One Hundred Eleventh Congress
of the
United States of America

AT THE SECOND SESSION

Began and held at the City of Washington on Tuesday,
the fifth day of January, two thousand and ten

An Act

To implement certain defense trade cooperation treaties, 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 “Security Cooperation Act of 2010”.

TITLE I—DEFENSE TRADE

SEC. 101. SHORT TITLE.

This title may be cited as the “Defense Trade Cooperation
Treaties Implementation Act of 2010”.

SEC. 102. EXEMPTIONS FROM REQUIREMENTS.

(a) RETRANSFER REQUIREMENTS.—Section 3(b) of the Arms
Export Control Act (22 U.S.C. 2753(b)) is amended by inserting
“a treaty referred to in section 38(j)(1)(C)(i) of this Act permits
such transfer without prior consent of the President, or if” after
“if”.

(b) BILATERAL AGREEMENT REQUIREMENTS.—Section 38(j)(1) of
such Act (22 U.S.C. 2778(j)(1)) is amended—
(1) in the subparagraph heading for subparagraph (B),
by inserting “FOR CANADA” after “EXCEPTION”; and
(2) by adding at the end the following new subparagraph:
“(C) EXCEPTION FOR DEFENSE TRADE COOPERATION
TREATIES.—
“(i) IN GENERAL.—The requirement to conclude a
bilateral agreement in accordance with subparagraph
(A) shall not apply with respect to an exemption from
the licensing requirements of this Act for the export
of defense items to give effect to any of the following
defense trade cooperation treaties, provided that the
treaty has entered into force pursuant to article II,
section 2, clause 2 of the Constitution of the United
States:
“(I) The Treaty Between the Government of
the United States of America and the Government
of the United Kingdom of Great Britain and
Northern Ireland Concerning Defense Trade
Cooperation, done at Washington and London on
June 21 and 26, 2007 (and any implementing arrangement thereto).


"(ii) LIMITATION OF SCOPE.—The United States shall exempt from the scope of a treaty referred to in clause (i)—

"(I) complete rocket systems (including ballistic missile systems, space launch vehicles, and sounding rockets) or complete unmanned aerial vehicle systems (including cruise missile systems, target drones, and reconnaissance drones) capable of delivering at least a 500 kilogram payload to a range of 300 kilometers, and associated production facilities, software, or technology for these systems, as defined in the Missile Technology Control Regime Annex Category I, Item 1;

"(II) individual rocket stages, re-entry vehicles and equipment, solid or liquid propellant motors or engines, guidance sets, thrust vector control systems, and associated production facilities, software, and technology, as defined in the Missile Technology Control Regime Annex Category I, Item 2;

"(III) defense articles and defense services listed in the Missile Technology Control Regime Annex Category II that are for use in rocket systems, as that term is used in such Annex, including associated production facilities, software, or technology;

"(IV) toxicological agents, biological agents, and associated equipment, as listed in the United States Munitions List (part 121.1 of chapter I of title 22, Code of Federal Regulations), Category XIV, subcategories (a), (b), (f)(1), (i), (j) as it pertains to (f)(1), (j) as it pertains to (f)(1), and (m) as it pertains to all of the subcategories cited in this paragraph;

"(V) defense articles and defense services specific to the design and testing of nuclear weapons which are controlled under United States Munitions List Category XVId(a) and (b), along with associated defense articles in Category XVId(d) and technology in Category XVId(e);

"(VI) with regard to the treaty cited in clause (i)(I), defense articles and defense services that the United States controls under the United States Munitions List that are not controlled by the United Kingdom, as defined in the United Kingdom Military List or Annex 4 to the United Kingdom Dual Use List, or any successor lists thereto; and

"(VII) with regard to the treaty cited in clause (i)(II), defense articles for which Australian laws,
regulations, or other commitments would prevent Australia from enforcing the control measures specified in such treaty.

SEC. 103. ENFORCEMENT.

(a) CRIMINAL VIOLATIONS.—Section 38(c) of such Act (22 U.S.C. 2778(c)) is amended by striking "this section or section 39, or any rule or regulation issued under either section" and inserting "this section, section 39, a treaty referred to in subsection (j)(1)(C)(i), or any rule or regulation issued under this section or section 39, including any rule or regulation issued to implement or enforce a treaty referred to in subsection (j)(1)(C)(i) or an implementing arrangement pursuant to such treaty".

(b) ENFORCEMENT POWERS OF PRESIDENT.—Section 38(e) of such Act (22 U.S.C. 2778(e)) is amended by striking "defense services, including defense articles and defense services exported or imported pursuant to a treaty referred to in subsection (j)(1)(C)(i),".

(c) NOTIFICATION REGARDING EXEMPTIONS FROM LICENSING REQUIREMENTS.—Section 38(f) of such Act (22 U.S.C. 2778(f)) is amended by adding at the end the following new paragraph:

"(4) Paragraph (2) shall not apply with respect to an exemption under subsection (j)(1) to give effect to a treaty referred to in subsection (j)(1)(C)(i) (and any implementing arrangements to such treaty), provided that the President promulgates regulations to implement and enforce such treaty under this section and section 39."

(d) INCENTIVE PAYMENTS.—Section 39A(a) of such Act (22 U.S.C. 2779a(a)) is amended by inserting "or exported pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act" after "under this Act".

SEC. 104. CONGRESSIONAL NOTIFICATION.

(a) RETRANSFERS AND REEXPORTS.—Section 3(d)(3)(A) of such Act (22 U.S.C. 2753(d)(3)(A)) is amended by inserting "or has been exempted from the licensing requirements of this Act pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act where such treaty does not authorize the transfer without prior United States Government approval" after "approved under section 38 of this Act".

(b) DISCRIMINATION.—Section 5(c) of such Act (22 U.S.C. 2755(c)) is amended by inserting "or any import or export under a treaty referred to in section 38(j)(1)(C)(i) of this Act" after "under this Act".

(c) ANNUAL ESTIMATE OF SALES.—Section 25(a) of such Act (22 U.S.C. 2765(a)) is amended—

(1) in paragraph (1), by inserting ". . . as well as exports pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act," after "commercial exports under this Act"; and

(2) in paragraph (2), by inserting ". . . as well as exports pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act," after "commercial exports".

(d) PRESIDENTIAL CERTIFICATIONS.—

(1) EXPORTS.—Section 36(c) of such Act (22 U.S.C. 2776(c)) is amended by adding at the end the following new paragraph:

"(6) The President shall notify the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate at least 15 days prior to an
export pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act to which the provisions of paragraph (1) of this subsection would apply absent an exemption granted under section 38(j)(1) of this Act, for which purpose such notification shall contain information comparable to that specified in paragraph (1) of this subsection.

(2) COMMERICAL TECHNICAL ASSISTANCE OR MANUFACTURING LICENSING AGREEMENTS.—Section 36(d) of such Act (22 U.S.C. 2776(d)) is amended by adding at the end the following new paragraph:

"(6) The President shall notify the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate at least 15 days prior to an export pursuant to a treaty referred to in section 38(j)(1)(C)(i) of this Act to which the provisions of paragraph (1) of this subsection would apply absent an exemption granted under section 38(j)(1) of this Act, for which purpose such notification shall contain information comparable to that specified in paragraph (1) of this subsection.

(e) FEES AND POLITICAL CONTRIBUTIONS.—Section 39(a) of such Act (22 U.S.C. 2779(a)) is amended—

(1) in paragraph (1), by striking "; or" and inserting a semicolon;
(2) in paragraph (2), by inserting "or" after the semicolon; and
(3) by adding at the end the following new paragraph:

"(3) exports of defense articles or defense services pursuant to a treaty referenced in section 38(j)(1)(C)(i) of this Act;".

SEC. 105. LIMITATION ON IMPLEMENTING ARRANGEMENTS.

(a) IN GENERAL.—No amendment to an implementing arrangement concluded pursuant to a treaty referred to in section 38(j)(1)(C)(i) of the Arms Export Control Act, as added by this Act, shall enter into effect for the United States unless the Congress adopts, and there is enacted, legislation approving the entry into effect of that amendment for the United States.

(b) COVERED AMENDMENTS.—

(1) IN GENERAL.—The requirements specified in subsection (a) shall apply to any amendment other than an amendment that addresses an administrative or technical matter. The requirements in subsection (a) shall not apply to any amendment that solely addresses an administrative or technical matter.

(2) U.S.-UK IMPLEMENTING ARRANGEMENT.—In the case of the Implementing Arrangement Pursuant to the Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland Concerning Defense Trade Cooperation, signed at Washington February 14, 2008, amendments to which the requirements specified in subsection (a) apply shall include—

(A) any amendment to section 2, paragraphs (1), (2), or (3) that modifies the criteria governing operations, programs, and projects to which the treaty applies;
(B) any amendment to section 3, paragraphs (1) or (2) that modifies the criteria governing end-use requirements and the requirements for approved community members responding to United States Government solicitations;

(C) any amendment to section 4, paragraph (4) that modifies the criteria for including items on the list of defense articles exempt from the treaty;

(D) any amendment to section 4, paragraph (7) that modifies licensing and other applicable requirements relating to items added to the list of defense articles exempt from the scope of the treaty;

(E) any amendment to section 7, paragraph (4) that modifies the criteria for eligibility in the approved community under the treaty for nongovernmental United Kingdom entities and facilities;

(F) any amendment to section 7, paragraph (9) that modifies the conditions for suspending or removing a United Kingdom entity from the approved community under the treaty;

(G) any amendment to section 7, paragraphs (11) or (12) that modifies the conditions under which individuals may be granted access to defense articles exported under the treaty;

(H) any amendment to section 9, paragraphs (1), (3), (7), (8), (9), (12), or (13) that modifies the circumstances under which United States Government approval is required for the re-transfer or re-export of a defense article, or to exceptions to such requirement; and

(I) any amendment to section 11, paragraph (4)(b) that modifies conditions of entry to the United Kingdom community under the treaty.

(3) U.S.-AUSTRALIA IMPLEMENTING ARRANGEMENT.—In the case of the Implementing Arrangement Pursuant to the Treaty Between the Government of the United States of America and the Government of the Australia Concerning Defense Trade Cooperation, signed at Washington March 14, 2008, amendments to which the requirements specified in subsection (a) apply shall include—

(A) any amendment to section 2, paragraphs (1), (2), or (3) that modifies the criteria governing operations, programs, and projects to which the treaty applies;

(B) any amendment to section 3, paragraphs (1) or (2) that modifies the criteria governing end-use requirements and the requirements for approved community members responding to United States Government solicitations;

(C) any amendment to section 4, paragraph (4) that modifies criteria for including items on the list of defense articles exempt from the scope of the treaty;

(D) any amendment to section 4, paragraph (7) that modifies licensing and other applicable requirements relating to items added to the list of defense articles exempt from the scope of the treaty;

(E) any amendment to section 6, paragraph (4) that modifies the criteria for eligibility in the approved community under the treaty for nongovernmental Australian entities and facilities;
(F) any amendment to section 6, paragraph (9) that modifies the conditions for suspending or removing an Australian entity from the Australia community under the treaty;

(G) any amendment to section 6, paragraphs (11), (12), (13), or (14) that modifies the conditions under which individuals may be granted access to defense articles exported under the treaty;

(H) any amendment to section 9, paragraphs (1), (2), (4), (7), or (8) that modifies the circumstances under which United States Government approval is required for the re-transfer or re-export of a defense article, or to exceptions to such requirement; and

(I) any amendment to section 11, paragraph (6) that modifies conditions of entry to the Australian community under the treaty.

(c) CONGRESSIONAL NOTIFICATION FOR OTHER AMENDMENTS TO IMPLEMENTING ARRANGEMENTS.—Not later than 15 days before any amendment to an implementing arrangement to which subsection (a) does not apply shall take effect, the President shall provide to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report containing—

(1) the text of the amendment; and

(2) an analysis of the amendment’s effect, including an analysis regarding why subsection (a) does not apply.

SEC. 106. IMPLEMENTING REGULATIONS.


SEC. 107. RULE OF CONSTRUCTION.

SEC. 201. SHORT TITLE.

This title may be cited as the “Naval Vessel Transfer Act of 2010”.

SEC. 202. TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN RECEI-

(a) TRANSFERS BY GRANT.—The President is authorized to

(1) INDIA.—To the Government of India, the OSPREY class
minehunter coastal ships KINGFISHER (MHC–56) and COR-
MORANT (MHC–57).

(2) GREECE.—To the Government of Greece, the OSPREY
class minehunter coastal ships OSPREY (MHC–51),
BLACKHAWK (MHC–58), and SHRIKE (MHC–62).

(3) CHILE.—To the Government of Chile, the NEWPORT
class amphibious tank landing ship TUSCALOOSA (LST–1187).

(4) MOROCCO.—To the Government of Morocco, the NEW-
PORT class amphibious tank landing ship BOULDER (LST–
1190).

(b) TRANSFER BY SALE.—The President is authorized to transfer

the OSPREY class minehunter coastal ship ROBIN (MHC–54) to

the Taipei Economic and Cultural Representative Office of the

United States (which is the Taiwan instrumentality designated
pursuant to section 10(a) of the Taiwan Relations Act (22 U.S.C.
3309(a)) on a sale basis under section 21 of the Arms Export
Control Act (22 U.S.C. 2761).

(c) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED
EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to
another country on a grant basis pursuant to authority provided
by subsection (a) shall not be counted against the aggregate value
of excess defense articles transferred in any fiscal year under section

(d) COSTS OF TRANSFERS.—Any expense incurred by the United
States in connection with a transfer authorized by this section
shall be charged to the recipient (notwithstanding section 516(e)
of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e))).

(e) REPAIR AND REFURBISHMENT IN UNITED STATES SHIP-
YARDS.—To the maximum extent practicable, the President shall
require, as a condition of the transfer of a vessel under this section,
that the recipient to which the vessel is transferred have such
repair or refurbishment of the vessel as is needed, before the
vessel joins the naval forces of the recipient, performed at a shipyard
located in the United States, including a United States Navy ship-
yard.

(f) EXPIRATION OF AUTHORITY.—The authority to transfer a
vessel under this section shall expire at the end of the 2-year
period beginning on the date of the enactment of this Act.
TITL E III—OTHER MATTERS

SEC. 301. EXPEDITED CONGRESSIONAL DEFENSE EXPORT REVIEW PERIOD FOR ISRAEL.

The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—
(1) in sections 3(d)(2)(B), 3(d)(3)(A)(i), 3(d)(5), 21(e)(2)(A), 36(b), 36(c), 36(d)(2)(A), 62(c)(1), and 63(a)(2), by inserting “Israel,” before “or New Zealand” each place it appears; and
(2) in section 3(b)(2), by inserting “the Government of Israel,” before “or the Government of New Zealand”.

SEC. 302. EXTENSION OF WAR RESERVES STOCKPILE AUTHORITY.

(a) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005.—Section 12001(d) of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 1011) is amended by striking “more than 4 years after” and inserting “more than 8 years after”.

Speaker of the House of Representatives.

Vice President of the United States and
President of the Senate.