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111TH CONGRESS
1ST SESSION

H. R. 3840

To strengthen certain provisions relating to arms export licenses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 15, 2009

Mr. RUPPERSBERGER (for himself and Mr. THORNBERRY) introduced the following bill; which was referred to the Committee on Foreign Affairs

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A BILL

To strengthen certain provisions relating to arms export licenses, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Strengthening America's Satellite Industry Act''.

SEC. 2. DIPLOMATIC EFFORTS TO STRENGTHEN NATIONAL AND INTERNATIONAL ARMS EXPORT CONTROLS.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the President should redouble United States

diplomatic efforts to strengthen national and international arms export controls by establishing a senior-level initiative to ensure that those arms export controls are comparable to and supportive of United States arms export controls, particularly with respect to countries of concern to the United States.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter for 4 years, the President shall transmit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on United States diplomatic efforts described in subsection (a).

SEC. 3. REPORTING REQUIREMENT FOR UNLICENSED EXPORTS.

Section 655(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2415(b)) is amended—

(1) in paragraph (2), by striking ''or'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(4) were exported without a license under section 38 of the Arms Export Control Act (22 U.S.C. 2778) pursuant to an exemption established under

the International Traffic in Arms Regulations, other than defense articles exported in furtherance of a letter of offer and acceptance under the Foreign Military Sales program or a technical assistance or manufacturing license agreement, including the specific exemption provision in the regulation under which the export was made.''.

SEC. 4. REPORT ON VALUE OF MAJOR DEFENSE EQUIPMENT AND DEFENSE ARTICLES EXPORTED UNDER SECTION 38 OF THE ARMS EXPORT CONTROL ACT.

Section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended by adding at the end the following:

''(k) REPORT.—

''(1) IN GENERAL.—The President shall transmit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report that contains a detailed listing, by country and by international organization, of the total dollar value of major defense equipment and defense articles exported pursuant to licenses authorized under this section for the previous fiscal year.

"(2) INCLUSION IN ANNUAL BUDGET.—The report required by this subsection shall be included in the supporting information of the annual budget of the United States Government required to be submitted to Congress under section 1105 of title 31, United States Code.".

SEC. 5. AUTHORITY TO REMOVE SATELLITES AND RELATED COMPONENTS FROM THE UNITED STATES MUNITIONS LIST.

(a) AUTHORITY.—Except as provided in subsection (b) and subject to subsection (d), the President is authorized to remove satellites and related components from the United States Munitions List, consistent with the procedures in section 38(f) of the Arms Export Control Act (22 U.S.C. 2778(f)).

(b) EXCEPTION.—The authority of subsection (a) may not be exercised with respect to any satellite or related component that may, directly or indirectly, be transferred to, or launched into outer space by, the People's Republic of China.

(c) UNITED STATES MUNITIONS LIST.—In this section, the term "United States Munitions List" means the list referred to in section 38(a)(1) of the Arms Export Control Act (22 U.S.C. 2778(a)(1)).

(d) EFFECTIVE DATE.—The President may not exercise the authority provided in this section before the date that is 90 days after the date of the enactment of this Act.

SEC. 6. REVIEW AND REPORT OF INVESTIGATIONS OF VIOLATIONS OF SECTION 3 OF THE ARMS EXPORT CONTROL ACT.

(a) REVIEW.—The Inspector General of the Department of State shall conduct a review of investigations by the Department of State during each of fiscal years 2010 through 2014 of any and all possible violations of section 3 of the Arms Export Control Act (22 U.S.C. 2753) with respect to misuse of United States-origin defense items to determine whether the Department of State has fully complied with the requirements of such section, as well as its own internal procedures (and whether such procedures are adequate), for reporting to Congress any information regarding the unlawful use or transfer of United States-origin defense articles, defense services, and technology by foreign countries, as required by such section.

(b) REPORT.—The Inspector General of the Department of State shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate for each of fiscal years 2010 through 2014 a report that contains the

findings and results of the review conducted under subsection (a). The report shall be submitted in unclassified form to the maximum extent possible, but may include a classified annex.

SEC. 7. REPORT ON SELF-FINANCING OPTIONS FOR EXPORT LICENSING FUNCTIONS OF DDTC OF THE DEPARTMENT OF STATE.

Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on possible mechanisms to place the export licensing functions of the Directorate of Defense Trade Controls of the Department of State on a 100 percent self-financing basis.

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