

113TH CONGRESS
2^D SESSION

S. 1683

AN ACT

To provide for the transfer of naval vessels to certain foreign recipients, 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. APPROPRIATE CONGRESSIONAL COMMITTEES**

2 **DEFINED.**

3 In this Act, the term “appropriate congressional com-
4 mittees” means—

5 (1) the Committee on Foreign Relations of the
6 Senate; and

7 (2) the Committee on Foreign Affairs of the
8 House of Representatives.

9 **TITLE I—TRANSFER OF EXCESS**
10 **UNITED STATES NAVAL VESSELS**

11 **SEC. 101. SHORT TITLE.**

12 This title may be cited as the “Naval Vessel Transfer
13 Act of 2013”.

14 **SEC. 102. TRANSFER OF NAVAL VESSELS TO CERTAIN FOR-**
15 **EIGN RECIPIENTS.**

16 (a) **TRANSFERS BY GRANT TO MEXICO.**—The Presi-
17 dent is authorized to transfer to the Government of Mexico
18 the OLIVER HAZARD PERRY class guided missile frig-
19 ates USS CURTS (FFG–38) and USS MCCLUSKY
20 (FFG–41) on a grant basis under section 516 of the For-
21 eign Assistance Act of 1961 (22 U.S.C. 2321j).

22 (b) **TRANSFER BY SALE TO THE TAIPEI ECONOMIC**
23 **AND CULTURAL REPRESENTATIVE OFFICE IN THE**
24 **UNITED STATES.**—The President is authorized to transfer
25 the OLIVER HAZARD PERRY class guided missile frig-
26 ates USS TAYLOR (FFG–50), USS GARY (FFG–51),

1 USS CARR (FFG-52), and USS ELROD (FFG-55) to
2 the Taipei Economic and Cultural Representative Office
3 in the United States (which is the Taiwan instrumentality
4 designated pursuant to section 10(a) of the Taiwan Rela-
5 tions Act (22 U.S.C. 3309(a))) on a sale basis under sec-
6 tion 21 of the Arms Export Control Act (22 U.S.C. 2761).

7 (c) ALTERNATIVE TRANSFER AUTHORITY.—Not-
8 withstanding the authority provided in subsections (a) and
9 (b) and to transfer specific vessels to specific countries,
10 the President is authorized to transfer any vessel named
11 in this title to any country named in this section, subject
12 to the same conditions that would apply for such country
13 under this section, such that the total number of vessels
14 transferred to such country does not exceed the total num-
15 ber of vessels authorized for transfer to such country by
16 this section.

17 (d) GRANTS NOT COUNTED IN ANNUAL TOTAL OF
18 TRANSFERRED EXCESS DEFENSE ARTICLES.—The value
19 of a vessel transferred to another country on a grant basis
20 pursuant to authority provided by subsection (a) shall not
21 be counted against the aggregate value of excess defense
22 articles transferred in any fiscal year under section 516
23 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

24 (e) COSTS OF TRANSFERS.—Any expense incurred by
25 the United States in connection with a transfer authorized

1 by this section shall be charged to the recipient notwith-
 2 standing section 516(e) of the Foreign Assistance Act of
 3 1961 (22 U.S.C. 2321j(e)).

4 (f) REPAIR AND REFURBISHMENT IN UNITED
 5 STATES SHIPYARDS.—To the maximum extent prac-
 6 ticable, the President shall require, as a condition of the
 7 transfer of a vessel under this section, that the recipient
 8 to which the vessel is transferred have such repair or re-
 9 furbishment of the vessel as is needed, before the vessel
 10 joins the naval forces of that recipient, performed at a
 11 shipyard located in the United States.

12 (g) EXPIRATION OF AUTHORITY.—The authority to
 13 transfer a vessel under this section shall expire at the end
 14 of the 3-year period beginning on the date of the enact-
 15 ment of this Act.

16 TITLE II—ADDITIONAL 17 PROVISIONS

18 **SEC. 201. ENHANCED CONGRESSIONAL OVERSIGHT OF**
 19 **ARMS SALES, INCLUDING TO THE MIDDLE**
 20 **EAST.**

21 Section 36 of the Arms Export Control Act (22
 22 U.S.C. 2776) is amended by adding at the end the fol-
 23 lowing new subsection:

24 “(i) PRIOR NOTIFICATION OF SHIPMENT OF ARMS.—
 25 At least 30 days prior to a shipment of defense articles

1 subject to the requirements of subsection (b) at the joint
2 request of the Chairman and Ranking Member of the
3 Committee on Foreign Relations of the Senate or the
4 Committee on Foreign Affairs of the House of Representa-
5 tives, the President shall provide notification of such pend-
6 ing shipment, in unclassified form, with a classified annex
7 as necessary, to the Committee on Foreign Relations of
8 the Senate and the Committee on Foreign Affairs of the
9 House of Representatives.”.

10 **SEC. 202. INCREASE IN ANNUAL LIMITATION ON TRANSFER**
11 **OF EXCESS DEFENSE ARTICLES.**

12 Section 516(g)(1) of the Foreign Assistance Act of
13 1961 (22 U.S.C. 2321j(g)(1)) is amended by striking
14 “\$425,000,000” and inserting “\$500,000,000”.

15 **SEC. 203. INTEGRATED AIR AND MISSILE DEFENSE PRO-**
16 **GRAMS AT TRAINING LOCATIONS IN SOUTH-**
17 **WEST ASIA.**

18 Section 544(c) of the Foreign Assistance Act of 1961
19 (22 U.S.C. 2347c(c)) is amended by adding at the end
20 the following new paragraph:

21 “(4) The President shall report to the appropriate
22 congressional committees (as defined in section 656(e))
23 annually on the activities undertaken in the programs au-
24 thorized under this subsection.”.

1 **SEC. 204. LICENSING OF CERTAIN COMMERCE-CON-**
2 **TROLLED ITEMS.**

3 Section 38 of the Arms Export Control Act (22
4 U.S.C. 2778) is amended by adding at the end the fol-
5 lowing new subsection:

6 “(k) LICENSING OF CERTAIN COMMERCE-CON-
7 TROLLED ITEMS.—

8 “(1) IN GENERAL.—A license or other approval
9 from the Department of State granted in accordance
10 with this section may also authorize the export of
11 items subject to the Export Administration Regula-
12 tions if such items are to be used in or with defense
13 articles controlled on the United States Munitions
14 List.

15 “(2) OTHER REQUIREMENTS.—The following
16 requirements shall apply with respect to a license or
17 other approval to authorize the export of items sub-
18 ject to the Export Administration Regulations under
19 paragraph (1):

20 “(A) Separate approval from the Depart-
21 ment of Commerce shall not be required for
22 such items if such items are approved for ex-
23 port under a Department of State license or
24 other approval.

25 “(B) Such items subject to the Export Ad-
26 ministration Regulations that are exported pur-

1 suant to a Department of State license or other
 2 approval would remain under the jurisdiction of
 3 the Department of Commerce with respect to
 4 any subsequent transactions.

5 “(C) The inclusion of the term ‘subject to
 6 the EAR’ or any similar term on a Department
 7 of State license or approval shall not affect the
 8 jurisdiction with respect to such items.

9 “(3) DEFINITION.—In this subsection, the term
 10 ‘Export Administration Regulations’ means—

11 “(A) the Export Administration Regula-
 12 tions as maintained and amended under the au-
 13 thority of the International Emergency Eco-
 14 nomic Powers Act (50 U.S.C. 1701 et seq.); or

15 “(B) any successor regulations.”.

16 **SEC. 205. AMENDMENTS RELATING TO REMOVAL OF MAJOR**
 17 **DEFENSE EQUIPMENT FROM UNITED STATES**
 18 **MUNITIONS LIST.**

19 (a) REQUIREMENTS FOR REMOVAL OF MAJOR DE-
 20 FENSE EQUIPMENT FROM UNITED STATES MUNITIONS
 21 LIST.—Section 38(f) of the Arms Export Control Act (22
 22 U.S.C. 2778(f)) is amended by adding at the end the fol-
 23 lowing:

24 “(5)(A) Except as provided in subparagraph
 25 (B), the President shall take such actions as may be

1 necessary to require that, at the time of export or
2 reexport of any major defense equipment listed on
3 the 600 series of the Commerce Control List con-
4 tained in Supplement No. 1 to part 774 of subtitle
5 B of title 15, Code of Federal Regulations, the
6 major defense equipment will not be subsequently
7 modified so as to transform such major defense
8 equipment into a defense article.

9 “(B) The President may authorize the trans-
10 formation of any major defense equipment described
11 in subparagraph (A) into a defense article if the
12 President—

13 “(i) determines that such transformation is
14 appropriate and in the national interests of the
15 United States; and

16 “(ii) provides notice of such transformation
17 to the chairman of the Committee on Foreign
18 Affairs of the House of Representatives and the
19 chairman of the Committee on Foreign Rela-
20 tions of the Senate consistent with the notifica-
21 tion requirements of section 36(b)(5)(A) of this
22 Act.

23 “(C) In this paragraph, the term ‘defense arti-
24 cle’ means an item designated by the President pur-
25 suant to subsection (a)(1).”.

1 (b) NOTIFICATION AND REPORTING REQUIREMENTS
2 FOR MAJOR DEFENSE EQUIPMENT REMOVED FROM
3 UNITED STATES MUNITIONS LIST.—Section 38(f) of the
4 Arms Export Control Act (22 U.S.C. 2778(f)), as amend-
5 ed by this section, is further amended by adding at the
6 end the following:

7 “(6) The President shall ensure that any major
8 defense equipment that is listed on the 600 series of
9 the Commerce Control List contained in Supplement
10 No. 1 to part 774 of subtitle B of title 15, Code of
11 Federal Regulations, shall continue to be subject to
12 the notification and reporting requirements of the
13 following provisions of law:

14 “(A) Section 516(f) of the Foreign Assist-
15 ance Act of 1961 (22 U.S.C. 2321j(f)).

16 “(B) Section 655 of the Foreign Assist-
17 ance Act of 1961 (22 U.S.C. 2415).

18 “(C) Section 3(d)(3)(A) of this Act.

19 “(D) Section 25 of this Act.

20 “(E) Section 36(b), (c), and (d) of this
21 Act.”.

1 **SEC. 206. AMENDMENT TO DEFINITION OF “SECURITY AS-**
2 **SISTANCE” UNDER THE FOREIGN ASSIST-**
3 **ANCE ACT OF 1961.**

4 Section 502B(d) of the Foreign Assistance Act of
5 1961 (22 U.S.C. 2304(d)) is amended—

6 (1) in paragraph (1), by striking “and” at the
7 end; and

8 (2) by amending paragraph (2)(C) to read as
9 follows:

10 “(C) any license in effect with respect to
11 the export to or for the armed forces, police, in-
12 telligence, or other internal security forces of a
13 foreign country of—

14 “(i) defense articles or defense serv-
15 ices under section 38 of the Armed Export
16 Control Act (22 U.S.C. 2778); or

17 “(ii) items listed under the 600 series
18 of the Commerce Control List contained in
19 Supplement No. 1 to part 774 of subtitle
20 B of title 15, Code of Federal Regula-
21 tions;”.

22 **SEC. 207. AMENDMENTS TO DEFINITIONS OF “DEFENSE AR-**
23 **TICLE” AND “DEFENSE SERVICE” UNDER THE**
24 **ARMS EXPORT CONTROL ACT.**

25 Section 47 of the Arms Export Control Act (22
26 U.S.C. 2794) is amended—

1 (1) in the matter preceding subparagraph (A)
2 of paragraph (3), by striking “includes” and insert-
3 ing “means, with respect to a sale or transfer by the
4 United States under the authority of this Act or any
5 other foreign assistance or sales program of the
6 United States”; and

7 (2) in paragraph (4), by striking “includes”
8 and inserting “means, with respect to a sale or
9 transfer by the United States under the authority of
10 this Act or any other foreign assistance or sales pro-
11 gram of the United States,”.

12 **SEC. 208. TECHNICAL AMENDMENTS.**

13 (a) IN GENERAL.—The Arms Export Control Act (22
14 U.S.C. 2751 et seq.) is amended—

15 (1) in sections 3(a), 3(d)(1), 3(d)(3)(A), 3(e),
16 5(c), 6, 21(g), 36(a), 36(b)(1), 36(b)(5)(C),
17 36(c)(1), 36(f), 38(f)(1), 40(f)(1), 40(g)(2)(B),
18 101(b), and 102(a)(2), by striking “the Speaker of
19 the House of Representatives and” each place it ap-
20 pears and inserting “the Speaker of the House of
21 Representatives, the Committee on Foreign Affairs
22 of the House of Representatives, and”;

23 (2) in section 21(i)(1) by inserting after “the
24 Speaker of the House of Representatives” the fol-

1 lowing “, the Committees on Foreign Affairs and
2 Armed Services of the House of Representatives,”;

3 (3) in sections 25(e), 38(f)(2), 38(j)(3), and
4 38(j)(4)(B), by striking “International Relations”
5 each place it appears and inserting “Foreign Af-
6 fairs”;

7 (4) in sections 27(f) and 62(a), by inserting
8 after “the Speaker of the House of Representa-
9 tives,” each place it appears the following: “the
10 Committee on Foreign Affairs of the House of Rep-
11 resentatives,”; and

12 (5) in section 73(e)(2), by striking “the Com-
13 mittee on National Security and the Committee on
14 International Relations of the House of Representa-
15 tives” and inserting “the Committee on Armed Serv-
16 ices and the Committee on Foreign Affairs of the
17 House of Representatives”.

18 (b) OTHER TECHNICAL AMENDMENTS.—

19 (1) ARMS EXPORT CONTROL ACT.—The Arms
20 Export Control Act (22 U.S.C. 2751 et seq.), as
21 amended by subsection (a), is further amended—

22 (A) in section 38—

23 (i) in subsection (b)(1), by redesignig-
24 nating the second subparagraph (B) (as
25 added by section 1255(b) of the Foreign

1 Relations Authorization Act, Fiscal Years
2 1988 and 1989 (Public Law 100–204; 101
3 Stat. 1431)) as subparagraph (C);

4 (ii) in subsection (g)(1)(A)—

5 (I) in clause (xi), by striking “;
6 or” and inserting “, or”; and

7 (II) in clause (xii)—

8 (aa) by striking “section”
9 and inserting “sections”; and

10 (bb) by striking “(18 U.S.C.
11 175b)” and inserting “(18
12 U.S.C. 175c)”; and

13 (iii) in subsection (j)(2), in the matter
14 preceding subparagraph (A), by inserting
15 “in” after “to”; and

16 (B) in section 47(2), in the matter pre-
17 ceeding subparagraph (A), by striking “sec.
18 21(a),” and inserting “section 21(a),”.

19 (2) FOREIGN ASSISTANCE ACT OF 1961.—Sec-
20 tion 502B of the Foreign Assistance Act of 1961
21 (22 U.S.C. 2304) is amended—

22 (A) in subsection (b), by striking “Wher-
23 ever applicable, a description” and inserting
24 “Wherever applicable, such report shall include
25 a description”; and

1 (B) in subsection (d)(2)(B), by striking
2 “credits” and inserting “credits”).

3 **SEC. 209. APPLICATION OF CERTAIN PROVISIONS OF EX-**
4 **PORT ADMINISTRATION ACT OF 1979.**

5 (a) PROTECTION OF INFORMATION.—Section 12(c)
6 of the Export Administration Act of 1979 (50 U.S.C. App.
7 2411(c)) has been in effect from August 20, 2001, and
8 continues in effect on and after the date of the enactment
9 of this Act, pursuant to the International Emergency Eco-
10 nomic Powers Act (50 U.S.C. 1701 et seq.) and notwith-
11 standing section 20 of the Export Administration Act of
12 1979 (50 U.S.C. App. 2419). Section 12(c)(1) of the Ex-
13 port Administration Act of 1979 is a statute covered by
14 section 552(b)(3) of title 5, United States Code.

15 (b) TERMINATION DATE.—Subsection (a) terminates
16 at the end of the 4-year period beginning on the date of
17 the enactment of this Act.

Passed the Senate December 4, 2014.

Attest:

Secretary.

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2^D SESSION

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AN ACT

To provide for the transfer of naval vessels to certain foreign recipients, and for other purposes.