

Public Law 96-35
96th Congress

An Act

To authorize supplemental international security assistance for the fiscal year 1979 in support of the peace treaty between Egypt and Israel, and for other purposes.

July 20, 1979
[S. 1007]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Special
International
Security
Assistance Act of
1979.
22 USC 3401
note.

SHORT TITLE

SECTION 1. This Act may be cited as the "Special International Security Assistance Act of 1979".

STATEMENT OF POLICY AND FINDINGS

SEC. 2. (a) It is the policy of the United States to support the peace treaty concluded between the Government of Egypt and the Government of Israel on March 26, 1979. This treaty is a significant step toward a full and comprehensive peace in the Middle East. The Congress urges the President to continue to exert every effort to bring about a comprehensive peace and to seek an end by all parties to the violence which could jeopardize this peace.

22 USC 3401.

(b) The peace treaty between Egypt and Israel having been ratified, the Congress finds that the national interests of the United States are served—

(1) by authorizing the President to construct air bases in Israel to replace the Israeli air bases on the Sinai peninsula that are to be evacuated;

(2) by authorizing additional funds to finance procurements by Egypt and Israel through the fiscal year 1982 of defense articles and defense services for their respective security requirements; and

(3) by authorizing additional funds for economic assistance for Egypt in order to promote the economic stability and development of that country and to support the peace process in the Middle East.

(c) The authorities contained in this Act to implement certain arrangements in support of the peace treaty between Egypt and Israel do not signify approval by the Congress of any other agreement, understanding, or commitment made by the executive branch.

CONSTRUCTION OF AIR BASES IN ISRAEL

SEC. 3. Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—AIR BASE CONSTRUCTION IN ISRAEL

"SEC. 561. GENERAL AUTHORITY.—The President is authorized—

22 USC 2349.

"(1) to construct such air bases in Israel for the Government of Israel as may be agreed upon between the Government of Israel

and the Government of the United States to replace the Israeli air bases located at Etzion and Etam on the Sinai peninsula that are to be evacuated by the Government of Israel; and

“(2) for purposes of such construction, to furnish as a grant to the Government of Israel, on such terms and conditions as the President may determine, defense articles and defense services, which he may acquire from any source, of a value not to exceed the amount appropriated pursuant to section 562(a).

22 USC 2349a.

“SEC. 562. AUTHORIZATION AND UTILIZATION OF FUNDS.—(a) There is authorized to be appropriated to the President to carry out this chapter not to exceed \$800,000,000, which may be made available until expended.

Obligations and contracts.

“(b) Upon agreement by the Government of Israel to provide to the Government of the United States funds equal to the difference between the amount required to complete the agreed construction work and the amount appropriated pursuant to subsection (a) of this section, and to make those funds available, in advance of the time when payments are due, in such amounts and at such times as may be required by the Government of the United States to meet those additional costs of construction, the President may incur obligations and enter into contracts to the extent necessary to complete the agreed construction work, except that this authority shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

“(c) Funds made available by the Government of Israel pursuant to subsection (b) of this section may be credited to the appropriation account established to carry out the purposes of this section for the payment of obligations incurred and for refund to the Government of Israel if they are unnecessary for that purpose, as determined by the President. Credits and the proceeds of guaranteed loans made available to the Government of Israel pursuant to the Arms Export Control Act, as well as any other source of financing available to it, may be used by Israel to carry out its undertaking to provide such additional funds.

22 USC 2751
note.

22 USC 2349b.

“SEC. 563. WAIVER AUTHORITIES.—(a) It is the sense of the Congress that the President should take all necessary measures consistent with law to insure the efficient and timely completion of the construction authorized by this chapter, including the exercise of authority vested in him by section 633(a) of this Act.

22 USC 2393.
22 USC 2396.

“(b) The provisions of paragraph (3) of section 636(a) of this Act shall be applicable to the use of funds available to carry out this chapter, except that no more than sixty persons may be engaged at any one time under that paragraph for purposes of this chapter.”.

SUPPLEMENTAL AUTHORIZATION OF FOREIGN MILITARY SALES LOAN
GUARANTIES FOR EGYPT AND ISRAEL

22 USC 3402.

SEC. 4. (a) The Congress finds that the legitimate defense interests of Israel and Egypt require a one time extraordinary assistance package due to Israel's phased withdrawal from the Sinai and Egypt's shift from reliance on Soviet weaponry. The authorizations contained in this section do not, however, constitute Congressional approval of the sale of any particular weapons system to either country. These sales will be reviewed under the normal procedures set forth in section 36(b) of the Arms Export Control Act.

22 USC 2776.

22 USC 2771.

(b) In addition to amounts authorized to be appropriated for the fiscal year 1979 by section 31(a) of the Arms Export Control Act, there

is authorized to be appropriated to the President to carry out that Act \$370,000,000 for the fiscal year 1979.

(c) Funds made available pursuant to subsection (b) of this section may be used only for guaranties for Egypt and Israel pursuant to section 24(a) of the Arms Export Control Act. The principal amount of loans guaranteed with such funds may not exceed \$3,700,000,000 of which \$2,200,000,000 shall be available only for Israel and \$1,500,000,000 shall be available only for Egypt. The principal amount of such guaranteed loans shall be in addition to the aggregate ceiling authorized for the fiscal year 1979 by section 31(b) of the Arms Export Control Act.

22 USC 2764.

(d) Loans guaranteed with funds made available pursuant to subsection (b) of this section shall be on terms calling for repayment within a period of not less than thirty years, including an initial grace period of ten years on repayment of principal.

22 USC 2771.

Repayment.

(e)(1) The Congress finds that the Governments of Israel and Egypt each have an enormous external debt burden which may be made more difficult by virtue of the financing authorized by this section. The Congress further finds that, as a consequence of the impact of the debt burdens incurred by Israel and Egypt under such financing, it may become necessary in future years to modify the terms of the loans guaranteed with funds made available pursuant to this section.

(2) In order to assist the Congress in determining whether any such modification is warranted, the President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate, by January 15 of each year, an annual report regarding economic conditions prevailing in Israel and Egypt which may affect their respective ability to meet their obligations to make payments under the financing authorized by this section. In addition to such annual report, the President shall transmit a report containing such information within thirty days after receiving a request therefor from the chairman of the Committee on Foreign Relations of the Senate or from the chairman of the Committee on Foreign Affairs of the House of Representatives.

Reports,
transmittal to
Speaker of the
House and
congressional
committees.

SUPPLEMENTAL AUTHORIZATION OF ECONOMIC SUPPORT FOR EGYPT

SEC. 5. There is authorized to be appropriated to the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, \$300,000,000 for the fiscal year 1979 for Egypt, in addition to amounts otherwise authorized to be appropriated for such chapter for the fiscal year 1979. The amounts appropriated pursuant to this section may be made available until expended.

22 USC 3403.

22 USC 2346 *et seq.*

TRANSFER OF FACILITIES OF THE SINAI FIELD MISSION TO EGYPT

SEC. 6. The President is authorized to transfer to Egypt, on such terms and conditions as he may determine, such of the facilities and related property of the United States Sinai Field Mission as he may determine, upon the termination of the activities of the Sinai Field Mission in accordance with the terms of the peace treaty between Egypt and Israel.

22 USC 3404.

CONTRIBUTIONS BY OTHER COUNTRIES TO SUPPORT PEACE IN THE
MIDDLE EAST

22 USC 3405.

Consultation.

SEC. 7. (a) It is the sense of the Congress that other countries should give favorable consideration to providing support for the implementation of the peace treaty between Egypt and Israel. Therefore, the Congress requests that the President consult with other countries in order to (1) promote and develop an agreement for the establishment of a peace development fund whose purpose would be to underwrite the costs of implementing a Middle East peace, and (2) encourage investments in Israel and Egypt and other countries in the region should they join in Middle East peace agreements.

Report to
Congress.

(b) Not later than January 31, 1980, the President shall report to the Congress with regard to (1) the efforts made by the United States to consult with other countries in order to increase the economic assistance provided by other donors to Egypt and Israel and to others in the region participating in the peace process, and (2) the impact on Egypt's economy of Arab sanctions against Egypt.

PLANNING FOR TRILATERAL SCIENTIFIC AND TECHNOLOGICAL
COOPERATION BY EGYPT, ISRAEL, AND THE UNITED STATES

22 USC 3406.

Plan,
development by
President.

SEC. 8. (a) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should be prepared to participate, at an appropriate time, in trilateral cooperative projects of a scientific and technological nature involving Egypt, Israel, and the United States.

(b) Therefore, the President shall develop a plan to guide the participation of both United States Government agencies and private institutions in such projects. This plan shall identify—

(1) potential projects in a variety of areas appropriate for scientific and technological cooperation by the three countries, including agriculture, health, energy, the environment, education, and water resources;

(2) the resources which are available or which would be needed to implement such projects; and

(3) the means by which such projects would be implemented.

Transmittal to
Congress.

(c) The President shall transmit the plan developed pursuant to subsection (b) to the Congress within twelve months after the date of enactment of this Act.

REPORT ON COSTS TO THE UNITED STATES OF IMPLEMENTING THE PEACE
TREATY BETWEEN EGYPT AND ISRAEL

Report,
submittal to
Congress.
22 USC 3407.

SEC. 9. Not later than ninety days after the date of enactment of this Act, the President shall submit to the Congress a detailed and comprehensive report on the costs to the United States Government associated with implementation of the peace treaty between Egypt and Israel. The report shall include estimates of all costs of any kind to any department or agency of the United States Government which may result from United States activities in support of the peace treaty.

NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 10. In accordance with the Nuclear Non-Proliferation Act of 1978, the Congress strongly encourages all countries in the Middle East which are not parties to the Treaty on the Non-Proliferation of Nuclear Weapons to become parties to that Treaty.

22 USC 3408.

22 USC 3201
note.

21 UST 483.

Approved July 20, 1979.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 96-161 accompanying H.R. 4035 (Comm. on Foreign Affairs).

SENATE REPORT No. 96-113 (Comm. on Foreign Relations).

CONGRESSIONAL RECORD, Vol. 125 (1979):

May 14, considered and passed Senate.

May 30, H.R. 4035 considered and passed House; passage vacated and S. 1007, amended, passed in lieu.

June 21, Senate concurred in House amendments with an amendment.

June 28, House concurred in Senate amendment.