

and Burma lacks a fraction of the capacity necessary to deal with this crisis. To make matters worse, there are reports of corruption inside Burma eroding the efforts that are allowed to take place. We hear that supplies that were provided by donors are being confiscated by the government and resold back to aid groups. This is sinister profiteering at its most extreme.

That the junta went ahead with its scheduled constitutional referendum on Saturday in the unaffected areas is sickening and surreal.

The constitution under question is intended to legitimize the current ruling government. But despite its many, many crimes, this government has done few things that have so delegitimized its claim to govern over the Burmese people.

It is time for the Burmese government to do what Secretary General Ban Ki Moon said it should do, and "put its people's lives first."

We hope and pray that, for the sake of the people of Burma, the junta does so as soon as possible.

Mr. FALEOMAVAEGA. I reserve the balance of my time.

Mr. MANZULLO. Mr. Speaker, it's not without irony that just this past week Congressman Joe Crowley and I, representing the House, and Senators Feinstein and McConnell, representing the Senate, the other body, were at the White House for the signing of the bill that awarded the Congressional gold medal to Aung San Suu Kyi, and it was a very interesting moment there. The First Lady joined the President at the bill signing, which was quite unusual. And the First Lady, the day before, had actually conducted a press conference, which is quite unusual for her, talking about the untold suffering that is occurring in this country.

And while we discussed the issue, it was apparent the intensity with which the President and the First Lady, and indeed the entire Nation is viewing the impact of the fact that the junta in Burma simply would not allow humanitarian aid to flow into that country. And so at the time, when we honor somebody with the Congressional Gold Medal, somebody who represents a bulwark of freedom and democracy, the country gets hit with this horrible tragedy.

Our purpose here today is simply to encourage the junta to follow the humanitarian strain which is written in the soul of every individual, and that is to set aside the politics, to allow the American aid that is available and, indeed, world aid that is available, in order to alleviate the suffering.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in strong support of H. Res. 1181, expressing condolences and sympathy to the people of Burma for the grave loss of life and vast destruction caused by Cyclone Nargis. I would like to thank my colleague Representative CROWLEY of New York for introducing this important legislation that reaffirms the commitment of the United States to the people of Burma who have been victims of the natural disaster caused by Cyclone Nargis.

Mr. Speaker, Burma has been a region of serious political unrest and economic changes. As my colleagues may know, in the evening of

May 2, 2008, Cyclone Nargis struck the coast of Burma leaving in its wake catastrophic destruction. It was reported that an estimated 1.5 million people were severely affected by the cyclone. With winds reaching 190 kilometers per hour and an 11.5 foot storm surge that swept across affected areas, the world could only fathom the damage that was inflicted in horror. It has been projected that the damage caused by the cyclone significantly exceeds the government's ability to provide full relief for the victims and it has indicated its acceptance of assistance from the international community.

It is my sincere hope that the military-backed caretaker government currently in power in Burma will promptly lift the state of emergency in the remaining regions and move expeditiously to allow foreigners to administer vital care and aid to the people. At this dire state, our deepest concerns in supplying aid to all the people affected should be directed to Burma's willingness to openly allow international efforts.

In this key period of political change, one that will hopefully allow for a more free and fair democratic Burma, the nation has been hit by an unthinkable natural disaster that has affected the country. The country's infrastructure is in shambles and it is estimated that there are 22,000 dead with 41,000 missing. In the midst of the rice shortages that South Asia is experiencing, the most productive agricultural lands and crops of Burma have also been destroyed. It will take an estimated two years for Burma to be able to produce food for its people and will need continued assistance and support throughout that time.

As a member of the international community, it is in the best interest to provide humanitarian services and aid to those in need in Burma. The United States must offer its full support and continued aid in restoring the country's self-sufficient agricultural sector to reduce the strain on food shortages in the entire region. It is imperative to cultivate harmonious relations between the United States government and that of Burma to help facilitate the mission of international peace.

I believe that it is crucial that the United States government express its heartfelt sympathy and support to the people of Burma in the wake of this terrible disaster. I urge my colleagues to join me in supporting this legislation and to further their efforts to ensuring the complete restoration of the well-being of Burma.

Mr. MANZULLO. I have no further speakers. I yield back the balance of my time.

Mr. FALEOMAVAEGA. I also yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from American Samoa (Mr. FALEOMAVAEGA) that the House suspend the rules and agree to the resolution, H. Res. 1181.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SIMPSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the

Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

SECURITY ASSISTANCE AND ARMS EXPORT CONTROL REFORM ACT OF 2008

Mr. BERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5916) to reform the administration of the Arms Export Control Act, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5916

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Security Assistance and Arms Export Control Reform Act of 2008".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—REFORM OF ARMS EXPORT CONTROL PROCEDURES

Subtitle A—Defense Trade Controls Performance Improvement Act of 2008

Sec. 101. Short title.

Sec. 102. Findings.

Sec. 103. Strategic review and assessment of the United States export controls system.

Sec. 104. Performance goals for processing of applications for licenses to export items on USML.

Sec. 105. Requirement to ensure adequate staff and resources for DDTC of the Department of State.

Sec. 106. Audit by Inspector General of the Department of State.

Sec. 107. Increased flexibility for use of defense trade controls registration fees.

Sec. 108. Review of ITAR and USML.

Sec. 109. Special licensing authorization for certain exports to NATO member states, Australia, Japan, New Zealand, Israel, and South Korea.

Sec. 110. Availability of information on the status of license applications under chapter 3 of the Arms Export Control Act.

Sec. 111. Sense of Congress.

Sec. 112. Definitions.

Sec. 113. Authorization of appropriations.

Subtitle B—Miscellaneous Provisions

Sec. 121. Report on self-financing options for export licensing functions of DDTC of the Department of State.

Sec. 122. Expediting congressional defense export review period for South Korea and Israel.

Sec. 123. Availability to Congress of Presidential directives regarding United States arms export policies, practices, and regulations.

Sec. 124. Increase in congressional notification thresholds and expediting congressional review for South Korea and Israel.

Sec. 125. Diplomatic efforts to strengthen national and international arms export controls.

Sec. 126. Reporting requirement for unlicensed exports.

Sec. 127. Report on value of major defense equipment and defense articles exported under section 38 of the Arms Export Control Act.

Sec. 128. Report on satellite export controls.
Sec. 129. Definition.

TITLE II—SECURITY ASSISTANCE AND RELATED SUPPORT FOR ISRAEL

Sec. 201. Assessment of Israel's qualitative military edge over military threats.

Sec. 202. Report on United States' commitments to the security of Israel.

Sec. 203. War Reserves Stockpile.

Sec. 204. Implementation of Memorandum of Understanding with Israel.

Sec. 205. Definitions.

TITLE III—WAIVER OF CERTAIN SANCTIONS TO FACILITATE DENUCLEARIZATION ACTIVITIES IN NORTH KOREA

Sec. 301. Waiver authority and exceptions.

Sec. 302. Certification regarding waiver of certain sanctions.

Sec. 303. Congressional notification and report.

Sec. 304. Termination of waiver authority.

Sec. 305. Expiration of waiver authority.

Sec. 306. Continuation of restrictions against the Government of North Korea.

Sec. 307. Report on verification measures relating to North Korea's nuclear programs.

Sec. 308. Definitions.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Authority to build the capacity of foreign military forces.

Sec. 402. Maintenance of European Union arms embargo against China.

Sec. 403. Reimbursement of salaries of members of the reserve components in support of security cooperation missions.

Sec. 404. Foreign Military Sales Stockpile Fund.

Sec. 405. Sense of Congress.

TITLE V—AUTHORITY TO TRANSFER NAVAL VESSELS

Sec. 501. Authority to transfer naval vessels to certain foreign recipients.

TITLE I—REFORM OF ARMS EXPORT CONTROL PROCEDURES

Subtitle A—Defense Trade Controls Performance Improvement Act of 2008

SEC. 101. SHORT TITLE.

This subtitle may be cited as the "Defense Trade Controls Performance Improvement Act of 2008".

SEC. 102. FINDINGS.

Congress finds the following:

(1) In a time of international terrorist threats and a dynamic global economic and security environment, United States policy with regard to export controls is in urgent need of a comprehensive review in order to ensure such controls are protecting the national security and foreign policy interests of the United States.

(2) In January 2007, the Government Accountability Office designated the effective identification and protection of critical technologies as a government-wide, high-risk area, warranting a strategic reexamination of existing programs, including programs relating to arms export controls.

(3) Federal Government agencies must review licenses for export of munitions in a thorough and timely manner to ensure that the United States is able to assist United States allies and to prevent nuclear and conventional weapons from getting into the hands of enemies of the United States.

(4) Both staffing and funding that relate to the Department of State's arms export con-

trol responsibilities have not kept pace with the increased workload relating to such responsibilities, especially over the last five years.

(5) Outsourcing and off-shoring of defense production and the policy of many United States trading partners to require offsets for major sales of defense and aerospace articles present a potential threat to United States national security and economic well-being and serve to weaken the defense industrial base.

(6) Export control policies can have a negative impact on United States employment, nonproliferation goals, and the health of the defense industrial base, particularly when facilitating the overseas transfer of technology or production and other forms of outsourcing, such as offsets (direct and indirect), co-production, subcontracts, overseas investment and joint ventures in defense and commercial industries. Federal Government agencies must develop new and effective procedures for ensuring that export control systems address these problems and the threat they pose to national security.

(7) In the report to Congress required by the Conference Report (Report 109-272) accompanying the bill, H.R. 2862 (the Science, State, Justice, Commerce and Related Agencies Appropriations Act, 2006; Public Law 109-108), the Department of State concluded that—

(A) defense trade licensing has become much more complex in recent years as a consequence of the increasing globalization of the defense industry;

(B) the most important challenge to the Department of State's licensing process has been the sheer growth in volume of applicants for licenses and agreements, without the corresponding increase in licensing officers;

(C) fiscal year 2005 marked the third straight year of roughly 8 percent annual increases in licensing volume;

(D) although an 8 percent increase in workload equates to a requirement for three additional licensing officers per year, there has been no increase in licensing officers during this period; and

(E) the increase in licensing volume without a corresponding increase in trained and experienced personnel has resulted in delays and increased processing times.

(8) In 2006, the Department of State processed over three times as many licensing applications as the Department of Commerce with about a fifth of the staff of the Department of Commerce.

(9) On July 27, 2007, in testimony delivered to the Subcommittee on Terrorism, Nonproliferation and Trade of the House Committee on Foreign Affairs to examine the effectiveness of the United States export control regime, the Government Accountability Office found that—

(A) the United States Government needs to conduct assessments to determine its overall effectiveness in the area of arms export control; and

(B) the processing times of the Department of State doubled over the period from 2002 to 2006.

(10) Although the current number of unprocessed applications for licenses to export defense items is less than 3,800 applications, due to the extraordinary efforts of the personnel and management of the Department of State's Directorate of Defense Trade Controls, at the end of 2006, the Department of State's backlog of such unprocessed applications reached its highest level at more than 10,000 unprocessed applications. This resulted in major management and personnel challenges for the Directorate of Defense Trade Controls.

(11)(A) Allowing a continuation of the status quo in resources for defense trade licensing could ultimately harm the United States defense industrial base. The 2007 Institute for Defense Analysis report entitled "Export Controls and the U.S. Defense Industrial Base" found that the large backlog and long processing times by the Department of State for applications for licenses to export defense items led to an impairment of United States firms in some sectors to conduct global business relative to foreign competitors.

(B) Additionally, the report found that United States commercial firms have been reluctant to engage in research and development activities for the Department of Defense because this raises the future prospects that the products based on this research and development, even if intrinsically commercial, will be saddled by Department of State munitions controls due to the link to that research.

(12) According to the Department of State's fiscal year 2008 budget justification to Congress, commercial exports licensed or approved under the Arms Export Control Act exceeded \$30,000,000,000, with nearly eighty percent of these items exported to United States NATO allies and other major non-NATO allies.

(13) A Government Accountability Office report of October 9, 2001 (GAO-02-120), documented ambiguous export control jurisdiction affecting 25 percent of the items that the United States Government agreed to control as part of its commitments to the Missile Technology Control Regime. The United States Government has not clearly determined which department has jurisdiction over these items, which increases the risk that these items will fall into the wrong hands. During both the 108th and 109th Congresses, the House of Representatives passed legislation mandating that the Administration clarify this issue.

SEC. 103. STRATEGIC REVIEW AND ASSESSMENT OF THE UNITED STATES EXPORT CONTROLS SYSTEM.

(a) REVIEW AND ASSESSMENT.—

(1) IN GENERAL.—Not later than March 31, 2009, the President shall conduct a comprehensive and systematic review and assessment of the United States arms export controls system in the context of the national security interests and strategic foreign policy objectives of the United States.

(2) ELEMENTS.—The review and assessment required under paragraph (1) shall—

(A) determine the overall effectiveness of the United States arms export controls system in order to, where appropriate, strengthen controls, improve efficiency, and reduce unnecessary redundancies across Federal Government agencies, through administrative actions, including regulations, and to formulate legislative proposals for new authorities that are needed;

(B) develop processes to ensure better coordination of arms export control activities of the Department of State with activities of other departments and agencies of the United States that are responsible for enforcing United States arms export control laws;

(C) ensure that weapons-related nuclear technology, other technology related to weapons of mass destruction, and all items on the Missile Technology Control Regime Annex are subject to stringent control by the United States Government;

(D) determine the overall effect of arms export controls on counterterrorism, law enforcement, and infrastructure protection missions of the Department of Homeland Security;

(E) contain a detailed summary of known attempts by unauthorized end-users (such as

international arms traffickers, foreign intelligence agencies, and foreign terrorist organizations) to acquire items on the United States Munitions List and related technical data, including—

- (i) data on—
 - (I) commodities sought, such as M-4 rifles, night vision devices, F-14 spare parts;
 - (II) parties involved, such as the intended end-users, brokers, consignees, and shippers;
 - (III) attempted acquisition of technology and technical data critical to manufacture items on the United States Munitions List;
 - (IV) destination countries and transit countries;
 - (V) modes of transport;
 - (VI) trafficking methods, such as use of false documentation and front companies registered under flags of convenience;
 - (VII) whether the attempted illicit transfer was successful; and
 - (VIII) any administrative or criminal enforcement actions taken by the United States and any other government in relation to the attempted illicit transfer;
- (ii) a thorough evaluation of the Blue Lantern Program, including the adequacy of current staffing and funding levels;
- (iii) a detailed analysis of licensing exemptions and their successful exploitation by unauthorized end-users; and
- (iv) an examination of the extent to which the increased tendency toward outsourcing and off-shoring of defense production harm United States national security and weaken the defense industrial base, including direct and indirect impact on employment, and formulate policies to address these trends as well as the policy of some United States trading partners to require offsets for major sales of defense articles; and
- (F) assess the extent to which export control policies and practices under the Arms Export Control Act promote the protection of basic human rights.

(b) CONGRESSIONAL BRIEFINGS.—The President shall provide periodic briefings to the appropriate congressional committees on the progress of the review and assessment conducted under subsection (a). The requirement to provide congressional briefings under this subsection shall terminate on the date on which the President transmits to the appropriate congressional committees the report required under subsection (c).

(c) REPORT.—Not later than 18 months after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees and the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report that contains the results of the review and assessment conducted under subsection (a). The report required by this subsection shall contain a certification that the requirement of subsection (a)(2)(C) has been met, or if the requirement has not been met, the reasons therefor. The report required by this subsection shall be submitted in unclassified form, but may contain a classified annex, if necessary.

SEC. 104. PERFORMANCE GOALS FOR PROCESSING OF APPLICATIONS FOR LICENSES TO EXPORT ITEMS ON USML.

(a) IN GENERAL.—The Secretary of State, acting through the head of the Directorate of Defense Trade Controls of the Department of State, shall establish the following goals:

(1) The processing time for review of each application for a license to export items on the United States Munitions List (other than applications for approval of agreements under part 124 of title 22, Code of Federal Regulations (or successor regulations)) shall be not more than 60 days from the date of receipt of the application.

(2) The processing time for review of each application for a commodity jurisdiction de-

termination shall be not more than 60 days from the date of receipt of the application.

(3) The total number of applications described in paragraph (1) that are unprocessed shall be not more than 7 percent of the total number of such applications submitted in the preceding calendar year.

(b) ADDITIONAL REVIEW.—(1) If an application described in paragraph (1) or (2) of subsection (a) is not processed within the time period described in the respective paragraph of such subsection, then the Managing Director of the Directorate of Defense Trade Controls or the Deputy Assistant Secretary for Defense Trade and Regional Security of the Department of State, as appropriate, shall review the status of the application to determine if further action is required to process the application.

(2) If an application described in paragraph (1) or (2) of subsection (a) is not processed within 90 days from the date of receipt of the application, then the Assistant Secretary for Political-Military Affairs of the Department of State shall—

(A) review the status of the application to determine if further action is required to process the application; and

(B) submit to the appropriate congressional committees a notification of the review conducted under subparagraph (A), including a description of the application, the reason for delay in processing the application, and a proposal for further action to process the application.

(3) For each calendar year, the Managing Director of the Directorate of Defense Trade Controls shall review not less than 2 percent of the total number of applications described in paragraphs (1) and (2) of subsection (a) to ensure that the processing of such applications, including decisions to approve, deny, or return without action, is consistent with both policy and regulatory requirements of the Department of State.

(c) UNITED STATES ALLIES.—Congress states that—

(1) it shall be the policy of the Directorate of Defense Trade Controls of the Department of State to ensure that, to the maximum extent practicable, the processing time for review of applications described in subsection (a)(1) to export items that are not subject to the requirements of section 36(b) or (c) of the Arms Export Control Act (22 U.S.C. 2776(b) or (c)) to United States allies in direct support of combat operations or peacekeeping or humanitarian operations with United States Armed Forces is not more than 7 days from the date of receipt of the application; and

(2) it shall be the goal, as appropriate, of the Directorate of Defense Trade Controls to ensure that, to the maximum extent practicable, the processing time for review of applications described in subsection (a)(1) to export items that are not subject to the requirements of section 36(b) or (c) of the Arms Export Control Act to government security agencies of United States NATO allies, Australia, New Zealand, Japan, South Korea, Israel, and, as appropriate, other major non-NATO allies for any purpose other than the purpose described in paragraph (1) is not more than 30 days from the date of receipt of the application.

(d) REPORT.—Not later than December 31, 2010, and December 31, 2011, the Secretary of State shall submit to the appropriate congressional committees a report that contains a detailed description of—

(1)(A) the average processing time for and number of applications described in subsection (a)(1) to—

(i) United States NATO allies, Australia, New Zealand, Japan, South Korea, and Israel;

(ii) other major non-NATO allies; and

(iii) all other countries; and

(B) to the extent practicable, the average processing time for and number of applications described in subsection (b)(1) by item category;

(2) the average processing time for and number of applications described in subsection (a)(2);

(3) the average processing time for and number of applications for agreements described in part 124 of title 22, Code of Federal Regulations (relating to the International Traffic in Arms Regulations);

(4) any management decisions of the Directorate of Defense Trade Controls of the Department of State that have been made in response to data contained in paragraphs (1) through (3); and

(5) any advances in technology that will allow the time-frames described in subsection (a)(1) to be substantially reduced.

(e) CONGRESSIONAL BRIEFINGS.—If, at the end of any month beginning after the date of the enactment of this Act, the total number of applications described in subsection (a)(1) that are unprocessed is more than 7 percent of the total number of such applications submitted in the preceding calendar year, then the Secretary of State, acting through the Under Secretary for Arms Control and International Security, the Assistant Secretary for Political-Military Affairs, or the Deputy Assistant Secretary for Defense Trade and Regional Security of the Department of State, as appropriate, shall brief the appropriate congressional committees on such matters and the corrective measures that the Directorate of Defense Trade Controls will take to comply with the requirements of subsection (a).

(f) TRANSPARENCY OF COMMODITY JURISDICTION DETERMINATIONS.—

(1) DECLARATION OF POLICY.—Congress declares that the complete confidentiality surrounding several hundred commodity jurisdiction determinations made each year by the Department of State pursuant to the International Traffic in Arms Regulations is not necessary to protect legitimate proprietary interests of persons or their prices and customers, is not in the best security and foreign policy interests of the United States, is inconsistent with the need to ensure a level playing field for United States exporters, and detracts from United States efforts to promote greater transparency and responsibility by other countries in their export control systems.

(2) PUBLICATION ON INTERNET WEBSITE.—The Secretary of State shall—

(A) upon making a commodity jurisdiction determination referred to in paragraph (1) publish on the Internet website of the Department of State not later than 30 days after the date of the determination—

(i) the name of the manufacturer of the item;

(ii) a brief general description of the item;

(iii) the model or part number of the item; and

(iv) the United States Munitions List designation under which the item has been designated, except that—

(I) the name of the person or business organization that sought the commodity jurisdiction determination shall not be published if the person or business organization is not the manufacturer of the item; and

(II) the names of the customers, the price of the item, and any proprietary information relating to the item indicated by the person or business organization that sought the commodity jurisdiction determination shall not be published; and

(B) maintain on the Internet website of the Department of State an archive, that is accessible to the general public and other departments and agencies of the United States,

of the information published under subparagraph (A).

(g) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to prohibit the President or Congress from undertaking a thorough review of the national security and foreign policy implications of a proposed export of items on the United States Munitions List.

SEC. 105. REQUIREMENT TO ENSURE ADEQUATE STAFF AND RESOURCES FOR DDTC OF THE DEPARTMENT OF STATE.

(a) **REQUIREMENT.**—The Secretary of State shall ensure that the Directorate of Defense Trade Controls of the Department of State has the necessary staff and resources to carry out this subtitle and the amendments made by this subtitle.

(b) **MINIMUM NUMBER OF LICENSING OFFICERS.**—For fiscal year 2010 and each subsequent fiscal year, the Secretary of State shall ensure that the Directorate of Defense Trade Controls has at least 1 licensing officer for every 1,250 applications for licenses and other authorizations to export items on the United States Munitions List by not later than the third quarter of such fiscal year, based on the number of licenses and other authorizations expected to be received during such fiscal year. The Secretary shall ensure that in meeting the requirement of this subsection, the performance of other functions of the Directorate of Defense Trade Controls is maintained and adequate staff is provided for those functions.

(c) **MINIMUM NUMBER OF STAFF FOR COMMODITY JURISDICTION DETERMINATIONS.**—For each of the fiscal years 2009 through 2011, the Secretary of State shall ensure that the Directorate of Defense Trade Controls has, to the extent practicable, not less than three individuals assigned to review applications for commodity jurisdiction determinations.

(d) **ENFORCEMENT RESOURCES.**—In accordance with section 127.4 of title 22, Code of Federal Regulations, U.S. Immigration and Customs Enforcement is authorized to investigate violations of the International Traffic in Arms Regulations on behalf of the Directorate of Defense Trade Controls of the Department of State. The Secretary of State shall ensure that the Directorate of Defense Trade Controls has adequate staffing for enforcement of the International Traffic in Arms Regulations.

SEC. 106. AUDIT BY INSPECTOR GENERAL OF THE DEPARTMENT OF STATE.

(a) **AUDIT.**—Not later than the end of each of the fiscal years 2010 and 2011, the Inspector General of the Department of State shall conduct an independent audit to determine the extent to which the Department of State is meeting the requirements of sections 104 and 105 of this Act.

(b) **REPORT.**—The Inspector General shall submit to the appropriate congressional committees a report that contains the result of each audit conducted under subsection (a).

SEC. 107. INCREASED FLEXIBILITY FOR USE OF DEFENSE TRADE CONTROLS REGISTRATION FEES.

(a) **IN GENERAL.**—Section 45 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2717) is amended—

(1) in the first sentence—

(A) by striking “For” and inserting “(a) IN GENERAL.—For”; and

(B) by striking “Office” and inserting “Directorate”;

(2) by amending the second sentence to read as follows:

“(b) **AVAILABILITY OF FEES.**—Fees credited to the account referred to in subsection (a) shall be available only for payment of expenses incurred for—

“(1) management,

“(2) licensing (in order to meet the requirements of section 105 of the Defense Trade

Controls Performance Improvement Act of 2008 (relating to adequate staff and resources of the Directorate of Defense Trade Controls)),

“(3) compliance,

“(4) policy activities, and

“(5) facilities,

of defense trade controls functions.”; and

(3) by adding at the end the following:

“(c) **ALLOCATION OF FEES.**—In allocating fees for payment of expenses described in subsection (b), the Secretary of State shall accord the highest priority to payment of expenses incurred for personnel and equipment of the Directorate of Defense Trade Controls, including payment of expenses incurred to meet the requirements of section 105 of the Defense Trade Controls Performance Improvement Act of 2008.”

(b) **CONFORMING AMENDMENT.**—Section 38(b)(3)(A) of the Arms Export Control Act (22 U.S.C. 2778(b)(3)(A)) is amended to read as follows:

“(3)(A) For each fiscal year, 100 percent of registration fees collected pursuant to paragraph (1) shall be credited to a Department of State account, to be available without fiscal year limitation. Fees credited to that account shall be available only for the payment of expenses incurred for—

“(i) management,

“(ii) licensing (in order to meet the requirements of section 105 of the Defense Trade Controls Performance Improvement Act of 2008 (relating to adequate staff and resources of the Directorate of Defense Trade Controls)),

“(iii) compliance,

“(iv) policy activities, and

“(v) facilities,

of defense trade controls functions.”

SEC. 108. REVIEW OF ITAR AND USML.

(a) **IN GENERAL.**—The Secretary of State, in coordination with the heads of other relevant departments and agencies of the United States Government, shall review, with the assistance of United States manufacturers and other interested parties described in section 111(2) of this Act, the International Traffic in Arms Regulations and the United States Munitions List to determine those technologies and goods that warrant different or additional controls.

(b) **CONDUCT OF REVIEW.**—In carrying out the review required under subsection (a), the Secretary of State shall review not less than 20 percent of the technologies and goods on the International Traffic in Arms Regulations and the United States Munitions List in each calendar year so that for the 5-year period beginning with calendar year 2009, and for each subsequent 5-year period, the International Traffic in Arms Regulations and the United States Munitions List will be reviewed in their entirety.

(c) **REPORT.**—The Secretary of State shall submit to the appropriate congressional committees and the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate an annual report on the results of the review carried out under this section.

SEC. 109. SPECIAL LICENSING AUTHORIZATION FOR CERTAIN EXPORTS TO NATO MEMBER STATES, AUSTRALIA, JAPAN, NEW ZEALAND, ISRAEL, AND SOUTH KOREA.

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

“(k) **SPECIAL LICENSING AUTHORIZATION FOR CERTAIN EXPORTS TO NATO MEMBER STATES, AUSTRALIA, JAPAN, NEW ZEALAND, ISRAEL, AND SOUTH KOREA.**—

“(1) **AUTHORIZATION.**—(A) The President may provide for special licensing authorization for exports of United States-manufactured spare and replacement parts or compo-

nents listed in an application for such special licensing authorization in connection with defense items previously exported to NATO member states, Australia, Japan, New Zealand, Israel, and South Korea. A special licensing authorization issued pursuant to this clause shall be effective for a period not to exceed 5 years.

“(B) An authorization may be issued under subparagraph (A) only if the applicable government of the country described in subparagraph (A), acting through the applicant for the authorization, certifies that—

“(i) the export of spare and replacement parts or components supports a defense item previously lawfully exported;

“(ii) the spare and replacement parts or components will be transferred to a defense agency of a country described in subparagraph (A) that is a previously approved end-user of the defense items and not to a distributor or a foreign consignee of such defense items;

“(iii) the spare and replacement parts or components will not be used to materially enhance, optimize, or otherwise modify or upgrade the capability of the defense items;

“(iv) the spare and replacement parts or components relate to a defense item that is owned, operated, and in the inventory of the armed forces a country described in subparagraph (A);

“(v) the export of spare and replacement parts or components will be effected using the freight forwarder designated by the purchasing country’s diplomatic mission as responsible for handling transfers under chapter 2 of this Act as required under regulations; and

“(vi) the spare and replacement parts or components to be exported under the special licensing authorization are specifically identified in the application.

“(C) An authorization may not be issued under subparagraph (A) for purposes of establishing offshore procurement arrangements or producing defense articles offshore.

“(D)(i) For purposes of this subsection, the term ‘United States-manufactured spare and replacement parts or components’ means spare and replacement parts or components—

“(I) with respect to which—

“(aa) United States-origin content costs constitute at least 85 percent of the total content costs;

“(bb) United States manufacturing costs constitute at least 85 percent of the total manufacturing costs; and

“(cc) foreign content, if any, is limited to content from countries eligible to receive exports of items on the United States Munitions List under the International Traffic in Arms Regulations (other than de minimis foreign content);

“(II) that were last substantially transformed in the United States; and

“(III) that are not—

“(aa) classified as significant military equipment; or

“(bb) listed on the Missile Technology Control Regime Annex.

“(ii) For purposes of clause (i)(I)(aa) and (bb), the costs of non-United States-origin content shall be determined using the final price or final cost associated with the non-United States-origin content.

“(2) **INAPPLICABILITY PROVISIONS.**—(A) The provisions of this subsection shall not apply with respect to re-exports or re-transfers of spare and replacement parts or components and related services of defense items described in paragraph (1).

“(B) The congressional notification requirements contained in section 36(c) of this Act shall not apply with respect to an authorization issued under paragraph (1).”

(b) EFFECTIVE DATE.—The President shall issue regulations to implement amendments made by subsection (a) not later than 180 days after the date of the enactment of this Act.

SEC. 110. AVAILABILITY OF INFORMATION ON THE STATUS OF LICENSE APPLICATIONS UNDER CHAPTER 3 OF THE ARMS EXPORT CONTROL ACT.

Chapter 3 of the Arms Export Control Act (22 U.S.C. 2771 et seq.) is amended by inserting after section 38 the following new section:

“SEC. 38A. AVAILABILITY OF INFORMATION ON THE STATUS OF LICENSE APPLICATIONS UNDER THIS CHAPTER.

“(a) AVAILABILITY OF INFORMATION.—Not later than one year after the date of the enactment of the Defense Trade Controls Performance Improvement Act of 2008, the President shall make available to persons who have pending license applications under this chapter and the committees of jurisdiction the ability to access electronically current information on the status of each license application required to be submitted under this chapter.

“(b) MATTERS TO BE INCLUDED.—The information referred to in subsection (a) shall be limited to the following:

“(1) The case number of the license application.

“(2) The date on which the license application is received by the Department of State and becomes an ‘open application’.

“(3) The date on which the Directorate of Defense Trade Controls makes a determination with respect to the license application or transmits it for interagency review, if required.

“(4) The date on which the interagency review process for the license application is completed, if such a review process is required.

“(5) The date on which the Department of State begins consultations with the congressional committees of jurisdiction with respect to the license application.

“(6) The date on which the license application is sent to the congressional committees of jurisdiction.”

SEC. 111. SENSE OF CONGRESS.

It is the sense of Congress that—

(1)(A) the advice provided to the Secretary of State by the Defense Trade Advisory Group (DTAG) supports the regulation of defense trade and helps ensure that United States national security and foreign policy interests continue to be protected and advanced while helping to reduce unnecessary impediments to legitimate exports in order to support the defense requirements of United States friends and allies; and

(B) therefore, the Secretary of State should share significant planned rules and policy shifts with DTAG for comment; and

(2) recognizing the constraints imposed on the Department of State by the nature of a voluntary organization such as DTAG, the Secretary of State is encouraged to ensure that members of DTAG are drawn from a representative cross-section of subject matter experts from the United States defense industry, relevant trade and labor associations, academic, and foundation personnel.

SEC. 112. DEFINITIONS.

In this subtitle:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

(2) INTERNATIONAL TRAFFIC IN ARMS REGULATIONS; ITAR.—The term “International Traffic in Arms Regulations” or “ITAR” means those regulations contained in parts

120 through 130 of title 22, Code of Federal Regulations (or successor regulations).

(3) MAJOR NON-NATO ALLY.—The term “major non-NATO ally” means a country that is designated in accordance with section 517 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321k) as a major non-NATO ally for purposes of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and the Arms Export Control Act (22 U.S.C. 2751 et seq.).

(4) MISSILE TECHNOLOGY CONTROL REGIME; MTCR.—The term “Missile Technology Control Regime” or “MTCR” has the meaning given the term in section 11B(c)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2401b(c)(2)).

(5) MISSILE TECHNOLOGY CONTROL REGIME ANNEX; MTCR ANNEX.—The term “Missile Technology Control Regime Annex” or “MTCR Annex” has the meaning given the term in section 11B(c)(4) of the Export Administration Act of 1979 (50 U.S.C. App. 2401b(c)(4)).

(6) OFFSETS.—The term “offsets” includes compensation practices required of purchase in either government-to-government or commercial sales of defense articles or defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.) and the International Traffic in Arms Regulations.

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

SEC. 113. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for fiscal year 2009 and each subsequent fiscal year to carry out this subtitle and the amendments made by this subtitle.

Subtitle B—Miscellaneous Provisions

SEC. 121. 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 appropriate congressional committees 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.

SEC. 122. EXPEDITING CONGRESSIONAL DEFENSE EXPORT REVIEW PERIOD FOR SOUTH KOREA AND 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)(2), 36(c)(2)(A), 36(d)(2)(A), 62(c)(1), and 63(a)(2) by inserting “the Republic of Korea, Israel,” before “or New Zealand”;

(2) in section 3(b)(2), by inserting “the Government of the Republic of Korea,” before “or the Government of New Zealand”;

(3) in section 21(h)(1)(A), by inserting “the Republic of Korea,” before “or Israel”.

SEC. 123. AVAILABILITY TO CONGRESS OF PRESIDENTIAL DIRECTIVES REGARDING UNITED STATES ARMS EXPORT POLICIES, PRACTICES, AND REGULATIONS.

(a) IN GENERAL.—The President shall make available to the appropriate congressional committees the text of each Presidential directive regarding United States export policies, practices, and regulations relating to the implementation of the Arms Export Control Act (22 U.S.C. 2751 et seq.) not later than 15 days after the date on which the directive has been signed or authorized by the President.

(b) TRANSITION PROVISION.—Any Presidential directive described in subsection (a) that is signed or authorized by the President

on or after January 1, 2008, and before the date of the enactment of this Act shall be made available to the appropriate congressional committees not later than 90 days after the date of the enactment of this Act.

(c) FORM.—To the maximum extent practicable, the Presidential directives required to be made available to the appropriate congressional committees under this section shall be made available on an unclassified basis.

SEC. 124. INCREASE IN CONGRESSIONAL NOTIFICATION THRESHOLDS AND EXPEDITING CONGRESSIONAL REVIEW FOR SOUTH KOREA AND ISRAEL.

(a) FOREIGN MILITARY SALES.—

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

(A) by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively; and

(B) by striking “The letter of offer shall not be issued” and all that follows through “enacts a joint resolution” and inserting the following:

“(2) The letter of offer shall not be issued—

“(A) with respect to a proposed sale of any defense articles or defense services under this Act for \$200,000,000 or more, any design and construction services for \$300,000,000 or more, or any major defense equipment for \$75,000,000 or more, to the North Atlantic Treaty Organization (NATO), any member country of NATO, Japan, Australia, the Republic of Korea, Israel, or New Zealand, if Congress, within 15 calendar days after receiving such certification, or

“(B) with respect to a proposed sale of any defense articles or services under this Act for \$100,000,000 or more, any design and construction services for \$200,000,000 or more, or any major defense equipment for \$50,000,000 or more, to any other country or organization, if Congress, within 30 calendar days after receiving such certification, enacts a joint resolution”.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(A) in subsection (b)—

(i) in paragraph (6)(C), as redesignated, by striking “Subject to paragraph (6), if” and inserting “If”; and

(ii) by striking paragraph (7), as redesignated; and

(B) in subsection (c)(4), by striking “subsection (b)(5)” each place it appears and inserting “subsection (b)(6)”.

(b) COMMERCIAL SALES.—Subsection (c) of such section is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by inserting after “for an export” the following: “of any major defense equipment sold under a contract in the amount of \$75,000,000 or more or of defense articles or defense services sold under a contract in the amount of \$200,000,000 or more, (or, in the case of a defense article that is a firearm controlled under category I of the United States Munitions List, \$1,000,000 or more)”;

and

(ii) by striking “Organization,” and inserting “Organization (NATO),” and by further striking “that Organization” and inserting “NATO”;

(B) in subparagraph (C), by inserting after “license” the following: “for an export of any major defense equipment sold under a contract in the amount of \$50,000,000 or more or of defense articles or defense services sold under a contract in the amount of \$100,000,000 or more, (or, in the case of a defense article that is a firearm controlled under category I of the United States Munitions List, \$1,000,000 or more)”;

(2) by striking paragraph (5).

SEC. 125. 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 such 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.—No later than one year after the date of the enactment of this Act, and annually thereafter for four years, the President shall transmit to the appropriate committees of Congress a report on United States diplomatic efforts described in subsection (a).

SEC. 126. 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. 127. 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:

“(1) REPORT.—

“(1) IN GENERAL.—The President shall transmit to the appropriate congressional committees 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.

“(3) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection, the term ‘appropriate congressional committees’ means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.”.

SEC. 128. REPORT ON SATELLITE EXPORT CONTROLS.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees and the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate a report regarding—

(1) the extent to which current United States export controls on satellites and related items under the Arms Export Control Act are successfully preventing the transfer of militarily-sensitive technologies to countries of concern, especially the People’s Republic of China;

(2) the extent to which comparable satellites and related items are available from foreign sources without comparable export controls; and

(3) whether the current export controls on satellites and related items should be altered and in what manner, including whether other incentives or disincentives should also be employed to discourage exports of satellites and related items to the People’s Republic of China by any country.

(b) DEFINITIONS.—In this section, the terms “satellite” and “related items” mean satellites and all specifically designed or modified systems or subsystems, components, parts, accessories, attachments, and associated equipment for satellites as covered under category XV of the International Traffic in Arms Regulations (as in effect on the date of the enactment of this Act).

SEC. 129. DEFINITION.

In this subtitle, the term “appropriate congressional committees” means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

TITLE II—SECURITY ASSISTANCE AND RELATED SUPPORT FOR ISRAEL

SEC. 201. ASSESSMENT OF ISRAEL’S QUALITATIVE MILITARY EDGE OVER MILITARY THREATS.

(a) ASSESSMENT REQUIRED.—The President shall carry out an empirical and qualitative assessment on an ongoing basis of the extent to which Israel possesses a qualitative military edge over military threats to Israel. The assessment required under this subsection shall be sufficiently robust so as to facilitate comparability of data over concurrent years.

(b) USE OF ASSESSMENT.—The President shall ensure that the assessment required under subsection (a) is used to inform the review by the United States of applications to sell defense articles and defense services under the Arms Export Control Act (22 U.S.C. 2751 et seq.) to countries in the Middle East.

(c) REPORTS.—

(1) INITIAL REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report on the initial assessment required under subsection (a).

(2) QUADRENNIAL REPORT.—Not later than four years after the date on which the President transmits the initial report under paragraph (1), and every four years thereafter, the President shall transmit to the appropriate congressional committees a report on the most recent assessment required under subsection (a).

(d) CERTIFICATION.—Section 36 of the Arms Export Control Act (22 U.S.C. 2776) is amended by adding at the end the following:

“(h) CERTIFICATION REQUIREMENT RELATING TO ISRAEL’S QUALITATIVE MILITARY EDGE.—

“(1) IN GENERAL.—Any certification relating to a proposed sale or export of defense articles or defense services under this section to any country in the Middle East other than Israel shall include a determination that the sale or export of the defense articles or defense services will not adversely affect Israel’s qualitative military edge over military threats to Israel.

“(2) DEFINITION.—In this subsection, the term ‘qualitative military edge’ has the meaning given the term in section 205 of the Security Assistance and Arms Export Control Reform Act of 2008.”.

SEC. 202. REPORT ON UNITED STATES’ COMMITMENTS TO THE SECURITY OF ISRAEL.

(a) INITIAL REPORT.—Not later than 30 days after the date of the enactment of this Act,

the President shall transmit to the appropriate congressional committees a report that contains—

(1) a complete, unedited, and unredacted copy of each assurance made by United States Government officials to officials of the Government of Israel regarding Israel’s security and maintenance of Israel’s qualitative military edge, as well as any other assurance regarding Israel’s security and maintenance of Israel’s qualitative military edge provided in conjunction with exports under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the period beginning on January 1, 1975, and ending on the date of the enactment of this Act; and

(2) an analysis of the extent to which, and by what means, each such assurance has been and is continuing to be fulfilled.

(b) SUBSEQUENT REPORTS.—

(1) NEW ASSURANCES AND REVISIONS.—The President shall transmit to the appropriate congressional committees a report that contains the information required under subsection (a) with respect to—

(A) each assurance described in subsection (a) made on or after the date of the enactment of this Act, or

(B) revisions to any assurance described in subsection (a) or subparagraph (A) of this paragraph,

within 15 days of the new assurance or revision being conveyed.

(2) 5-YEAR REPORTS.—Not later than 5 years after the date of the enactment of this Act, and every 5 years thereafter, the President shall transmit to the appropriate congressional committees a report that contains the information required under subsection (a) with respect to each assurance described in subsection (a) or paragraph (1)(A) of this subsection and revisions to any assurance described in subsection (a) or paragraph (1)(A) of this subsection during the preceding 5-year period.

(c) FORM.—Each report required by this section shall be transmitted in unclassified form, but may contain a classified annex, if necessary.

SEC. 203. WAR RESERVES STOCKPILE.

(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 “4” and inserting “6”.

(b) FOREIGN ASSISTANCE ACT OF 1961.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by striking “fiscal years 2007 and 2008” and inserting “fiscal years 2009 and 2010”.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on August 5, 2008.

SEC. 204. IMPLEMENTATION OF MEMORANDUM OF UNDERSTANDING WITH ISRAEL.

(a) IN GENERAL.—Of the amount made available for fiscal year 2009 for assistance under the program authorized by section 23 of the Arms Export Control Act (22 U.S.C. 2763) (commonly referred to as the “Foreign Military Financing Program”), the amount specified in subsection (b) is authorized to be made available on a grant basis for Israel.

(b) COMPUTATION OF AMOUNT.—The amount referred to in subsection (a) is the amount equal to—

(1) the amount specified under the heading “Foreign Military Financing Program” for Israel for fiscal year 2008; plus

(2) \$150,000,000.

(c) OTHER AUTHORITIES.—

(1) AVAILABILITY OF FUNDS FOR ADVANCED WEAPONS SYSTEMS.—To the extent the Government of Israel requests the United States to provide assistance for fiscal year 2009 for

the procurement of advanced weapons systems, amounts authorized to be made available for Israel under this section shall, as agreed to by Israel and the United States, be available for such purposes, of which not less than \$670,650,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development.

(2) **DISBURSEMENT OF FUNDS.**—Amounts authorized to be made available for Israel under this section shall be disbursed not later than 30 days after the date of the enactment of an Act making appropriations for the Department of State, foreign operations, and related programs for fiscal year 2009, or October 31, 2008, whichever occurs later.

SEC. 205. DEFINITIONS.

In this subtitle—

(1) the term “appropriate congressional committees” means the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate; and

(2) the term “qualitative military edge” means the ability to counter and defeat any credible conventional military threat from any individual state or possible coalition of states or from non-state actors, while sustaining minimal damages and casualties, through the use of superior military means, possessed in sufficient quantity, including weapons, command, control, communication, intelligence, surveillance, and reconnaissance capabilities that in their technical characteristics are superior in capability to those of such other individual or possible coalition of states or non-state actors.

TITLE III—WAIVER OF CERTAIN SANCTIONS TO FACILITATE DENUCLEARIZATION ACTIVITIES IN NORTH KOREA

SEC. 301. WAIVER AUTHORITY AND EXCEPTIONS.

(a) **WAIVER AUTHORITY.**—Except as provided in subsection (b), the President may waive, in whole or in part, the application of any sanction contained in subparagraph (A), (B), (D), or (G) of section 102(b)(2) of the Arms Export Control Act (22 U.S.C. 2799aa-1(b)(2)) with respect to North Korea in order to provide material, direct, and necessary assistance for disablement, dismantlement, verification, and physical removal activities in the implementation of the commitment of North Korea, undertaken in the Joint Statement of September 19, 2005, “to abandoning all nuclear weapons and existing nuclear programs” as part of the verifiable denuclearization of the Korean Peninsula.

(b) **EXCEPTIONS.**—The waiver authority under subsection (a) may not be exercised with respect to the following:

(1) Any export of lethal defense articles that would be prevented by the application of section 102(b)(2)(B) of the Arms Export Control Act.

(2) Any sanction relating to credit or credit guarantees contained in section 102(b)(2)(D) of the Arms Export Control Act.

SEC. 302. CERTIFICATION REGARDING WAIVER OF CERTAIN SANCTIONS.

Assistance described in subparagraph (B) or (G) of section 102(b)(2) of the Arms Export Control Act (22 U.S.C. 2799aa-1(b)(2)) may be provided with respect to North Korea by reason of the exercise of the waiver authority under section 301 only if the President first determines and certifies to the appropriate congressional committees that—

(1) all necessary steps will be taken to ensure that the assistance will not be used to improve the military capabilities of the armed forces of North Korea; and

(2) the exercise of the waiver authority is in the national security interests of the United States.

SEC. 303. CONGRESSIONAL NOTIFICATION AND REPORT.

(a) **NOTIFICATION.**—The President shall notify the appropriate congressional committees in writing not later than 15 days before exercising the waiver authority under section 301.

(b) **REPORT.**—Not later than 60 days after the date of the enactment of this Act, and annually thereafter for such time during which the exercise of the waiver authority under section 301 remains in effect, the President shall transmit to the appropriate congressional committees a report that—

(1) describes in detail the progress that is being made in the implementation of the commitment of North Korea described in section 301, including all United States and international activities to verify compliance with such commitment;

(2) describes in detail any failures, shortcomings, or obstruction by North Korea with respect to the implementation of the commitment of North Korea described in section 301;

(3) describes in detail the progress or lack thereof in the preceding 12-month period of all other programs promoting the elimination of North Korea’s capability to develop, deploy, transfer, or maintain weapons of mass destruction or their delivery systems;

(4) describes in detail all United States assistance, regardless of the source, provided to North Korea by reason of the exercise of the waiver authority under section 301 and any assistance provided under any other authority if such assistance is provided for the same or similar purposes; and

(5) beginning with the second report required by this subsection, a justification for the continuation of the waiver exercised under section 301 and, if applicable, section 302, for the fiscal year in which the report is submitted.

SEC. 304. TERMINATION OF WAIVER AUTHORITY.

Any waiver in effect by reason of the exercise of the waiver authority under section 301 shall terminate if the President determines that North Korea—

(1)(A) on or after September 19, 2005, transferred to a non-nuclear-weapon state, or received, a nuclear explosive device; or

(B) on or after October 10, 2006, detonated a nuclear explosive device; or

(2) on or after September 19, 2005—

(A) transferred to a non-nuclear-weapon state any design information or component which is determined by the President to be important to, and known by North Korea to be intended by the recipient state for use in, the development or manufacture of any nuclear explosive device, or

(B) sought and received any design information or component which is determined by the President to be important to, and intended by North Korea for use in, the development or manufacture of any nuclear explosive device,

unless the President determines and certifies to the appropriate congressional committees that such waiver is vital to the national security interests of the United States.

SEC. 305. EXPIRATION OF WAIVER AUTHORITY.

Any waiver in effect by reason of the exercise of the waiver authority under section 301 shall terminate on the date that is 4 years after the date of the enactment of this Act. The waiver authority under section 301 may not be exercised beginning on the date that is 3 years after the date of the enactment of this Act.

SEC. 306. CONTINUATION OF RESTRICTIONS AGAINST THE GOVERNMENT OF NORTH KOREA.

(a) **IN GENERAL.**—Except as provided in section 301(a), restrictions against the Govern-

ment of North Korea that were imposed by reason of a determination of the Secretary of State that North Korea is a state sponsor of terrorism shall remain in effect, and shall not be lifted pursuant to the provisions of law under which the determination was made, unless the President certifies to the appropriate congressional committees that—

(1) the Government of North Korea is no longer engaged in the transfer of technology related to the acquisition or development of nuclear weapons, particularly to the Governments of Iran, Syria, or any other country that is a state sponsor of terrorism;

(2) in accordance with the Six-Party Talks Agreement of February 13, 2007, the Government of North Korea has “provided a complete and correct declaration of all its nuclear programs,” and there are measures to effectively verify this declaration by the United States which, “[a]t the request of the other Parties,” is leading “disablement activities” and “provid[ing] the funding for those activities”; and

(3) the Government of North Korea has agreed to the participation of the International Atomic Energy Agency in the monitoring and verification of the shutdown and sealing of the Yongbyon nuclear facility.

(b) **STATE SPONSOR OF TERRORISM DEFINED.**—In this section, the term “state sponsor of terrorism” means a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act), section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act of 1961, or any other provision of law, is a government that has repeatedly provided support for acts of international terrorism.

SEC. 307. REPORT ON VERIFICATION MEASURES RELATING TO NORTH KOREA’S NUCLEAR PROGRAMS.

(a) **IN GENERAL.**—Not later than 15 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees a report on verification measures relating to North Korea’s nuclear programs under the Six-Party Talks Agreement of February 13, 2007, with specific focus on how such verification measures are defined under the Six-Party Talks Agreement and understood by the United States Government.

(b) **MATTERS TO BE INCLUDED.**—The report required under subsection (a) shall include, among other elements, a detailed description of—

(1) the methods to be utilized to confirm that North Korea has “provided a complete and correct declaration of all of its nuclear programs”;

(2) the specific actions to be taken in North Korea and elsewhere to ensure a high and ongoing level of confidence that North Korea has fully met the terms of the Six-Party Talks Agreement relating to its nuclear programs;

(3) any formal or informal agreement with North Korea regarding verification measures relating to North Korea’s nuclear programs under the Six-Party Talks Agreement; and

(4) any disagreement expressed by North Korea regarding verification measures relating to North Korea’s nuclear programs under the Six-Party Talks Agreement.

(c) **FORM.**—The report required under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

SEC. 308. DEFINITIONS.

In this title—

(1) the term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs, the Committee on Appropriations, and the Committee on Armed Services of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Appropriations, the Committee on Armed Services of the Senate;

(2) the terms “non-nuclear-weapon state”, “design information”, and “component” have the meanings given such terms in section 102 of the Arms Export Control Act (22 U.S.C. 2799aa-1); and

(3) the term “Six-Party Talks Agreement of February 13, 2007” or “Six-Party Talks Agreement” means the action plan released on February 13, 2007, of the Third Session of the Fifth Round of the Six-Party Talks held in Beijing among the People’s Republic of China, the Democratic People’s Republic of Korea (North Korea), Japan, the Republic of Korea (South Korea), the Russian Federation, and the United States relating to the denuclearization of the Korean Peninsula, normalization of relations between the North Korea and the United States, normalization of relations between North Korea and Japan, economy and energy cooperation, and matters relating to the Northeast Asia Peace and Security Mechanism.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. AUTHORITY TO BUILD THE CAPACITY OF FOREIGN MILITARY FORCES.

(a) **AUTHORITY.**—The Secretary of State is authorized to conduct a program to respond to contingencies in foreign countries or regions by providing training, procurement, and capacity-building of a foreign country’s national military forces and dedicated counter-terrorism forces in order for that country to—

(1) conduct counterterrorist operations; or
(2) participate in or support military and stability operations in which the United States is a participant.

(b) **TYPES OF CAPACITY-BUILDING.**—The program authorized under subsection (a) may include the provision of equipment, supplies, and training.

(c) LIMITATIONS.—

(1) **ANNUAL FUNDING LIMITATION.**—The Secretary of State may use up to \$25,000,000 of funds available under the Foreign Military Financing program for each of the fiscal years 2009 and 2010 to conduct the program authorized under subsection (a).

(2) **ASSISTANCE OTHERWISE PROHIBITED BY LAW.**—The Secretary of State may not use the authority in subsection (a) to provide any type of assistance described in subsection (b) that is otherwise prohibited by any provision of law.

(3) **LIMITATION ON ELIGIBLE COUNTRIES.**—The Secretary of State may not use the authority in subsection (a) to provide assistance described in subsection (b) to any foreign country that is otherwise prohibited from receiving such type of assistance under any other provision of law.

(d) **FORMULATION AND EXECUTION OF ACTIVITIES.**—The Secretary of State shall consult with the head of any other appropriate department or agency in the formulation and execution of the program authorized under subsection (a).

(e) CONGRESSIONAL NOTIFICATION.—

(1) **ACTIVITIES IN A COUNTRY.**—Not less than 15 days before obligating funds for activities in any country under the program authorized under subsection (a), the Secretary of State shall submit to the congressional committees specified in paragraph (3) a notice of the following:

(A) The country whose capacity to engage in activities in subsection (a) will be assisted.

(B) The budget, implementation timeline with milestones, and completion date for completing the activities.

(2) **SPECIFIED CONGRESSIONAL COMMITTEES.**—The congressional committees specified in the following:

(A) The Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives.

(B) The Committee on Foreign Relations and the Committee on Appropriations of the Senate.

SEC. 402. MAINTENANCE OF EUROPEAN UNION ARMS EMBARGO AGAINST CHINA.

(a) **FINDINGS.**—Congress makes the following findings:

(1) Congress has previously expressed its strong concerns in House Resolution 57 of February 2, 2005, and Senate Resolution 91 of March 17, 2005, with the transfer of armaments and related technology to the People’s Republic of China by member states of the European Union, which increased eightfold from 2001 to 2003, and with plans to terminate in the near future the arms embargo they imposed in 1989 following the Tiananmen Square massacre.

(2) The deferral of a decision by the European Council to terminate its arms embargo following adoption of the resolutions specified in paragraph (1), the visit by the President of the United States to Europe, and growing concern among countries in the regions and the general public on both sides of the Atlantic, was welcomed by the Congress.

(3) The decision by the European Parliament on April 14, 2005, by a vote of 421 to 85, to oppose the lifting of the European Union’s arms embargo on the People’s Republic of China, and resolutions issued by a number of elected parliamentary bodies in Europe also opposing the lifting of the arms embargo, was also welcomed by the Congress as a reassurance that its European friends and allies understood the gravity of prematurely lifting the embargo.

(4) The onset of a strategic dialogue between the European Commission and the Government of the United States on the security situation in East Asia holds out the hope that a greater understanding will emerge of the consequences of European assistance to the military buildup of the People’s Republic of China for peace and stability in that region, to the security interests of the United States and its friends and allies in the region, and, in particular, to the safety of United States Armed Forces whose presence in the region has been a decisive factor in ensuring peace and prosperity since the end of World War II.

(5) A more intensive dialogue with Europe on this matter will clarify for United States’ friends and allies in Europe how their “non-lethal” arms transfers improve the force projection of the People’s Republic of China, are far from benign, and enhance the prospects for the threat or use of force in resolving the status of Taiwan.

(6) This dialogue may result in an important new consensus between the United States and its European partners on the need for coordinated policies that encourage the development of democracy in the People’s Republic of China and which discourage, not assist, China’s unjustified military buildup and pursuit of weapons that threaten its neighbors.

(7) However, the statement by the President of France in Beijing in November 2007 that the European Union arms embargo should be lifted is troubling, especially since France will assume the six-month presidency of the European Union in July 2008.

(8) There continues to be wide-spread concerns regarding the lack of any significant progress by the Government of the People’s Republic of China in respecting the civil and political rights of the Chinese people.

(b) **STATEMENT OF POLICY.**—It shall be the policy of the United States Government to oppose any diminution or termination of the arms embargo that was established by the Declaration of the European Council of June

26, 1989, and to take whatever diplomatic and other measures that are appropriate to convince the Member States of the European Union, individually and collectively, to continue to observe this embargo in principle and in practice. Appropriate measures should include prohibitions on entering into defense procurement contracts or defense-related research and development arrangements with European Union Member States that do not observe such an embargo in practice.

(c) **REPORT.**—Not later than 180 days after the date of the enactment of this Act, and every six months thereafter until December 31, 2010, the President shall transmit to the Committee on Foreign Affairs and Committee on Armed Services of the House of Representatives and the Committee on Foreign Relations and the Committee on Armed Services of the Senate a report on all efforts and activities of the United States Government to ensure the success of the policy declared in subsection (b).

SEC. 403. REIMBURSEMENT OF SALARIES OF MEMBERS OF THE RESERVE COMPONENTS IN SUPPORT OF SECURITY COOPERATION MISSIONS.

Section 632(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2392(d)) is amended—

(1) by striking “(d) Except as otherwise provided” and inserting “(d)(1) Except as otherwise provided”; and

(2) by adding at the end the following:

“(2) Notwithstanding provisions concerning the exclusion of the costs of salaries of members of the Armed Forces in section 503(a) of this Act and paragraph (1) of this subsection, the full cost of salaries of members of the reserve components of the Armed Forces (specified in section 10101 of title 10, United States Code) may, during each of fiscal years 2009 and 2010, be included in calculating pricing or value for reimbursement charged under section 503(a) of this Act and paragraph (1) of this subsection, respectively.”

SEC. 404. FOREIGN MILITARY SALES STOCKPILE FUND.

(a) **IN GENERAL.**—Subsection (a) of section 51 of the Arms Export Control Act (22 U.S.C. 2795) is amended—

(1) in paragraph (1), by striking “Special Defense Acquisition Fund” and inserting “Foreign Military Sales Stockpile Fund”; and

(2) in paragraph (4), by inserting “building the capacity of recipient countries and” before “narcotics control purposes”.

(b) **CONTENTS OF FUND.**—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking “and” at the end;

(2) in paragraph (3), by inserting “and” at the end; and

(3) by inserting after paragraph (3) the following:

“(4) collections from leases made pursuant to section 61 of this Act.”

(c) **CONFORMING AMENDMENTS.**—(1) The heading of such section is amended by striking “SPECIAL DEFENSE ACQUISITION FUND” and inserting “FOREIGN MILITARY SALES STOCKPILE FUND”.

(2) The heading of chapter 5 of the Arms Export Control Act is amended by striking “SPECIAL DEFENSE ACQUISITION FUND” and inserting “FOREIGN MILITARY SALES STOCKPILE FUND”.

SEC. 405. SENSE OF CONGRESS.

It is the sense of Congress that the United States should not provide security assistance or arms exports to nations contributing to massive, widespread, and systematic violations of human rights or acts of genocide, particularly with respect to Darfur, Sudan.

**TITLE V—AUTHORITY TO TRANSFER
NAVAL VESSELS**

SEC. 501. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN RECIPIENTS.

(a) TRANSFERS BY GRANT.—The President is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), as follows:

(1) PAKISTAN.—To the Government of Pakistan, the OLIVER HAZARD PERRY class guided missile frigate MCINERNEY (FFG-8).

(2) GREECE.—To the Government of Greece, the OSPREY class minehunter coastal ships OSPREY (MHC-51) and ROBIN (MHC-54).

(3) CHILE.—To the Government of Chile, the KAISER class oiler ANDREW J. HIGGINS (AO-190).

(4) PERU.—To the Government of Peru, the NEWPORT class amphibious tank landing ships FRESNO (LST-1182) and RACINE (LST-1191).

(b) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to a recipient 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 516(g) of the Foreign Assistance Act of 1961.

(c) 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.

(d) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—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 shipyard.

(e) 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.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. BERMAN) and the gentlewoman from Florida (Ms. ROSLEHTINEN) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. BERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BERMAN. Mr. Speaker, I rise in strong support of this bill and yield myself as much time as I may consume.

Mr. Speaker, the United States has a wide variety of foreign policy tools to promote the national security of the United States. While these tools are often referred to as “soft power,” they represent such diverse mechanisms as enhancing ties with friendly countries, ensuring that U.S. exports are regarded positively by prospective customers,

ensuring that our policies reflect our values, and using U.S. assistance to stem the wave of proliferation of weapons of mass destruction that threaten our very homeland.

The bipartisan legislation before the House today, cosponsored by the distinguished ranking member of the Committee on Foreign Affairs, represents a new and important initiative to accomplish all these missions.

Title I of H.R. 5916 reforms the Arms Export Control process, based on proposals made by Mr. SHERMAN and Mr. MANZULLO as introduced in H.R. 4246, the Defense Trade Controls Performance Improvement Act of 2007 to create consistency in our export policy. It also provides for a strategic review of U.S. export control policies to help ensure they promote the protection of human rights.

It also amends the Arms Export Control Act to ensure that our close allies, South Korea and Israel, get the same expedited licensing review that our NATO allies, Australia, New Zealand and Japan currently enjoy. In this regard, the bill partially draws from H.R. 5443, the United States-Republic of Korea Cooperation Act of 2008, which was introduced by our colleagues, Mr. ROYCE and Mrs. TAUSCHER of California.

In addition, in order to address recent major sales of defense articles and services to countries in the Middle East, the bill insures that Israel will maintain its qualitative military edge against whatever security threats it may face, codifying this important principle into law for the first time. It also authorizes the security assistance to Israel, including implementing the recent U.S.-Israel Memorandum of Understanding Regarding Security Assistance.

It's only fitting that as Israel commemorates the 60th anniversary of its founding, the United States renews and strengthens its relationship with our most important friend in the region. Israel is a democratic island of stability in a sea of chaos, chaos which we continue to see just this week this neighboring Lebanon. It deserves all the support we can muster.

Finally, title III of this legislation provides for a limited waiver of current sanctions to support and accelerate U.S. efforts to eliminate North Korea's nuclear program. The waiver would apply to portions of what is commonly called the Glenn Amendment.

Glenn Amendment sanctions keep the Department of Energy from funding its own ongoing work on disabling and dismantling North Korea's nuclear program, including removing plutonium in the next phase of this process, as well as verifying that Pyongyang is living up to its commitments.

Until now, a flexible but limited fund at the Department of State has paid for this work. Continued exclusive use of this State Department mechanism will undermine the ability of the United States to urgently respond to unex-

pected opportunities to stop the proliferation of nuclear weapons elsewhere in the world.

Title III of our bill allows for more rational funding and planning of these activities without giving the administration a blank check. It provides a narrow, carefully tailored authority. It also requires the administration to document for Congress each year the need for keeping this authority in place.

Title III also includes a provision authored by ranking member ILEANA ROSLEHTINEN that reinforces U.S. policy regarding removing North Korea from the State Department's list of countries supporting terrorism.

□ 1745

The conditions laid out in that provision include certification that North Korea no longer is engaged in transferring to other countries any technology that enables the development or acquisition of nuclear weapons. The provision also underscores the importance of keeping the agreement laid out in the Six-Party talks, and it states that North Korea must agree to allow participation of the International Atomic Energy Agency in ensuring that the Yongbyon nuclear reactor is shut down and stays that way.

I pledge to this House that the Committee on Foreign Affairs will continue to keep a close eye on the implementation of the Six-Party Denuclearization Agreement. It is entirely possible that North Korea's own actions may sour the deal. However, in the interest of U.S. and global security, we need to forge ahead and accomplish what we can now.

Mr. Speaker, this is a good bill. I urge all of my colleagues in joining me in supporting this important legislation.

COMMITTEE ON ARMED SERVICES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 12, 2008.

Hon. HOWARD L. BERMAN,
Chairman, Committee on Foreign Affairs, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I write to confirm our mutual understanding regarding H.R. 5916, “To reform the administration of the Arms Export Control Act, and for other purposes.” This legislation contains subject matter within the jurisdiction of the House Committee on Armed Services.

Our Committee recognizes the importance of H.R. 5916 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over this legislation, the Committee on Armed Services will waive further consideration of H.R. 5916. I do so with the understanding that by waiving further consideration of the bill, the Committee does not waive any future jurisdictional claims over similar measures. In the event of a conference with the Senate on this bill, the Committee on Armed Services reserves the right to seek the appointment of conferees.

I would appreciate the inclusion of this letter and a copy of the response in your Committee's report on H.R. 5916 and in the Congressional Record during consideration of the measure on the House floor.

Very truly yours,

IKE SKELTON,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 12, 2008.

Hon. IKE SKELTON,
Chairman, Committee on Armed Services, Rayburn House Office Bldg., Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding H.R. 5916, the Security Assistance and Arms Export Control Reform Act of 2008.

I appreciate your willingness to work cooperatively on this legislation. I recognize that the bill contains provisions that fall within the jurisdiction of the Committee on Armed Services. I agree that the inaction of your Committee with respect to the bill does not in any way prejudice the Armed Services Committee's jurisdictional interests and prerogatives regarding this bill or similar legislation.

Further, as to any House-Senate conference on the bill, I understand that your Committee reserves the right to seek the appointment of conferees for consideration of portions of the bill that are within the Committee's jurisdiction.

I will ensure that our exchange of letters is included in my Committee's report on the bill and in the Congressional Record during consideration on the House floor. I look forward to working with you on this important legislation. If you wish to discuss this matter further, please contact me or have your staff contact my staff.

Cordially,

HOWARD L. BERMAN,
Chairman.

I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

I also rise in strong support of H.R. 5916, the Security Assistance and Arms Export Control Reform Act of 2008. Among this legislation's provisions is language I offered which was incorporated into the original text regarding North Korea's nuclear programs and the ongoing Six-Party talks.

We have heard in recent days about North Korea's hand-over of 18,000 pages of so-called logs concerning its plutonium extraction activity at the Yongbyon nuclear reactor. However, let's not be fooled yet again by North Korea or by those seeking an agreement with this regime at any and all costs.

These logs, according to many regional and nonproliferation experts, do not mark any substantive progress towards nuclear disarmament. For starters, the reporting is limited to North Korea's plutonium-based nuclear facilities and not the totality of its nuclear weapons program as called for under the February 2007 Six-Party agreement whereby North Korea commits to completely disarming itself in exchange for certain concessions from the West.

To address these important issues, the language I drafted, which was incorporated into title III of the bill before us, clarifies and reinforces the

conditions that North Korea must meet before it can be removed from the list of state sponsors of terrorism and before related sanctions can be removed. No new conditions have been added. However, this bill does specify that North Korea must take verifiable actions regarding all of its nuclear activities before such an important concession is granted to this duplicitous regime.

These requirements, Mr. Speaker, include ceasing to provide nuclear assistance to countries such as Syria and Iran, providing a complete and correct declaration of all of its nuclear programs, and in addition to U.S. verification, agreeing to the participation of the International Atomic Energy Agency in monitoring and verifying the shutdown and sealing of the nuclear facility at Yongbyon.

Given North Korea's abysmal record in keeping its promises, verification of its declarations and actions is of central importance to any agreement. For that reason, this bill also contains language in title III that requires the State Department to submit a report to the committee describing the methods and actions that the U.S. will use to verify North Korea's declarations regarding its nuclear facilities, describing all formal and informal agreements regarding verification, and documenting any objections regarding these measures that have been expressed by North Korea.

This bill also strengthens U.S. national security interests and assistance to our strong ally, Israel. It requires the administration to perform an ongoing assessment of Israel's qualitative military edge and authorizes an increase in U.S. Foreign Military Financing that is consistent with the August 2007 U.S.-Israel memorandum on military assistance.

These provisions are of vital importance because, as we all know, Israel is surrounded by a multitude of threats which threatens its very survival. Radical Islamic jihadists in Gaza are continuing to launch large numbers of powerful, accurate, and deadly rockets at Israel civilians and have smuggled weapons, cash, and armed militants from Egypt through underground tunnels. Palestinian extremists continue to carry out attacks inside Israel itself, including the murder of eight people at a yeshiva in Jerusalem this past March, which included one American.

In the aftermath of the summer 2006 war launched by Hezbollah against Israel, this Islamic militant group continues its reign of terror made possible by aid from Iran and Syria, both sworn enemies of Israel, both state sponsors of terrorism, both seeking a nuclear capability, and both receiving support from the regime in North Korea.

According to a Congressional Research Service report finalized just last week and prepared at my request, North Korea's relationship with the Iranian Revolutionary Guard, an entity involved in proliferation activities

and in supporting Islamic extremists, appears to be in two areas: One, coordination and support of Hezbollah; and two, cooperation in ballistic missile development.

And turning to Syria, Mr. Speaker, CIA Director Michael Hayden was recently quoted as saying that the nuclear reactor the Syrian regime was building with assistance from North Korea could have produced enough plutonium for one or two nuclear weapons within 1 year of beginning operations.

Then there is the growing menace from Iran's radical Islamist regime. Defense Secretary Robert Gates recently reminded us that Iran "is hell-bent on acquiring nuclear weapons." As it aggressively pursues the nuclear option, the regime in Tehran still continues to call for Israel to be wiped off the map.

Thus, the provisions in this bill enhancing our relationship with Israel are critical to Israel's security and to our own vital interests in the region. This bill also advances U.S. national security and economic competitiveness by including language derived from legislation introduced by Mr. SHERMAN of California and Mr. MANZULLO promoting long-overdue reforms in the licensing of defense exports by the State Department. It also significantly strengthens congressional oversight over a range of issues requiring the Executive Branch to fully consult with our committee before undertaking any actions covered by this legislation.

Lastly, drawing upon an initiative led by Mr. ROYCE of California and strongly supported by Secretary of State Rice, it upgrades the foreign military sales, FMS, status of our staunch ally, the Republic of Korea. The bill also appropriately affords the same status to our close defense relationship with Israel.

Mr. Speaker, this bill is a strong, bipartisan effort unanimously adopted by our Committee on Foreign Affairs. It is the appropriate vehicle to address the significant policy changes on North Korea that the administration is requesting. It is my hope and expectation that we allow the legislative process to take its appropriate course and that we will not seek to circumvent the authority of the Committee on Foreign Affairs or to undermine this bill by attaching broad waiver language regarding North Korea to either the pending supplemental appropriations bill or the national defense authorization bill.

I urge my colleagues to support this carefully crafted, much needed, and bipartisan legislation.

I reserve the balance of our time.

Mr. BERMAN. Mr. Speaker, I am pleased to yield 6 minutes to the gentleman from California, the chairman of the Subcommittee on Terrorism, Nonproliferation, and Trade, Mr. SHERMAN of California.

Mr. SHERMAN. I thank the gentleman from California.

Mr. Speaker, this legislation includes the text of H.R. 4246, the Defense Trade

Controls Improvement Act of 2008, which was introduced by myself and Mr. MANZULLO, and it is Title I, subtitle A of this bill.

This subtitle grew out of hearings in our subcommittee, the Subcommittee on Terrorism Nonproliferation and Trade, which were held last July. I want to thank Chairman BERMAN for including the revised text of H.R. 4246 into this larger piece of legislation. I want to thank Mr. MANZULLO for his efforts in crafting our original legislation, and I want to thank Mr. ED ROYCE, ranking member of the Subcommittee on Terrorism Nonproliferation and Trade, for his work as well.

The Defense Trade Controls Improvement Act, which is part of this larger legislation, seeks to address past performance failings and, most importantly, understaffing of the Directorate of Defense Trade Controls, the State Department agency responsible for adjudicating licenses for commercial arms sales. This agency was found to have more than 10,000 open cases at the end of 2006. Only an unsustainable winter offensive where leaves were canceled and overtime was made mandatory and people were moved in from other areas allowed this agency to reduce this huge backlog. Licenses had languished for months, not because they raised significant national security or foreign policy concerns in most cases, but because they simply sat in someone's in box unattended.

Why has the State Department consistently underfunded and understaffed the Directorate of Defense Trade Controls? I believe that there is simply an institutional bias in the State Department toward work that is more high-brow, more likely to be the subject of a seminar at the Woodrow Wilson's School of Diplomacy. But this work, the work of licensing munitions exports, is of critical importance; arguably there is nothing more important done by the State Department. And Congress provides typically over \$1 billion to the relevant account which can be used by the State Department for a whole variety of staffing, yet they have consistently understaffed this very important function.

What the bill will do is basically add a couple of dozen licensing officers and avoid this tendency of the State Department to understaff the portion of the State Department which licenses munitions exports.

Why is this licensing process so important? Well, if we say "yes" and issue a license and make the wrong decision, the harm is obvious. We have sent the wrong technology to the wrong country which may hurt our military or the military of our allies in the future. But there is also enormous harm if we unduly delay or wrongfully deny an application. It means we lose jobs in the United States; it means our interoperability with our allies is diminished because they won't have American munitions and therefore, won't be able to operate as effectively

with our military as they could; it can rupture or hurt our relationship with allies if we wrongfully do not export or unduly delay their request to purchase American munitions, and perhaps most importantly, when we don't act quickly and people in other countries buy their munitions elsewhere, we are building the munitions industry of other countries.

And what is the effect of that? More lost jobs for the United States, more losses on interoperability, and most of all, an undercutting of our policy objectives because once those munitions industries are well established in other countries, they will not be subject to any U.S.-State Department oversight and they may export to third countries things that we would not.

So right now the relevant State Department agency has roughly 40 licensing officers available to adjudicate 85,000 cases expected to be received this year. This bill will beef up the staffing by the third quarter of fiscal year 2010 so that there will be one licensing officer for every 1,250 applications that are based on what we anticipate to be the workload that year.

□ 1800

That is to say, we will go from roughly 40 licensing officers to roughly 68 licensing officers. This is hardly overstaffing.

The Department of Commerce performs a similar function with regard, not to munitions, but rather, dual-use exports. The relevant part of the Department of Commerce deals with one-third as many applications that has five times the staffing. Clearly, we need those 68 licensing officers at the State Department.

This bill also requires a complete strategic review of our arms export control system, a policy review that has not occurred since 9/11.

The bill codifies the administration directives with respect to processing times for licenses with respect to export of hardware to our allies. Our exporters will have reasonable assurance that licenses will be adjudicated, not necessarily approved, but adjudicated within 60 days unless there are extenuating circumstances.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. BERMAN. Mr. Speaker, I extend an additional minute to the gentleman from California.

Mr. SHERMAN. This bill does not include any provisions clarifying the jurisdiction over civilian aircraft parts since the State Department has issued a proposed rule, designed to provide a bright line for those decisions.

Finally, I would like to note that improvement in the operations of the State Department office have already occurred, in part in response to the hearings we held in July of 2007.

I hope this bill will further improve our licensing process. It is not for us to tell the State Department that they need to have one licensing officer for

every 1,250 applications is not being overly assertive. When we provide over \$1 billion to the relevant account, we ought to provide some guidance as to how that money should be spent.

I thank the gentleman for including our provisions in the larger bill.

Mr. ROYCE. Mr. Speaker, I yield myself such time as I might consume.

This measure before us addresses a number of objectives, I think all of them related to security assistance, and one of those is reform of the State Department's export control office. I think all of us know that it's been far too long that this office has been antiquated. It's been incapable of functioning well in a world of rapidly evolving technology, and what we need to do is a better job facilitating exports by focusing on those items that pose a true risk to our national security. This measure attempts to do that. It prevents those exports, while allowing U.S.-made exports to markets overseas.

I'd also like to thank Chairman BERMAN for including the key elements of H.R. 5443, which is the United States-Republic of Korea Defense Cooperation Improvement Act, in this underlying legislation. And this bill, which was authored by myself and Representative TAUSCHER, upgrades South Korea's military procurement status. It streamlines defense sales to South Korea. It puts Seoul basically on the same plane as members of NATO and Australia and New Zealand and Japan, and thus, it improves our defense cooperation. I think it's interesting that our top commander in Korea called it "bizarre and strange" to use his words that South Korea doesn't already enjoy this status.

Mr. Speaker, the U.S.-South Korean alliance I think is quite distinct. With a Mutual Defense Treaty that dates back to 1953, Korea and the U.S. form the most integrated alliance I think of interoperable forces. On the Korean Peninsula, interoperability by the way is not just a buzz word for the military forces there. It's a real life practice, and passage of this legislation would help cement that interoperability.

I'd also like to recognize the ranking member of the committee, Ms. ROSLEHTINEN, for the inclusion in this bill of important language regarding North Korea and its nuclear program. The language in the underlying bill smoothes the way for dismantlement activities in North Korea, but it makes it clear that Congress expects a complete declaration on North Korean activities. This includes not just its plutonium program but its uranium program as well and proliferation business as well as the uranium. The intelligence community assesses that this activity, by the way, continues to this day, and indeed, North Korea is helping to fuel an arms race in the Middle East.

So this bill includes important language on verification, which despite the rhetoric has not been taken seriously by the administration to date.

I reserve the balance of my time.

Mr. BERMAN. Mr. Speaker, I reserve the balance of my time.

Mr. ROYCE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. MANZULLO), the ranking member of the Subcommittee on Asia, the Pacific and Global Environment.

Mr. MANZULLO. Mr. Speaker, we have a unique opportunity today to improve national security, support our foreign policy interests, and help American manufacturers.

H.R. 5916 is a product of nearly 18 months of work. We closely worked with the executive branch, the business community and non-proliferation non-government organizations. Without this legislation, foreign customers will continue to search out products that are ITAR-free to avoid being entangled in U.S. export control laws. The process improvements in this bill will make U.S. manufacturers more competitive in the international marketplace, creating and retaining American jobs, and supporting economic growth here in the United States.

This legislation permits the State Department's Directorate of Defense Trade Controls to hire more staff, reducing the backlog of defense trade license applications and improving our scrutiny of the most sensitive technologies.

The bill creates a special licensing authorization for American-made spare and replacement parts. It also establishes some goals for licensing processing, including a 7-day deadline for defense trade licenses for those countries who support our combat, peacekeeping or humanitarian operations.

I appreciate the Foreign Affairs Committee's efforts, particularly the outstanding leadership of my good friend from California, Mr. SHERMAN, on this very delicate issue. I urge my colleagues to support this bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in strong support of H.R. 5916, the Security Assistance and Arms Export Control Reform Act of 2008, introduced by my colleague Mr. Berman. I would like to thank the chairman for his leadership on this important legislation, which will make important reforms to U.S. arms exports.

I would also like to thank the chairman and the committee staff for working with me to incorporate two important amendments that I offered to this bill, both of which will encourage respect of basic standards of human rights in countries receiving security assistance and arms exports. I believe that these two amendments improve this legislation by taking steps to ensure that U.S. taxpayer dollars are not being used to arm governments contributing to or engaging in massive violations of human rights, including genocide.

My first amendment, which will be inserted as section 406 of this legislation, states that

"It is the sense of Congress that the United States should not provide security assistance or arms exports to nations contributing to massive, widespread, and systematic violations of human rights or acts of genocide, particularly with respect to Darfur, Sudan."

This Congress has already taken remarkable strides to condemn the genocide in

Sudan, now entering its fifth year, and to work to ensure that the people of this Nation are not unwittingly supporting these human rights abuses. My amendment reaffirms that it is the sense of Congress that violations of this nature, which are gross, widespread, and systematic, are a serious issue, and that the United States should not be providing security assistance to countries that are contributing to such abuses.

In addition, I offered a second amendment, which would also serve to reinforce the respect for basic human rights under this act. Section 103 of this legislation requires a "comprehensive and systematic review and assessment" of the U.S. arms export controls system by the President, to be completed not later than March 31, 2009, and sets forth a number of elements that such a review must contain. My second amendment adds an additional element to this report. It states that the President's report must also:

"(F) assess the extent to which export control policies and practices under the Arms Export Control Act promote the protection of basic human rights."

This language will ensure that Congress will remain apprised of the implications of U.S. security assistance and arms exports on basic human rights. Through the inclusion of this amendment, we will ensure that Congress has all the information it needs to fully understand the impact of our security assistance. Because this amendment only requires an assessment of current human rights practices, it does not run the risk of restricting assistance to nations that, like Liberia, have a poor history of human rights but now, under new leadership, have made important strides toward respect of basic human freedoms.

Mr. Speaker, I believe that a nation's human rights record should be one element that the United States uses when determining whether security assistance or arms trade will be extended to that nation. My two amendments to this legislation seek to ensure that the United States is not arming governments that are contributing to or committing the grossest violations of human rights, like genocide, and to collect information on how our security assistance policies are affecting human rights in nations to which we are providing arms.

Mr. Speaker, the legislation, H.R. 5916, we are considering today includes a number of important provisions which will strengthen and reform U.S. security assistance and the defense trade licensing and review process. Congress has jurisdiction over oversight of both the U.S. arms export control process and individual sales, under the Arms Export Control Act, while the Department of State has primary responsibility to ensure that arms exports are in line with U.S. foreign policy and security objectives. Unfortunately, the State Department arms export process has broken down, and there is now an accumulated backlog of approximately 10,000 unprocessed applications for arms export license. Due to mismanagement and an underallocation of resources, the State Department process has proven dysfunctional.

This legislation contains a number of important provisions which will alleviate this serious and ongoing problem. It sets up a strategic review, to be conducted by the President, to determine the effectiveness of the current export control regime, and to make improvements where necessary, including in the efficiency in

export licensing. Further, it establishes performance goals for the export licensing process, ensuring adequate staffing, flexibility in use of exporter annual registration fees for administrative purposes, regular Inspector General audits, and regular review of items for inclusion/deletion from the U.S. Munitions List. Finally, this legislation authorizes a special upfront licensing regime for spares and components for weapons systems previously sold to U.S. allies, and increasing licensing process transparency measures to facilitate Congressional oversight.

In addition to these important provisions, this legislation will strengthen vital security relationships with a number of U.S. allies. It adds South Korea to a list of countries already receiving expedited Congressional review, including NATO nations, Australia, New Zealand, and Japan. This move recognizes the critical importance of South Korea to U.S. security and regional stability, and it is a significant symbolic move.

This legislation also extends the same recognition to Israel, and it authorizes the initial phase-in of the Foreign Military Financing formula agreed on by the United States and Israel last year. Further, this legislation requires the administration to empirically assess, on an ongoing basis, the State of Israel's Qualitative Military Edge against conventional or non-conventional security threats. This provision codifies a principle that has been stated by every President since Lyndon Johnson, and requires the administration to provide an assessment to Congress every 4 years, to be used in reviewing arms exports to other Middle Eastern countries. These provisions continue U.S. assistance to Israel, and they provide for increased congressional oversight of this assistance.

Mr. Speaker, this legislation also allows for a waiver of Section 102 (b) of the Arms Export Control Act, commonly known as the Glenn Amendment, in the case of the North Korea nuclear program. The Glenn amendment, adopted in 1994, prohibits all U.S. economic and military assistance to any state that carries out a nuclear explosion and that is, under the nuclear non-proliferation treaty, defined as a non-nuclear weapon state. In light of the nuclear disablement and dismantlement activities agreed to in the Six-Party Talks, this waiver will grant the administration the ability to request appropriations directly to the Department of Energy for these activities, rather than its current practice of channeling such assistance through the State Department's Non-proliferation and Disarmament Fund, which has other high-priority demands on its funding and personnel. I support this provision because I believe that it is in the vital national security interest of the United States to continue to disable and hopefully remove North Korea's means to make more nuclear weapons, weapons or material that may be used against our interests or even transferred to other states.

Finally, Mr. Speaker, I support a provision in Title V of this legislation, which will grant to the government of Pakistan naval vessels, including the *Oliver Hazard Perry* class guided missile frigate *McInerney* (FFG-8). I believe that the continuation of U.S. assistance to Pakistan is particularly vital at this moment, following the February 2008 Pakistani elections in which two main opposition parties won a majority of seats. At this crucial time for the

new Pakistani Government, I believe that the continuation of U.S. assistance is vital if we are to see crucial reforms and ongoing strides in the global fight against terrorism.

Mr. Speaker, this legislation will strengthen and reform the process of U.S. security assistance and arms exports. I strongly urge my colleagues to join me in supporting this legislation.

Mr. ROYCE. Mr. Speaker, I yield back the balance of my time.

Mr. BERMAN. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. BERMAN) that the House suspend the rules and pass the bill, H.R. 5916, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SIMPSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

NORTH KOREAN HUMAN RIGHTS REAUTHORIZATION ACT OF 2008

Mr. BERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5834) to amend the North Korean Human Rights Act of 2004 to promote respect for the fundamental human rights of the people of North Korea, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5834

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 "North Korean Human Rights Reauthorization Act of 2008".

SEC. 2. FINDINGS.

Congress finds the following:

(1) The North Korean Human Rights Act of 2004 (Public Law 108-333; 22 U.S.C. 7801 et seq.) (in this section referred to as "the Act") was the product of broad, bipartisan consensus in Congress regarding the promotion of human rights, transparency in the delivery of humanitarian assistance, and refugee protection.

(2) In addition to the longstanding commitment of the United States to refugee and human rights advocacy, the United States is home to the largest Korean population outside of northeast Asia, and many in the two-million strong Korean-American community have family ties to North Korea.

(3) Human rights and humanitarian conditions inside North Korea are deplorable, North Korean refugees remain acutely vulnerable, and the findings in section 3 of the Act remain accurate today.

(4) The Government of China is conducting an increasingly aggressive campaign to locate and forcibly return border-crossers to North Korea, where they routinely face torture and imprison-

ment, and sometimes execution. According to recent reports, the Chinese Government is shutting down Christian churches and imprisoning people who help North Korean defectors, and has increased the bounty paid for turning in a North Korean refugee by a factor of sixteen, to an amount roughly equivalent to the average annual income in China.

(5) In an attempt to deter escape attempts, the Government of North Korea has reportedly stepped up its public execution of border-crossers and those who help others cross into China, including the February 20, 2008, shooting of 13 women and 2 men in Onsung County, and the March 30, 2008, execution of three residents in Hyesan. As is commonly the case, employees and residents of nearby institutions, enterprises, and neighborhoods were required to attend and observe those killings.

(6) In spite of the requirement of the Act that the Special Envoy on Human Rights in North Korea (the "Special Envoy") report to the Congress no later than April 16, 2005, a Special Envoy was not appointed until August 19, 2005, more than four months after the reporting deadline.

(7) The Special Envoy appointed by the President has filled that position on a part-time basis only.

(8) On February 21, 2006, a bipartisan group of senior Members of the House and Senate wrote Secretary of State Condoleezza Rice "to express [their] deep concern for the lack of progress in funding and implementing the key provisions of the North Korean Human Rights Act", particularly the lack of North Korean refugee admissions to the United States.

(9) Although the United States refugee resettlement program remains the largest in the world by far, the United States has resettled only 37 North Koreans in the period from 2004 through 2007.

(10) From the end of 2004 through 2007, the Republic of Korea resettled 5,961 North Koreans.

(11) Extensive delays in assessment and processing at overseas posts have led numerous North Korean refugees to abandon their quest for United States resettlement, and long waits (of more than a year in some cases) have been the source of considerable discouragement and frustration among refugees, many of whom are awaiting United States resettlement in circumstances that are unsafe and insecure.

(12) From 2000 through 2006, the United States granted asylum to 15 North Koreans, as compared to 60 North Korean asylum grantees in the United Kingdom, and 135 in Germany during that same period.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) The United States should make it a priority to seek broader permission and greater cooperation from foreign governments to allow the United States to process North Korean refugees overseas for resettlement in the United States, through persistent diplomacy by senior officials of the United States, including United States ambassadors to Asia-Pacific nations;

(2) at the same time that careful screening of intending refugees is important, the United States also should make every effort to ensure that its screening, processing, and resettlement of North Korean refugees are as efficient and expeditious as possible;

(3) the Special Envoy for North Korean Human Rights Issues should be a full-time position within the Department of State in order to properly promote and coordinate North Korean human rights, humanitarian, and refugee issues, as intended by the North Korean Human Rights Act of 2004 (Public Law 108-333; 22 U.S.C. 7801 et seq.);

(4) in an effort to more efficiently and actively participate in humanitarian burden-sharing, the United States should approach our ally, the Republic of Korea, to revisit and explore new opportunities for coordinating efforts to screen

and resettle North Koreans who have expressed a wish to pursue resettlement in the United States and have not yet availed themselves of any right to citizenship they may enjoy under the Constitution of the Republic of Korea; and

(5) because there are genuine refugees among North Koreans fleeing into China who face severe punishments upon their forcible return, the United States should urge the Government of China to—

(A) immediately halt its forcible repatriation of North Koreans;

(B) fulfill its obligations pursuant to the 1951 United Nations Convention Relating to the Status of Refugees, the 1967 Protocol Relating to the Status of Refugees, and the 1995 Agreement on the Upgrading of the UNHCR Mission in the People's Republic of China to UNHCR Branch Office in the People's Republic of China; and

(C) allow the United Nations High Commissioner for Refugees (UNHCR) unimpeded access to North Koreans inside China to determine whether they are refugees and whether they require assistance.

SEC. 4. DEFINITIONS.

Section 5(1)(A) of the North Korean Human Rights Act of 2004 (Public Law 108-333; 22 U.S.C. 7803(1)(A)) is amended by striking "International Relations" and inserting "Foreign Affairs".

SEC. 5. SUPPORT FOR HUMAN RIGHTS AND DEMOCRACY PROGRAMS.

Section 102(b)(1) of the North Korean Human Rights Act of 2004 (22 U.S.C. 7812(b)(1)) is amended by inserting after "2008" the following: "and \$4,000,000 for each of fiscal years 2009 through 2012".

SEC. 6. RADIO BROADCASTING TO NORTH KOREA.

Not later than 120 days after the date of the enactment of this Act, the Broadcasting Board of Governors (BBG) shall submit to the appropriate congressional committees, as defined in section 5(1) of the North Korean Human Rights Act of 2004 (22 U.S.C. 7803(1)), a report that describes the status and content of current United States broadcasting to North Korea and the extent to which the BBG has achieved the goal of 12-hour-per-day broadcasting to North Korea pursuant to section 103 of such Act (22 U.S.C. 7813).

SEC. 7. ACTIONS TO PROMOTE FREEDOM OF INFORMATION.

Section 104 of the North Korean Human Rights Act of 2004 (22 U.S.C. 7814) is amended—

(1) in subsection (b)(1), by striking "2008" and inserting "2012"; and

(2) in subsection (c), by striking "in each of the 3 years thereafter" and inserting "annually through 2012".

SEC. 8. SPECIAL ENVOY ON NORTH KOREAN HUMAN RIGHTS ISSUES.

Section 107 of the North Korean Human Rights Act of 2004 (22 U.S.C. 7817) is amended—

(1) in the section heading, by striking "HUMAN RIGHTS IN NORTH KOREA" and inserting "NORTH KOREAN HUMAN RIGHTS ISSUES";

(2) in subsection (a)—

(A) in the first sentence—

(i) by striking "human rights in North Korea" and inserting "North Korean human rights issues"; and

(ii) by inserting before the period at the end the following: ", by and with the advice and consent of the Senate";

(B) in the second sentence, by inserting before the period at the end the following: "who shall have the rank of ambassador and shall hold the office at the pleasure of the President";

(3) in subsection (b), by inserting before the period at the end the following: ", including the protection of those people who have fled as refugees";

(4) in subsection (c)—

(A) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively;

(B) by inserting before paragraph (2), as so redesignated, the following new paragraph: