragraph (3), by striking “and” at
17 the end;

18 (B) in paragraph (4), by striking the pe-
19 riod at the end and inserting “; and”; and

20 (C) by adding at the end the following new
21 paragraph:

22 “(5) the term ‘high risk areas’ means—

23 “(A) an area subject to a contingency op-
24 eration as defined in section 101(a)(13) of title
25 10, United States Code; or

1 “(B) an area determined by the Assistant
2 Secretary of Diplomatic Security to present an
3 increased threat of serious damage or harm to
4 United States diplomatic facilities or per-
5 sonnel.”.

6 **SEC. 205. ACCOUNTABILITY REVIEW BOARDS.**

7 Paragraph (3) of section 301(a) of the Omnibus Dip-
8 lomatic Security and Antiterrorism Act of 1986 (22
9 U.S.C. 4831(a)) is amended—

10 (1) by striking the heading and inserting “FA-
11 CILITIES IN HIGH-RISK AREAS”; and

12 (2) in subparagraph (A)—

13 (A) by amending clause (i) to read as fol-
14 lows:

15 “(i) involves serious injury, loss of
16 life, or significant destruction of property
17 at, or related to, a United States Govern-
18 ment mission in an area subject to a con-
19 tingency operation (as defined in section
20 101(a)(13) of title 10, United States
21 Code), or in an area previously determined
22 by the Assistant Secretary of State for
23 Diplomatic Security to present an in-
24 creased threat of serious damage or harm

1 to United States diplomatic facilities or
2 personnel; and”; and

3 (B) in clause (ii), by striking “2009” and
4 inserting “2015”.

5 **SEC. 206. PHYSICAL SECURITY OF CERTAIN SOFT TARGETS.**

6 Section 29 of the State Department Basic Authorities
7 Act of 1956 (22 U.S.C. 2701) is amended, in the third
8 sentence, by inserting “physical security enhancements
9 and” after “may include”.

10 **SEC. 207. REWARDS PROGRAM UPDATE AND TECHNICAL**
11 **CORRECTIONS.**

12 (a) ENHANCED AUTHORITY.—Section 36 of the State
13 Department Basic Authorities Act of 1956 (22 U.S.C.
14 2708) is amended—

15 (1) in subsection (a)(2), by inserting “serious
16 violations of international humanitarian law,
17 transnational organized crime,” after “international
18 narcotics trafficking,”;

19 (2) in subsection (b)—

20 (A) in the matter preceding paragraph (1),
21 by striking “Attorney General” and inserting
22 “heads of other relevant departments or agen-
23 cies”;

24 (B) in paragraphs (4) and (5), by striking
25 “paragraph (1), (2), or (3)” each place it ap-

1 pears and inserting “paragraph (1), (2), (3),
2 (8), or (9)”;

3 (C) in paragraph (6)—

4 (i) by inserting “or transnational or-
5 ganized crime group” after “terrorist orga-
6 nization”; and

7 (ii) by striking “or” at the end;

8 (D) in paragraph (7)—

9 (i) in the matter preceding subpara-
10 graph (A), by striking “, including the use
11 by the organization of illicit narcotics pro-
12 duction or international narcotics traf-
13 ficking” and inserting “or transnational
14 organized crime group, including the use
15 by such organization or group of illicit nar-
16 cotics production or international narcotics
17 trafficking”;

18 (ii) in subparagraph (A), by inserting
19 “or transnational organized crime” after
20 “international terrorism”; and

21 (iii) in subparagraph (B)—

22 (I) by inserting “or transnational
23 organized crime group” after “ter-
24 rorist organization”; and

1 (II) by striking the period at the
2 end and inserting a semicolon; and

3 (E) by adding at the end the following new
4 paragraphs:

5 “(8) the arrest or conviction in any country of
6 any individual for participating in, primarily outside
7 the United States, transnational organized crime;

8 “(9) the arrest or conviction in any country of
9 any individual conspiring to participate in or at-
10 tempting to participate in transnational organized
11 crime; or

12 “(10) the arrest or conviction in any country,
13 or the transfer to or conviction by an international
14 criminal tribunal (including a hybrid or mixed tri-
15 bunal), of any foreign national accused of war
16 crimes, crimes against humanity, or genocide, as de-
17 fined under the statute of such tribunal.”; and

18 (3) in subsection (k)—

19 (A) by redesignating paragraphs (5) and
20 (6) as paragraphs (7) and (8), respectively; and

21 (B) by inserting after paragraph (4) the
22 following new paragraphs:

23 “(5) TRANSNATIONAL ORGANIZED CRIME.—The
24 term ‘transnational organized crime’ means—

1 “(A) racketeering activity (as such term is
2 defined in section 1961 of title 18, United
3 States Code) that involves at least one jurisdic-
4 tion outside the United States; or

5 “(B) any other criminal offense punishable
6 by a term of imprisonment of at least four
7 years under Federal, State, or local law that in-
8 volves at least one jurisdiction outside the
9 United States and that is intended to obtain,
10 directly or indirectly, a financial or other mate-
11 rial benefit.

12 “(6) TRANSNATIONAL ORGANIZED CRIME
13 GROUP.—The term ‘transnational organized crime
14 group’ means a group of persons that includes one
15 or more citizens of a foreign country, exists for a pe-
16 riod of time, and acts in concert with the aim of en-
17 gaging in transnational organized crime.”.

18 (b) ADVANCE NOTIFICATION FOR INTERNATIONAL
19 CRIMINAL TRIBUNAL REWARDS.—Section 36(g) of the
20 State Department Basic Authorities Act of 1956 (22
21 U.S.C. 2708(g)) is amended by adding at the end the fol-
22 lowing new paragraph:

23 “(3) ADVANCE NOTIFICATION FOR INTER-
24 NATIONAL CRIMINAL TRIBUNAL REWARDS.—Not less
25 than 15 days before publicly announcing that a re-

1 ward may be offered for the arrest or conviction in
2 any country, or the transfer to or conviction by an
3 international criminal tribunal (including a hybrid or
4 mixed tribunal), of a foreign national accused of war
5 crimes, crimes against humanity, or genocide (as de-
6 fined under the statute of such tribunal), the Sec-
7 retary shall submit to the appropriate congressional
8 committees a report, which may be submitted in
9 classified form if necessary, specifying the reasons
10 why such arrest or conviction or transfer of such
11 foreign national is in the national interests of the
12 United States.”.

13 (c) ENHANCING PUBLICITY OF REWARDS INFORMA-
14 TION.—The Department of State and the Broadcasting
15 Board of Governors shall make themselves available to the
16 appropriate congressional committees for periodic brief-
17 ings on their cooperative efforts to publicize rewards au-
18 thorized under section 36 of the State Department Basic
19 Authorities Act of 1956 (22 U.S.C. 2708).

20 (d) TECHNICAL CORRECTION.—Section 36(e)(1) of
21 the State Department Basic Authorities Act of 1956 (22
22 U.S.C. 2708) is amended by striking “The Secretary shall
23 authorize a reward of \$50,000,000 for the capture or
24 death or information leading to the capture or death of
25 Osama bin Laden.”.

1 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
2 tion shall be construed as authorizing the use of activity
3 precluded under the American Servicemembers’ Protection
4 Act of 2002 (Public Law 107–206).

5 (f) FUNDING.—To carry out this section, the Sec-
6 retary of State shall use amounts appropriated or other-
7 wise made available to the Emergencies in the Diplomatic
8 and Consular Service account of the Department of State.

9 **SEC. 208. CYBERSECURITY EFFORTS OF THE DEPARTMENT**
10 **OF STATE.**

11 (a) COORDINATOR FOR CYBER ISSUES OF THE DE-
12 PARTMENT OF STATE.—

13 (1) IN GENERAL.—The Secretary of State is
14 authorized to establish within the office of the Sec-
15 retary of State a Coordinator for Cyber Issues (in
16 this section referred to as the “Coordinator”), who
17 shall be appointed by the President, by and with the
18 advice and consent of the Senate.

19 (2) PRINCIPAL DUTIES.—The Coordinator
20 should—

21 (A) be the principal official within the sen-
22 ior management of the Department responsible
23 for cyberspace and cybersecurity issues;

1 (B) be the principal advisor to the Sec-
2 retary of State on international cyberspace and
3 cybersecurity issues;

4 (C) report directly to the Secretary;

5 (D) perform such duties and exercise such
6 powers as the Secretary shall prescribe; and

7 (E) coordinate United States cyberspace
8 and cybersecurity foreign policy in each country
9 or region that the Secretary considers signifi-
10 cant with respect to efforts of the United States
11 Government to enhance cybersecurity globally.

12 (3) ADDITIONAL DUTIES.—In addition to the
13 duties described in paragraph (2), the Coordinator
14 should—

15 (A) provide strategic direction and coordi-
16 nation for Department of State policy and pro-
17 grams aimed at addressing and responding to
18 cyberspace and cybersecurity issues overseas;

19 (B) work with relevant Federal depart-
20 ments and agencies, including the Department
21 of Homeland Security, the Department of De-
22 fense, the Department of the Treasury, the De-
23 partment of Justice, the Department of Com-
24 merce, and the intelligence community, in the
25 development of interagency plans regarding

1 international cyberspace and cybersecurity
2 issues;

3 (C) conduct internal exercises for the De-
4 partment of State to plan for responses to a
5 cyber attack;

6 (D) consult, where appropriate, with the
7 private sector on international cyberspace and
8 cybersecurity issues; and

9 (E) build multilateral cooperation to de-
10 velop international norms, common policies, and
11 responses to secure the integrity of cyberspace.

12 (4) RANK AND STATUS OF AMBASSADOR.—The
13 Coordinator should have the rank and status of Am-
14 bassador-at-Large.

15 (b) REPORT.—Not later than 180 days after the date
16 of the enactment of this Act, the Secretary of State shall
17 submit to the Committee on Foreign Affairs of the House
18 of Representatives and Committee on Foreign Relations
19 of the Senate a report that includes the following:

20 (1) A description of the Department of State's
21 internal cybersecurity efforts, including the fol-
22 lowing:

23 (A) A description of the nature and scope
24 of major incidents of cybercrime against the
25 Department of State.

1 (B) A description of action taken to ensure
2 that all individuals trained by the Department
3 of State are adequately prepared to detect and
4 respond to existing and foreseeable
5 vulnerabilities in the Department's information
6 security.

7 (C) An assessment of whether the Depart-
8 ment of State's staffing levels, facilities, finan-
9 cial resources, and technological equipment are
10 sufficient to provide effective cybersecurity
11 training and protection against incidents of
12 cybercrime.

13 (D) A description of action taken to de-
14 velop and implement response plans to mitigate
15 and isolate disruption caused by incidents of
16 cybercrime.

17 (E) A description of action taken to en-
18 hance cooperation on cybersecurity issues with
19 other Federal departments and agencies.

20 (F) A description of any deployments of
21 interagency teams from the Department of
22 State, the United States Agency for Inter-
23 national Development, and other Federal de-
24 partments and agencies that have been deployed

1 to foreign countries to respond to incidents of
2 cybercrime.

3 (2) A description of the actions that the De-
4 partment of State is taking to work with other coun-
5 tries and international organizations to strengthen
6 cooperative efforts to—

7 (A) combat cybercrime and enhance infor-
8 mation security;

9 (B) pressure countries identified as coun-
10 tries of cybersecurity concern under subsection
11 (c) to take effective action to end incidents of
12 cybercrime; and

13 (C) assist cybersecurity capacity-building
14 in less developed countries.

15 (c) LIST OF COUNTRIES OF CYBERSECURITY CON-
16 CERN.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date of the enactment of this Act, the Secretary
19 of State shall determine if a country is a country of
20 cybersecurity concern if the Secretary of State finds
21 that with respect to such a country—

22 (A) during the two-year period preceding
23 the date of the Secretary of State's determina-
24 tion, there is significant credible evidence that

1 there has been a pattern of incidents of
2 cybercrime—

3 (i) against the United States Govern-
4 ment or United States persons, or that dis-
5 rupt United States electronic commerce or
6 otherwise negatively impact the trade or
7 intellectual property interests of the United
8 States; and

9 (ii) that are attributable to persons or
10 property based in such country; and

11 (B) the government of such country has
12 demonstrated a pattern of being uncooperative
13 with efforts to combat cybercrime by—

14 (i) failing to conduct its own reason-
15 able criminal investigations, prosecutions,
16 or other proceedings with respect to the in-
17 cidents of cybercrime described in subpara-
18 graph (A);

19 (ii) failing to cooperate with the
20 United States, any other party to the Con-
21 vention on Cybercrime, or INTERPOL, in
22 criminal investigations, prosecutions, or
23 other proceedings with respect to such inci-
24 dents, in accordance with chapter III of
25 the Convention on Cybercrime; or

1 (iii) not adopting or implementing leg-
2 islative or other measures in accordance
3 with chapter II of the Convention on
4 Cybercrime with respect to criminal of-
5 fenses related to computer systems or com-
6 puter data.

7 (2) SUBMISSION OF LIST.—

8 (A) IN GENERAL.—Upon making the de-
9 terminations under paragraph (1), the Sec-
10 retary of State shall submit to Congress a list
11 of—

12 (i) each country that is a country of
13 cybersecurity concern;

14 (ii) the basis for each such determina-
15 tion; and

16 (iii) any actions the Department of
17 State is taking to address the concerns de-
18 scribed in such paragraph.

19 (B) FORM.—The Secretary of State may
20 submit the list described in this paragraph (or
21 any portion of such list) in classified form if the
22 Secretary determines that such is appropriate.

23 (d) STRATEGY FOR UNITED STATES ENGAGEMENT
24 ON INTERNATIONAL CYBER ISSUES.—

1 (1) IN GENERAL.—The Coordinator, in con-
2 sultation with the heads of appropriate Federal de-
3 partments and agencies with relevant technical ex-
4 pertise or policy mandates pertaining to cyberspace
5 and cybersecurity issues, shall, not later than 180
6 days after the date of the enactment of this Act, de-
7 velop and submit to congressional committees speci-
8 fied in subsection (b) a strategy to support the ob-
9 jective of promoting United States engagement on
10 international cyber issues.

11 (2) CONTENTS.—The strategy developed under
12 paragraph (1) shall—

13 (A) include—

- 14 (i) efforts to be undertaken;
15 (ii) specific and measurable goals;
16 (iii) benchmarks and timeframes for
17 achieving the objectives referred to in sub-
18 section (d)(3)(B); and
19 (iv) progress made towards achieving
20 the benchmarks and timeframes described
21 in clause (iii); and

22 (B) to the greatest extent practicable,
23 draw upon the expertise of technology, security,
24 and policy experts, private sector actors, inter-

1 national organizations, and other appropriate
2 entities.

3 (3) COMPONENTS.—The strategy developed
4 under paragraph (1) should include—

5 (A) assessments and reviews of existing
6 strategies for international cyberspace and cy-
7 bersecurity policy and engagement;

8 (B) short- and long-term objectives for
9 United States cyberspace and cybersecurity en-
10 gagement; and

11 (C) a description of programs, activities,
12 and policies to foster United States Government
13 collaboration and coordination with other coun-
14 tries and organizations to bolster an inter-
15 national framework of cyber norms, governance,
16 and deterrence, including consideration of the
17 utility of negotiating a multilateral framework
18 to provide internationally acceptable principles
19 to better mitigate cyberwarfare, including non-
20 combatants.

21 (e) DEFINITIONS.—In this section:

22 (1) COMPUTER DATA.—The term “computer
23 data” means any representation of facts, informa-
24 tion, or concepts in a form suitable for processing in

1 a computer system, including a program suitable to
2 cause a computer system to perform a function.

3 (2) COMPUTER SYSTEMS.—The term “computer
4 systems” means any device or group of inter-
5 connected or related devices, one or more of which,
6 pursuant to a program, performs automatic proc-
7 essing of data.

8 (3) CONVENTION ON CYBERCRIME.—The term
9 “Convention on Cybercrime” refers to the Council of
10 Europe Convention on Cybercrime, done at Buda-
11 pest on November 23, 2001, as ratified by the
12 United States Senate with any relevant reservations
13 or declarations.

14 (4) CYBERCRIME.—The term “cybercrime” re-
15 fers to criminal offenses relating to computer sys-
16 tems or computer data described in the Convention
17 on Cybercrime.

18 (5) ELECTRONIC COMMERCE.—The term “elec-
19 tronic commerce” has the meaning given such term
20 in section 1105(3) of the Internet Tax Freedom Act
21 (47 U.S.C. 151 note).

22 (6) INFORMATION SECURITY.—The term “infor-
23 mation security” refers to—

24 (A) the confidentiality, integrity, or avail-
25 ability of an information system, or the infor-

1 mation such system processes, stores, or trans-
2 mits; and

3 (B) the security policies, security proce-
4 dures, or acceptable use policies with respect to
5 an information system.

6 (7) INTERPOL.—The term “INTERPOL”
7 means the International Criminal Police Organiza-
8 tion.

9 (8) UNITED STATES PERSON.—The term
10 “United States person” means—

11 (A) a United States citizen or an alien law-
12 fully admitted for permanent residence to the
13 United States; or

14 (B) an entity organized under the laws of
15 the United States, or of any jurisdiction within
16 the United States.

17 **SEC. 209. CENTER FOR STRATEGIC COUNTERTERRORISM**
18 **COMMUNICATIONS OF THE DEPARTMENT OF**
19 **STATE.**

20 (a) STATEMENT OF POLICY.—As articulated in Exec-
21 utive Order 13584, issued on September 9, 2011, it is the
22 policy of the United States to actively counter the actions
23 and ideologies of al-Qa’ida, its affiliates and adherents,
24 other terrorist organizations, and violent extremists over-

1 seas that threaten the interests and national security of
2 the United States.

3 (b) ESTABLISHMENT OF CENTER FOR STRATEGIC
4 COUNTERTERRORISM COMMUNICATIONS.—There is au-
5 thorized to be established within the Department of State,
6 under the direction of the Secretary of State, the Center
7 for Strategic Counterterrorism Communications (in this
8 section referred to as the “CSCC”).

9 (c) MISSION.—The CSCC may coordinate, orient,
10 and inform government-wide public communications ac-
11 tivities directed at audiences abroad and targeted against
12 violent extremists and terrorist organizations, especially
13 al-Qa’ida and its affiliates and adherents.

14 (d) COORDINATOR OF THE CENTER FOR STRATEGIC
15 COUNTERTERRORISM COMMUNICATIONS.—The head of
16 the CSCC should be the Coordinator. The Coordinator of
17 the CSCC should—

18 (1) report to the Under Secretary for Public
19 Diplomacy and Public Affairs; and

20 (2) collaborate with the Bureau of Counterter-
21 rorism of the Department of State, other Depart-
22 ment bureaus, and other United States Government
23 agencies.

24 (e) DUTIES.—The CSCC may—

1 (1) monitor and evaluate extremist narratives
2 and events abroad that are relevant to the develop-
3 ment of a United States strategic counterterrorism
4 narrative designed to counter violent extremism and
5 terrorism that threaten the interests and national
6 security of the United States;

7 (2) develop and promulgate for use throughout
8 the executive branch United States strategic
9 counterterrorism narrative developed in accordance
10 with paragraph (1), and public communications
11 strategies to counter the messaging of violent ex-
12 tremists and terrorist organizations, especially al-
13 Qa'ida and its affiliates and adherents;

14 (3) identify current and emerging trends in ex-
15 tremist communications and communications by al-
16 Qa'ida and its affiliates and adherents in order to
17 coordinate and provide guidance to the United
18 States Government regarding how best to proactively
19 promote a United States strategic counterterrorism
20 narrative developed in accordance with paragraph
21 (1) and related policies, and to respond to and rebut
22 extremist messaging and narratives when commu-
23 nicating to audiences outside the United States;

24 (4) facilitate the use of a wide range of commu-
25 nications technologies by sharing expertise and best

1 practices among United States Government and non-
2 government sources;

3 (5) identify and request relevant information
4 from United States Government agencies, including
5 intelligence reporting, data, and analysis; and

6 (6) identify shortfalls in United States capabili-
7 ties in any areas relevant to the CSCC's mission,
8 and recommend necessary enhancements or changes.

9 (f) STEERING COMMITTEE.—

10 (1) IN GENERAL.—The Secretary of State may
11 establish a Steering Committee composed of senior
12 representatives of United States Government agen-
13 cies relevant to the CSCC's mission to provide advice
14 to the Secretary on the operations and strategic ori-
15 entation of the CSCC and to ensure adequate sup-
16 port for the CSCC.

17 (2) MEETINGS.—The Steering Committee
18 should meet not less often than once every six
19 months.

20 (3) LEADERSHIP.—The Steering Committee
21 should be chaired by the Under Secretary of State
22 for Public Diplomacy. The Coordinator for Counter-
23 terrorism of the Department of State should serve
24 as Vice Chair. The Coordinator of the CSCC should
25 serve as Executive Secretary.

1 (4) COMPOSITION.—

2 (A) IN GENERAL.—The Steering Com-
3 mittee may include one senior representative
4 designated by the head of each of the following
5 agencies:

6 (i) The Department of Defense.

7 (ii) The Department of Justice.

8 (iii) The Department of Homeland
9 Security.

10 (iv) The Department of the Treasury.

11 (v) The National Counterterrorism
12 Center of the Office of the Director of Na-
13 tional Intelligence.

14 (vi) The Joint Chiefs of Staff.

15 (vii) The Counterterrorism Center of
16 the Central Intelligence Agency.

17 (viii) The Broadcasting Board of Gov-
18 ernors.

19 (ix) The Agency for International De-
20 velopment.

21 (B) ADDITIONAL REPRESENTATION.—Rep-
22 resentatives from United States Government
23 agencies not specified in subparagraph (A) may
24 be invited to participate in the Steering Com-
25 mittee at the discretion of the Chair.

1 **Subtitle B—Consular Services and**
2 **Related Matters**

3 **SEC. 211. EXTENSION OF AUTHORITY TO ASSESS PASSPORT**
4 **SURCHARGE.**

5 Paragraph (2) of section 1(b) of the Act of June 4,
6 1920 (41 Stat. 750; chapter 223; 22 U.S.C. 214(b)), is
7 amended by striking “2010” and inserting “2015”.

8 **SEC. 212. BORDER CROSSING CARD FEE FOR MINORS.**

9 Section 410(a)(1)(A) of the Department of State and
10 Related Agencies Appropriations Act, 1999 (contained in
11 division A of Public Law 105–277) is amended by striking
12 “a fee of \$13” and inserting “a fee equal to one-half the
13 fee that would otherwise apply for processing a machine
14 readable combined border crossing identification card and
15 nonimmigrant visa”.

16 **Subtitle C—Reporting**
17 **Requirements**

18 **SEC. 221. REPORTING REFORM.**

19 The following provisions of law are repealed:

20 (1) Subsections (c)(4) and (c)(5) of section 601
21 of Public Law 96–465.

22 (2) Section 585 in the matter under section
23 101(c) of division A of Public Law 104–208.

24 (3) Section 11(b) of Public Law 107–245.

1 **TITLE III—ORGANIZATION AND**
2 **PERSONNEL AUTHORITIES**

3 **SEC. 301. SUSPENSION OF FOREIGN SERVICE MEMBERS**
4 **WITHOUT PAY.**

5 (a) SUSPENSION.—Section 610 of the Foreign Serv-
6 ice Act of 1980 (22 U.S.C. 4010) is amended by adding
7 at the end the following new subsection:

8 “(c)(1) In order to promote the efficiency of the Serv-
9 ice, the Secretary may suspend a member of the Foreign
10 Service without pay when the member’s security clearance
11 is suspended or when there is reasonable cause to believe
12 that the member has committed a crime for which a sen-
13 tence of imprisonment may be imposed.

14 “(2) Any member of the Foreign Service for whom
15 a suspension is proposed in accordance with paragraph (1)
16 shall be entitled to—

17 “(A) written notice stating the specific reasons
18 for the proposed suspension;

19 “(B) a reasonable time to respond orally and in
20 writing to the proposed suspension;

21 “(C) representation by an attorney or other
22 representative; and

23 “(D) a final written decision, including the spe-
24 cific reasons for such decision, as soon as prac-
25 ticable.

1 “(3) Any member suspended under this section may
2 file a grievance in accordance with the procedures applica-
3 ble to grievances under chapter 11.

4 “(4) In the case of a grievance filed under paragraph
5 (3)—

6 “(A) the review by the Foreign Service Griev-
7 ance Board shall be limited to a determination of
8 whether the provisions of paragraphs (1) and (2)
9 have been fulfilled; and

10 “(B) the Foreign Service Grievance Board may
11 not exercise the authority provided under section
12 1106(8).

13 “(5) In this subsection:

14 “(A) The term ‘reasonable time’ means—

15 “(i) with respect to a member of the For-
16 eign Service assigned to duty in the United
17 States, 15 days after receiving notice of the
18 proposed suspension; and

19 “(ii) with respect to a member of the For-
20 eign Service assigned to duty outside the
21 United States, 30 days after receiving notice of
22 the proposed suspension.

23 “(B) The term ‘suspend’ or ‘suspension’ means
24 the placing of a member of the Foreign Service in
25 a temporary status without duties and pay.”.

1 (b) CONFORMING AND CLERICAL AMENDMENTS.—

2 (1) AMENDMENT OF SECTION HEADING.—Sec-
3 tion 610 of the Foreign Service Act of 1980, as
4 amended by subsection (a) of this section, is further
5 amended, in the section heading, by inserting “;
6 SUSPENSION” before the period at the end.

7 (2) CLERICAL AMENDMENT.—The item relating
8 to section 610 in the table of contents in section 2
9 of the Foreign Service Act of 1980 is amended to
10 read as follows:

“Sec. 610. Separation for cause; suspension.”.

11 **SEC. 302. REPEAL OF RECERTIFICATION REQUIREMENT**
12 **FOR SENIOR FOREIGN SERVICE.**

13 Section 305(d) of the Foreign Service Act of 1980
14 (22 U.S.C. 3945(d)) is repealed.

15 **SEC. 303. LIMITED APPOINTMENTS IN THE FOREIGN SERV-**
16 **ICE.**

17 Section 309 of the Foreign Service Act of 1980 (22
18 U.S.C. 3949) is amended—

19 (1) in subsection (a), by striking “subsection
20 (b)” and inserting “subsection (b) or (c)”;

21 (2) in subsection (b)—

22 (A) in paragraph (3)—

23 (i) by inserting “(A),” after “if”; and

24 (ii) by inserting before the semicolon
25 at the end the following: “, or (B), the ca-

1 reer candidate is serving in the uniformed
2 services, as defined by the Uniformed Serv-
3 ices Employment and Reemployment
4 Rights Act of 1994 (38 U.S.C. 4301 et
5 seq.), and the limited appointment expires
6 in the course of such service”;

7 (B) in paragraph (4), by striking “and” at
8 the end;

9 (C) in paragraph (5), by striking the pe-
10 riod at the end and inserting “; and”; and

11 (D) by adding after paragraph (5) the fol-
12 lowing new paragraph:

13 “(6) in exceptional circumstances where the Sec-
14 retary determines the needs of the Service require the ex-
15 tension of a limited appointment (A), for a period of time
16 not to exceed 12 months (if such period of time does not
17 permit additional review by boards under section 306), or
18 (B), for the minimum time needed to settle a grievance,
19 claim, or complaint not otherwise provided for in this sec-
20 tion.”; and

21 (3) by adding at the end the following new sub-
22 section:

23 “(c) Non-career Foreign Service employees who have
24 served five consecutive years under a limited appointment
25 may be reappointed to a subsequent limited appointment

1 if there is a one year break in service between each such
2 appointment. The Secretary may in cases of special need
3 waive the requirement for a one year break in service.”.

4 **SEC. 304. LIMITATION OF COMPENSATORY TIME OFF FOR**
5 **TRAVEL.**

6 Section 5550b of title 5, United States Code, is
7 amended by adding at the end the following new sub-
8 section:

9 “(c) The maximum amount of compensatory time off
10 earned under this section may not exceed 104 hours dur-
11 ing any leave year (as defined by regulations established
12 by the Office of Personnel Management).”.

13 **SEC. 305. DEPARTMENT OF STATE ORGANIZATION.**

14 The Secretary of State may, after consultation with
15 the appropriate congressional committees, transfer to such
16 other officials or offices of the Department of State as
17 the Secretary may determine from time to time any au-
18 thority, duty, or function assigned by statute to the Coor-
19 dinator for Counterterrorism, the Coordinator for Recon-
20 struction and Stabilization, or the Coordinator for Inter-
21 national Energy Affairs.

1 **SEC. 306. REEMPLOYMENT OF ANNUITANTS IN HIGH-RISK**
2 **POSTS.**

3 Paragraph (2)(A) of section 824(g) of the Foreign
4 Service Act of 1980 (22 U.S.C. 4064(g)(2)(A)) is amend-
5 ed by striking “2010” and inserting “2013”.

6 **SEC. 307. OVERSEAS COMPARABILITY PAY LIMITATION.**

7 (a) IN GENERAL.—Subject to the limitation de-
8 scribed in subsection (b), the authority provided by section
9 1113 of the Supplemental Appropriations Act, 2009 (Pub-
10 lic Law 111–32; 123 Stat. 1904), shall remain in effect
11 through September 30, 2013.

12 (b) LIMITATION.—The authority described in sub-
13 section (a) may not be used to pay an eligible member
14 of the Foreign Service (as defined in section 1113(b) of
15 the Supplemental Appropriations Act, 2009) a locality-
16 based comparability payment (stated as a percentage) that
17 exceeds two-thirds of the amount of the locality-based
18 comparability payment (stated as a percentage) that
19 would be payable to such member under section 5304 of
20 title 5, United States Code, if such member’s official duty
21 station were in the District of Columbia.

1 **TITLE IV—UNITED STATES**
2 **INTERNATIONAL BROAD-**
3 **CASTING**

4 **SEC. 401. AUTHORIZATION OF APPROPRIATIONS FOR**
5 **INTERNATIONAL BROADCASTING.**

6 The following amounts are authorized to be appro-
7 priated to carry out United States international broad-
8 casting activities under the United States Information and
9 Educational Exchange Act of 1948, the Radio Broad-
10 casting to Cuba Act, the Television Broadcasting to Cuba
11 Act, the United States International Broadcasting Act of
12 1994, and the Foreign Affairs Reform and Restructuring
13 Act of 1998, and to carry out other authorities in law con-
14 sistent with such purposes:

15 (1) For “International Broadcasting Oper-
16 ations”, \$744,500,000 for fiscal year 2013.

17 (2) For “Broadcasting Capital Improvements”,
18 \$7,030,000 for fiscal year 2013.

19 **SEC. 402. PERSONAL SERVICES CONTRACTING PROGRAM.**

20 Section 504(c) of the Foreign Relations Authoriza-
21 tion Act, Fiscal Year 2003, (Public Law 107–228; 22
22 U.S.C. 6206 note), is amended by striking “2009” and
23 inserting “2015”.

1 **SEC. 403. TECHNICAL AMENDMENT RELATING TO CIVIL IM-**
 2 **MUNITY FOR BROADCASTING BOARD OF GOV-**
 3 **ERNORS MEMBERS.**

4 Section 304(g) of the United States International
 5 Broadcasting Act of 1994 (22 U.S.C. 6203(g)) is amended
 6 by striking “Incorporated and Radio Free Asia” and in-
 7 serting “Incorporated, Radio Free Asia, and Middle East
 8 Broadcasting Networks”.

9 **TITLE V—ARMS EXPORT CON-**
 10 **TROL ACT AMENDMENTS AND**
 11 **RELATED PROVISIONS**
 12 **Subtitle A—General Provisions**

13 **SEC. 501. AUTHORITY TO TRANSFER EXCESS DEFENSE AR-**
 14 **TICLES.**

15 Section 516(g)(1) of the Foreign Assistance Act of
 16 1961 (22 U.S.C. 2321j(g)(1)) is amended—

17 (1) by inserting “authorized to be” before
 18 “transferred”; and

19 (2) by striking “425,000,000” and inserting
 20 “450,000,000”.

21 **SEC. 502. ANNUAL MILITARY ASSISTANCE REPORT.**

22 (a) INFORMATION RELATING TO MILITARY ASSIST-
 23 ANCE AND MILITARY EXPORTS.—Section 655(b) of the
 24 Foreign Assistance Act of 1961 (22 U.S.C. 2415(b)) is
 25 amended—

1 (1) in the matter preceding paragraph (1), by
2 striking “, by category, whether such defense arti-
3 cles—” and inserting “the following.”;

4 (2) in paragraph (1)—

5 (A) by inserting “Whether such defense ar-
6 ticles” before “were”; and

7 (B) by striking the semicolon at the end
8 and inserting a period;

9 (3) in paragraph (2)—

10 (A) by inserting “Whether such defense ar-
11 ticles” before “were”; and

12 (B) by striking “; or” at the end and in-
13 serting a period; and

14 (4) by striking paragraph (3) and inserting the
15 following:

16 “(3) Whether such defense articles were ex-
17 ported without a license under section 38 of the
18 Arms Export Control Act pursuant to an exemption
19 established under the International Traffic in Arms
20 Regulations, other than defense articles exported in
21 furtherance of a letter of offer and acceptance under
22 the Foreign Military Sales program or a technical
23 assistance or manufacturing license agreement, in-
24 cluding the specific exemption in the regulation
25 under which the export was made.

1 “(4) A detailed listing, by United States Muni-
2 tions List sub-category and type, as well as by coun-
3 try and by international organization, of the actual
4 total dollar value of major defense equipment and
5 defense articles delivered pursuant to licenses au-
6 thorized under section 38 of the Arms Export Con-
7 trol Act for the previous fiscal year.

8 “(5) In the case of defense articles that are
9 firearms controlled under category I of the United
10 States Munitions List, a statement of the aggregate
11 dollar value and quantity of semiautomatic assault
12 weapons, or spare parts for such weapons, the man-
13 ufacture, transfer, or possession of which is unlawful
14 under section 922 of title 18, United States Code,
15 that were licensed for export during the period cov-
16 ered by the report.”.

17 (b) INFORMATION NOT REQUIRED.—Section 655 of
18 the Foreign Assistance Act of 1961 (22 U.S.C. 2415) is
19 amended—

20 (1) by redesignating subsection (c) as sub-
21 section (d); and

22 (2) by inserting after subsection (b) the fol-
23 lowing:

24 “(c) INFORMATION NOT REQUIRED.—Each such re-
25 port may exclude information relating to—

1 “(1) exports of defense articles (including ex-
 2 cess defense articles), defense services, and inter-
 3 national military education and training activities
 4 authorized by the United States on a temporary
 5 basis;

6 “(2) exports of such articles, services, and ac-
 7 tivities to United States Government end users lo-
 8 cated in foreign countries; and

9 “(3) and the value of manufacturing license
 10 agreements or technical assistance agreements li-
 11 censed under section 38 of the Arms Export Control
 12 Act.”.

13 **SEC. 503. ANNUAL REPORT ON FOREIGN MILITARY TRAIN-**
 14 **ING.**

15 Section 656(a)(1) of the Foreign Assistance Act of
 16 1961 (22 U.S.C. 2416(a)(1)) is amended by striking
 17 “January 31” and inserting “March 1”.

18 **SEC. 504. INCREASE IN CONGRESSIONAL NOTIFICATION**
 19 **THRESHOLDS.**

20 (a) FOREIGN MILITARY SALES.—

21 (1) IN GENERAL.—Section 36(b)(1) of the
 22 Arms Export Control Act (22 U.S.C. 2776(b)(1)) is
 23 amended—

24 (A) in the matter preceding subparagraph

25 (A)—

1 (i) by striking “\$50,000,000” and in-
2 serting “\$100,000,000”;

3 (ii) by striking “\$200,000,000” and
4 inserting “\$300,000,000”; and

5 (iii) by striking “\$14,000,000” and
6 inserting “\$25,000,000”; and

7 (B) in the matter following subparagraph
8 (P)—

9 (i) by inserting “of any defense arti-
10 cles or defense services under this Act for
11 \$200,000,000 or more, any design and
12 construction services for \$300,000,000 or
13 more, or any major defense equipment for
14 \$75,000,000 or more,” after “The letter of
15 offer shall not be issued, with respect to a
16 proposed sale”; and

17 (ii) by inserting “of any defense arti-
18 cles or services under this Act for
19 \$100,000,000 or more, any design and
20 construction services for \$200,000,000 or
21 more, or any major defense equipment for
22 \$50,000,000 or more,” after “or with re-
23 spect to a proposed sale”.

1 (2) TECHNICAL AND CONFORMING AMEND-
2 MENTS.—Section 36(b) of the Arms Export Control
3 Act (22 U.S.C. 2776(b)) is amended—

4 (A) in paragraph (5)(C), by striking “Sub-
5 ject to paragraph (6), if” and inserting “If”;
6 and

7 (B) by striking paragraph (6).

8 (b) COMMERCIAL SALES.—Section 36(c) of the Arms
9 Export Control Act (22 U.S.C. 2776(c)) is amended—

10 (1) in paragraph (1)—

11 (A) by striking “Subject to paragraph (5),
12 in” and inserting “In”;

13 (B) by striking “\$14,000,000” and insert-
14 ing “\$25,000,000”; and

15 (C) by striking “\$50,000,000” and insert-
16 ing “\$100,000,000”;

17 (2) in paragraph (2)—

18 (A) in subparagraph (A), by inserting after
19 “for an export” the following: “of any major
20 defense equipment sold under a contract in the
21 amount of \$75,000,000 or more or of defense
22 articles or defense services sold under a con-
23 tract in the amount of \$200,000,000 or more,
24 (or, in the case of a defense article that is a
25 firearm controlled under category I of the

1 United States Munitions List, \$1,000,000 or
 2 more)”; and

3 (B) in subparagraph (C), by inserting after
 4 “license” the following: “for an export of any
 5 major defense equipment sold under a contract
 6 in the amount of \$50,000,000 or more or of de-
 7 fense articles or defense services sold under a
 8 contract in the amount of \$100,000,000 or
 9 more, (or, in the case of a defense article that
 10 is a firearm controlled under category I of the
 11 United States Munitions List, \$1,000,000 or
 12 more)”; and

13 (3) by striking paragraph (5); and

14 (4) by redesignating paragraph (6) as para-
 15 graph (5).

16 **SEC. 505. RETURN OF DEFENSE ARTICLES.**

17 Section 21(m)(1)(B) of the Arms Export Control Act
 18 (22 U.S.C. 2761(m)(1)(B)) is amended by adding at the
 19 end before the semicolon the following: “, unless the Sec-
 20 retary of State has provided prior approval of such re-
 21 transfer”.

22 **SEC. 506. ANNUAL ESTIMATE AND JUSTIFICATION FOR**
 23 **SALES PROGRAM.**

24 (a) IN GENERAL.—Section 25(a)(1) of the Arms Ex-
 25 port Control Act (22 U.S.C. 2765(a)(1)) is amended by

1 striking “, together with an indication of which sales and
2 licensed commercial exports” and inserting “and”.

3 (b) ADDITIONAL AMENDMENT.—Section 25(a)(3) of
4 the Arms Export Control Act (22 U.S.C. 2765(a)(3)) is
5 amended by adding at the end before the semicolon the
6 following: “, as well as any plan for regional security co-
7 operation developed in consultation with Embassy Country
8 Teams and the Department of State”.

9 **SEC. 507. UPDATING AND CONFORMING PENALTIES FOR**
10 **VIOLATIONS OF SECTIONS 38 AND 39 OF THE**
11 **ARMS EXPORT CONTROL ACT.**

12 (a) IN GENERAL.—Section 38(c) of the Arms Export
13 Control Act (22 U.S.C. 2778(c)) is amended to read as
14 follows:

15 “(c) VIOLATIONS OF THIS SECTION AND SECTION
16 39.—

17 “(1) UNLAWFUL ACTS.—It shall be unlawful
18 for any person to violate, attempt to violate, conspire
19 to violate, or cause a violation of any provision of
20 this section or section 39, or any rule or regulation
21 issued under either section, or a treaty referred to
22 in subsection (j)(1)(c)(i), including any rule or regu-
23 lation issued to implement or enforce a treaty re-
24 ferred to in subsection (j)(1)(c)(i) or an imple-
25 menting arrangement pursuant to such a treaty, or

1 who, in a registration or license application or re-
2 quired report, makes any untrue statement of a ma-
3 terial fact or omits to state a material fact required
4 to be stated therein or necessary to make the state-
5 ments therein not misleading.

6 “(2) CRIMINAL PENALTIES.—A person who
7 willfully commits an unlawful act described in para-
8 graph (1) shall upon conviction—

9 “(A) be fined for each violation in an
10 amount not to exceed \$1,000,000, or

11 “(B) in the case of a natural person, im-
12 prisoned for not more than 20 years or both.”.

13 (b) MECHANISMS TO IDENTIFY VIOLATORS.—Sec-
14 tion 38(g) of the Arms Export Control Act (22 U.S.C.
15 2778(g)) is amended—

16 (1) in paragraph (1)—

17 (A) in subparagraph (A)—

18 (i) in the matter preceding clause (i),
19 by inserting “or have otherwise been
20 charged with,” after “indictment for,”;

21 (ii) in clause (xi), by striking “; or” at
22 the end and inserting a comma;

23 (iii) in clause (xii), by striking the
24 semicolon at the end and inserting a
25 comma; and

1 (iv) by adding at the end the fol-
2 lowing:

3 “(xiii) section 542 of title 18, United
4 States Code, relating to entry of goods by
5 means of false statements,

6 “(xiv) section 554 of title 18, United
7 States Code, relating to smuggling goods
8 from the United States,

9 “(xv) section 1831 of title 18, United
10 States Code, relating to economic espio-
11 nage,

12 “(xvi) section 545 of title 18, United
13 States Code, relating to smuggling goods
14 into the United States,

15 “(xvii) section 104A of the Foreign
16 Corrupt Practices Act of 1977 (15 U.S.C.
17 78dd–3), relating to prohibited foreign
18 trade practices by persons other than
19 issuers or domestic concerns,

20 “(xviii) section 2339B of title 18,
21 United States Code, relating to providing
22 material support or resources to dedicated
23 foreign terrorist organizations, or

24 “(xix) sections 2339C and 2339D of
25 title 18, United States Code, relating to fi-

1 nancing terrorism and receiving terrorism
2 training;” and

3 (B) in subparagraph (B), by inserting “,
4 have been otherwise charged,” after “indict-
5 ment”; and

6 (2) in paragraph (3)(A), by inserting “or other-
7 wise charged with” after “indictment for”.

8 (c) **EFFECTIVE DATE.**—The amendment made by
9 subsection (a) shall take effect on the date of the enact-
10 ment of this Act and shall apply with respect to violations
11 of sections 38 and 39 of the Arms Export Control Act
12 committed on or after that date.

13 **SEC. 508. CLARIFICATION OF PROHIBITIONS RELATING TO**
14 **STATE SPONSORS OF TERRORISM AND THEIR**
15 **NATIONALS.**

16 Section 40(d) of the Arms Export Control Act (22
17 U.S.C. 2780(d)) is amended—

18 (1) by inserting “or to the nationals of that
19 country whose substantive contacts with that coun-
20 try give reasonable grounds for raising risk of diver-
21 sion, regardless of whether such persons maintain
22 such nationality or the nationality of another coun-
23 try not covered by this section” after “with respect
24 to a country”; and

1 (2) by adding at the end the following: “For
2 purposes of this subsection, the term ‘national’
3 means an individual who acquired citizenship by
4 birth from a country that is subject to section 126.1
5 of title 22, Code of Federal Regulations (or any suc-
6 cessor regulations).”.

7 **SEC. 509. EXEMPTION FOR TRANSACTIONS WITH COUN-**
8 **TRIES SUPPORTING ACTS OF INTER-**
9 **NATIONAL TERRORISM.**

10 Section 40(h) of the Arms Export Control Act (22
11 U.S.C. 2780(h)) is amended—

12 (1) in the heading—

13 (A) by striking “EXEMPTION” and insert-
14 ing “EXEMPTIONS”; and

15 (B) by adding “AND CERTAIN FEDERAL
16 LAW ENFORCEMENT ACTIVITIES” after “RE-
17 PORTING REQUIREMENTS”; and

18 (2) by adding at the end before the period the
19 following: “or with respect to Federal law enforce-
20 ment activities undertaken to further the investiga-
21 tion of violations of this Act”.

1 **SEC. 510. REPORT ON FOREIGN MILITARY FINANCING PRO-**
2 **GRAM.**

3 Section 23 of the Arms Export Control Act (22
4 U.S.C. 2763) is amended by adding at the end the fol-
5 lowing:

6 “(i) REPORT.—

7 “(1) IN GENERAL.—The President shall trans-
8 mit to the appropriate congressional committees as
9 part of the supporting materials of the annual con-
10 gressional budget justification a report on the imple-
11 mentation of this section for the prior fiscal year.

12 “(2) MATTERS TO BE INCLUDED.—The report
13 required under paragraph (1) shall include a de-
14 scription of the following:

15 “(A) The extent to which the use of the
16 authority of this section is based on a well-for-
17 mulated and realistic assessments of the capa-
18 bility requirements of foreign countries and
19 international organizations.

20 “(B) The extent to which the provision of
21 grants under the authority of this section are
22 consistent with United States conventional arms
23 transfer policy.

24 “(C) The extent to which the Department
25 of State has developed and implemented specific
26 plans to monitor and evaluate outcomes under

1 the authority of this section, including at least
 2 one country or international organization as-
 3 sessment each fiscal year.

4 “(3) APPROPRIATE CONGRESSIONAL COMMIT-
 5 TEES.—In this subsection, the term ‘appropriate
 6 congressional committees’ means—

7 “(A) the Committee on Appropriations and
 8 the Committee on Foreign Affairs of the House
 9 of Representatives; and

10 “(B) the Committee on Appropriations and
 11 the Committee on Foreign Relations of the Sen-
 12 ate.”.

13 **SEC. 511. CONGRESSIONAL NOTIFICATION OF REGULA-**
 14 **TIONS AND AMENDMENTS TO REGULATIONS**
 15 **UNDER SECTION 38 OF THE ARMS EXPORT**
 16 **CONTROL ACT.**

17 (a) IN GENERAL.—Section 38 of the Arms Export
 18 Control Act (22 U.S.C. 2778) is amended by adding at
 19 the end the following:

20 “(k) CONGRESSIONAL NOTIFICATION.—The Presi-
 21 dent shall submit to the Committee on Foreign Affairs of
 22 the House of Representatives and the Committee on For-
 23 eign Relations of the Senate a copy of regulations or
 24 amendments to regulations issued to carry out this section
 25 at least 30 days before publication of the regulations or

1 amendments in the Federal Register unless, after con-
2 sulting with such Committees, the President determines
3 that there is an emergency that requires a shorter period
4 of time for submittal of such regulations or amend-
5 ments.”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 subsection (a) takes effect on the date of the enactment
8 of this Act and applies with respect the issuance of regula-
9 tions or amendments to regulations made on or after the
10 date of the enactment of this Act.

11 **SEC. 512. DIPLOMATIC EFFORTS TO STRENGTHEN NA-**
12 **TIONAL AND INTERNATIONAL ARMS EXPORT**
13 **CONTROLS.**

14 Not later than 1 year after the date of the enactment
15 of this Act, and annually thereafter for 4 years, the Presi-
16 dent shall transmit to the appropriate congressional com-
17 mittees a report on United States diplomatic efforts to
18 strengthen national and international arms export con-
19 trols, including a detailed description of any senior-level
20 initiative, to ensure that those arms export controls are
21 comparable to and supportive of United States arms ex-
22 port controls, particularly with respect to countries of con-
23 cern to the United States.

1 **SEC. 513. REVIEW AND REPORT OF INVESTIGATIONS OF**
2 **VIOLATIONS OF SECTION 3 OF THE ARMS EX-**
3 **PORT CONTROL ACT.**

4 (a) REVIEW.—The Inspector General of the Depart-
5 ment of State shall conduct a review of investigations by
6 the Department of State during each of fiscal years 2013
7 through 2017 of any and all possible violations of section
8 3 of the Arms Export Control Act (22 U.S.C. 2753) with
9 respect to misuse of United States-origin defense items to
10 determine whether the Department of State has fully com-
11 plied with the requirements of such section, as well as its
12 own internal procedures (and whether such procedures are
13 adequate), for reporting to Congress any information re-
14 garding the unlawful use or transfer of United States-ori-
15 gin defense articles, defense services, and technology by
16 foreign countries, as required by such section.

17 (b) REPORT.—The Inspector General of the Depart-
18 ment of State shall submit to the Committee on Foreign
19 Affairs of the House of Representatives and the Com-
20 mittee on Foreign Relations of the Senate for each of fis-
21 cal years 2013 through 2017 a report that contains the
22 findings and results of the review conducted under sub-
23 section (a). The report shall be submitted in unclassified
24 form to the maximum extent possible, but may include a
25 classified annex.

1 **SEC. 514. REPORTS ON COMMERCIAL AND GOVERNMENTAL**
2 **MILITARY EXPORTS UNDER THE ARMS EX-**
3 **PORT CONTROL ACT; CONGRESSIONAL AC-**
4 **TIONS.**

5 (a) CONGRESSIONAL CONSULTATION.—

6 (1) GOVERNMENT SALES.—Section 36(b)(1) of
7 the Arms Export Control Act (22 U.S.C.
8 2776(b)(1)) is amended by adding at the end the
9 following: “The President shall consult fully and
10 completely with the Committee on Foreign Affairs of
11 the House of Representatives and the Committee on
12 Foreign Relations of the Senate before submitting a
13 certification under this subsection.”.

14 (2) COMMERCIAL SALES.—Section 36(c)(1) of
15 the Arms Export Control Act (22 U.S.C.
16 2776(c)(1)) is amended by adding at the end the fol-
17 lowing: “The President shall consult fully and com-
18 pletely with the Committee on Foreign Affairs of the
19 House of Representatives and the Committee on
20 Foreign Relations of the Senate before submitting a
21 certification under this subsection.”.

22 (b) REQUIREMENT TO PROVIDE ADVANCE NOTIFICA-
23 TION AND CONSULTATION ON CERTAIN SALES AND EX-
24 PORTS.—Section 36 of the Arms Export Control Act (22
25 U.S.C. 2776) is amended by adding at the end the fol-
26 lowing new subsection:

1 “(i)(1)(A) Not later than 60 calendar days prior to
2 the submission of a certification under subsection (b), (c),
3 or (d) of this section, the President shall provide advance
4 notification in writing to, and consult with, the chairs and
5 ranking minority members of the appropriate congressional
6 committees of the offer to sell or export the defense
7 articles or defense services with respect to which such a
8 certification is required to be submitted pursuant to any
9 such subsection.

10 “(B)(i) The requirement of subparagraph (A) to pro-
11 vide 60 calendar days advance notification in writing to
12 the chairs and ranking minority members of the appro-
13 priate congressional committees shall not apply if the
14 chairs and ranking minority members of the appropriate
15 congressional committees have agreed, at their discretion,
16 to waive such requirement.

17 “(ii) The requirements of subparagraph (A) shall not
18 apply if the President states in the certification that an
19 emergency exists that requires the sale or export of de-
20 fense articles or defense services to be in the national secu-
21 rity interests of the United States in accordance with sub-
22 section (b), (c), or (d) of this section.

23 “(2)(A) A certification submitted under subsection
24 (b), (c), or (d) of this section shall be subject to the proce-

1 dures applicable to reprogramming notifications under
2 section 634A(a) of the Foreign Assistance Act of 1961.

3 “(B) The requirement of subparagraph (A) shall not
4 apply if the President transmits to the chairs and ranking
5 minority members of the appropriate congressional com-
6 mittees a report in writing that contains a determination
7 of the President that extraordinary circumstances exist
8 which necessitates the obviation of such requirement and
9 a detailed description of such circumstances.”.

10 (c) DEFINITION.—Section 36(e) of the Arms Export
11 Control Act (22 U.S.C. 2776(e)) is amended—

12 (1) by redesignating paragraphs (1) and (2) as
13 paragraphs (2) and (3), respectively; and

14 (2) by inserting before paragraph (2) (as redes-
15 ignated) the following new paragraph:

16 “(1) the term ‘appropriate congressional com-
17 mittee’ means—

18 “(A) the Committee on Foreign Affairs of
19 the House of Representatives; and

20 “(B) the Committee on Foreign Relations
21 of the Senate;”.

22 (d) CONFORMING AMENDMENTS.—Section 36 of the
23 Arms Export Control Act (22 U.S.C. 2776) is amended—

24 (1) in subsections (a), (b)(1), (c)(1), and (f), by
25 striking “Speaker of the House of Representatives

1 and to the chairman of the Committee on Foreign
2 Relations of the Senate” and inserting “chairs of the
3 appropriate congressional committees”;

4 (2) in subsection (b)—

5 (A) in paragraph (1), by striking “such
6 committee or the Committee on Foreign Affairs
7 of the House of Representatives” and inserting
8 “either chair of the appropriate congressional
9 committees”;

10 (B) in paragraph (4), by striking “Con-
11 gress” and inserting “chairs of the appropriate
12 congressional committees”; and

13 (C) in paragraph (5)—

14 (i) in subparagraph (A), by striking
15 “chairman of the Committee on Foreign
16 Affairs of the House of Representatives
17 and the chairman of the Committee on
18 Foreign Relations of the Senate” and in-
19 serting “chairs of the appropriate congres-
20 sional committees”;

21 (ii) in subparagraph (B), by striking
22 “Congress” and inserting “chairs of the
23 appropriate congressional committees”;
24 and

1 (iii) in subparagraph (C), by striking
2 “Speaker of the House of Representatives
3 and the chairman of the Committee on
4 Foreign Relations of the Senate” and in-
5 serting “chairs of the appropriate congres-
6 sional committees”; and

7 (3) in subsection (c)—

8 (A) in paragraph (1), by striking “such
9 committee or the Committee on Foreign Affairs
10 of the House of Representatives” and inserting
11 “either chair of the appropriate congressional
12 committees”;

13 (B) in subparagraphs (A) and (C) of para-
14 graph (2), by striking “Congress receives” and
15 inserting “chairs of the appropriate congres-
16 sional committees receive”; and

17 (C) in paragraph (4), by striking “Con-
18 gress” each place it appears and inserting “the
19 chairs of the appropriate congressional commit-
20 tees”.

Subtitle B—Miscellaneous Provisions

SEC. 521. TREATMENT OF MILITARILY INSIGNIFICANT PARTS AND COMPONENTS.

It shall be the policy of the United States, pursuant to section 38(f) of the Arms Export Control Act (22 U.S.C. 2778) to prioritize the removal of those militarily insignificant parts, components, accessories, and attachments from the United States Munitions List that, even if specifically designed for a defense article controlled on the United States Munitions List, would warrant no more than anti-terrorism controls under the Export Administration Act of 1979 (as continued in effect under the International Emergency Economic Powers Act) or any successor Act.

SEC. 522. SPECIAL EXPORT LICENSING FOR UNITED STATES ALLIES.

Section 38 of the Arms Export Control Act (22 U.S.C. 2778), as amended by this Act, is further amended by adding the following new subsection:

“(1) SPECIAL EXPORT LICENSING FOR UNITED STATES ALLIES.—The President may establish special licensing procedures for the export of replacement components, parts, accessories, attachments, equipment, firmware, software or technology that are not designated

1 as major defense equipment or significant military equip-
2 ment to the North Atlantic Treaty Organization, any
3 member country of that Organization, or any other coun-
4 try described in section 36(c)(2)(A) of this Act.”.

5 **SEC. 523. IMPROVING AND STREAMLINING LICENSING**
6 **UNDER UNITED STATES GOVERNMENT ARMS**
7 **EXPORT CONTROL PROGRAMS.**

8 In implementing reforms of United States arms ex-
9 port control programs, the President should prioritize the
10 development of a new framework to improve and stream-
11 line licensing under such programs, including by seeking
12 to revise the Special Comprehensive Export Authoriza-
13 tions for the North Atlantic Treaty Organization, any
14 member country of that Organization, or any other coun-
15 try described in section 36(c)(2)(A) of the Arms Export
16 Control Act (22 U.S.C. 2776(c)(2)(A)) under section
17 126.14 of title 15, Code of Federal Regulations (relating
18 to the International Traffic in Arms Regulations).

19 **SEC. 524. AUTHORITY TO REMOVE SATELLITES AND RE-**
20 **LATED COMPONENTS FROM THE UNITED**
21 **STATES MUNITIONS LIST.**

22 (a) **AUTHORITY.**—Subject to subsection (b), the
23 President is authorized to remove commercial satellites
24 and related components and technology from the United

1 States Munitions List pursuant to section 38(f) of the
2 Arms Export Control Act (22 U.S.C. 2778(f)).

3 (b) DETERMINATION.—The President may exercise
4 the authority provided in subsection (a) only if the Presi-
5 dent submits to the appropriate congressional committees
6 a determination that the transfer of commercial satellites
7 and related components and technology from the United
8 States Munitions List does not pose an unacceptable risk
9 to the national security of the United States. Such deter-
10 mination shall include a description of the risk-mitigating
11 controls, procedures, and safeguards the President will put
12 in place to reduce such risk to an absolute minimum.

13 (c) PROHIBITION.—No license or other authorization
14 for export shall be granted for the transfer, retransfer, or
15 reexport of any commercial satellite or related component
16 or technology contained on the Commerce Control List
17 maintained under part 774 of title 15, Code of Federal
18 Regulations to any person or entity of the following:

- 19 (1) The People’s Republic of China.
- 20 (2) Cuba.
- 21 (3) Iran.
- 22 (4) North Korea.
- 23 (5) Sudan.
- 24 (6) Syria.

1 (7) Any country with respect to which the
2 United States would deny the application for licenses
3 and other approvals for exports and imports of de-
4 fense articles under section 126.1 of title 15, Code
5 of Federal Regulations (relating to the International
6 Traffic in Arms Regulations).

7 (d) REPORT.—

8 (1) IN GENERAL.—Not later than 1 year after
9 the date of enactment of this Act, and annually
10 thereafter, the Director of National Intelligence shall
11 submit to the appropriate congressional committees
12 on efforts of state sponsors of terrorism, other for-
13 eign countries, or entities to illicitly acquire commer-
14 cial satellites and related components and tech-
15 nology.

16 (2) FORM.—Such report shall be submitted in
17 unclassified form, but may contain a classified
18 annex.

19 (e) DEFINITION.—In this section, the term “appro-
20 priate congressional committees” means—

21 (1) the Committees on Foreign Relations,
22 Armed Services, and Intelligence of the Senate; and

23 (2) the Committees on Foreign Affairs, Armed
24 Services, and Intelligence of the House of Represent-
25 atives.

1 **SEC. 525. REPORT ON LICENSES AND OTHER AUTHORIZA-**
2 **TIONS TO EXPORT COMMERCIAL SATELLITES**
3 **AND RELATED COMPONENTS AND TECH-**
4 **NOLOGY CONTAINED ON THE COMMERCE**
5 **CONTROL LIST.**

6 (a) IN GENERAL.—Not later than 60 days after the
7 end of each calendar quarter, the President shall transmit
8 to the Committee on Foreign Affairs of the House of Rep-
9 resentatives and the Committee on Banking, Finance, and
10 Urban Affairs of the Senate a report containing a listing
11 of all licenses and other authorizations to export commer-
12 cial satellites and related components and technology con-
13 tained on the Commerce Control List maintained under
14 part 774 of title 15, Code of Federal Regulations.

15 (b) FORM.—Such report shall be submitted in unclas-
16 sified form, but may contain a classified annex.

17 **SEC. 526. REVIEW OF UNITED STATES MUNITIONS LIST.**

18 Section 38(f)(1) of the Arms Export Control Act (22
19 U.S.C. 2778) is amended by striking the last sentence and
20 inserting the following: “Such notice shall include, to the
21 extent practicable, an enumeration of the item or items
22 to be removed and describe the nature of any controls to
23 be imposed on that item under any other provision of
24 law.”.

1 **SEC. 527. REPORT ON COUNTRY EXEMPTIONS FOR LICENS-**
2 **ING OF EXPORTS OF MUNITIONS AND RE-**
3 **LATED TECHNICAL DATA.**

4 (a) IN GENERAL.—Not later than 120 days after the
5 date of enactment of this Act, the Attorney General, the
6 Secretary of Commerce, and the Secretary of Homeland
7 Security shall submit to the appropriate congressional
8 committees a report that includes—

9 (1) an assessment of the extent to which the
10 terms and conditions of exemptions for foreign coun-
11 tries from the licensing requirements of the Com-
12 merce Munitions List (or analogous controls for
13 commercial satellites and related components and
14 technology) contain strong safeguards; and

15 (2) a compilation of sufficient documentation
16 relating to the export of munitions, commercial
17 spacecraft, and related technical data to facilitate
18 law enforcement efforts to effectively detect, inves-
19 tigate, deter and enforce criminal violations of any
20 provision of the Export Administration Regulations,
21 including efforts on the part of state sponsors of ter-
22 rorism, other countries or entities to illicitly acquire
23 such controlled United States technology.

24 (b) DEFINITIONS.—In this section—

25 (1) the term “appropriate congressional com-
26 mittees” means—

1 (A) the Committee on Foreign Affairs and
2 the Committee on Homeland Security of the
3 House of Representatives; and

4 (B) the Committee on Banking, Housing,
5 and Urban Affairs and the Committee on
6 Homeland Security and Governmental Affairs
7 of the Senate; and

8 (2) the term “munitions” means—

9 (A) items transferred from the United
10 States Munitions List to the Commerce Control
11 List and designated as “600 series” items on
12 the Commerce Control List under the Export
13 Administration Regulations, as proposed by the
14 Bureau of Industry and Security of the Depart-
15 ment of Commerce on July 15, 2011 (76 Fed.
16 Reg. 41958); or

17 (B) any successor regulations.

18 **SEC. 528. END-USE MONITORING OF MUNITIONS.**

19 (a) ESTABLISHMENT OF MONITORING PROGRAM.—
20 In order to ensure accountability with respect to the ex-
21 port of munitions and related technical data on the Com-
22 merce Munitions List, the President shall establish a pro-
23 gram to provide for the end-use monitoring of such muni-
24 tions and related technical data.

1 (b) REPORT TO CONGRESS.—Not later than 180 days
2 after the date of the enactment of this Act, and annually
3 thereafter, the President shall submit to Congress a report
4 describing the actions taken to implement this section, in-
5 cluding a detailed accounting of the costs and number of
6 personnel associated with the program established under
7 subsection (a).

8 (c) MUNITIONS.—In this section, the term “muni-
9 tions” means—

10 (1) items transferred from the United States
11 Munitions List to the Commerce Control List and
12 designated as “600 series” items on the Commerce
13 Control List under the Export Administration Regu-
14 lations, as proposed by the Bureau of Industry and
15 Security of the Department of Commerce on July
16 15, 2011 (76 Fed. Reg. 41958); or

17 (2) any successor regulations.

18 **SEC. 529. DEFINITIONS.**

19 In this subtitle:

20 (1) COMMERCE MUNITIONS LIST.—The term
21 “Commerce Munitions List” means—

22 (A) items transferred from the United
23 States Munitions List to the Commerce Control
24 List and designated as “600 series” items on
25 the Commerce Control List under the Export

Administration Regulations, as proposed by the Bureau of Industry and Security of the Department of Commerce on July 15, 2011 (76 Fed. Reg. 41958); or

(B) any successor regulations.

(2) COMMERCIAL SATELLITES AND RELATED COMPONENTS AND TECHNOLOGY.—The term “commercial satellites and related components and technology” means—

(A) communications satellites that do not contain classified components, including remote sensing satellites with performance parameters below thresholds identified on the United States Munitions List; and

(B) systems, subsystems, parts, and components associated with such satellites and with performance parameters below thresholds specified for items that would remain on the United States Munitions List.

(3) EXPORT ADMINISTRATION REGULATIONS.—The term “Export Administration Regulations” means—

(A) the Export Administration Regulations as maintained and amended under the authority

1 of the International Emergency Economic Pow-
2 ers Act (50 U.S.C. 1701 et seq.); or

3 (B) any successor regulations.

4 (4) STATE SPONSOR OF TERRORISM.—The term
5 “state sponsor of terrorism” means a country the
6 government of which has been determined by the
7 Secretary of State, for purposes of section 6(j) of
8 the Export Administration Act of 1979 (as contin-
9 ued in effect under the International Emergency
10 Economic Powers Act), section 620A of the Foreign
11 Assistance Act of 1961, section 40 of the Arms Ex-
12 port Control Act, or any other provision of law, is
13 a government that has repeatedly provided support
14 for acts of international terrorism.

15 (5) UNITED STATES MUNITIONS LIST.—The
16 term “United States Munitions List” means the list
17 referred to in section 38(a)(1) of the Arms Export
18 Control Act (22 U.S.C. 2778(a)(1)).

Passed the House of Representatives July 17, 2012.

Attest:

KAREN L. HAAS,

Clerk.