

103D CONGRESS
1ST SESSION

H. R. 3431

To amend the Export Administration Act of 1979 with respect to exports of computers, telecommunications equipment, and semiconductors.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 1993

Mr. MANZULLO (for himself, Ms. CANTWELL, Mr. ROTH, and Mr. COX) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To amend the Export Administration Act of 1979 with respect to exports of computers, telecommunications equipment, and semiconductors.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Computer and Commu-
5 nications Trade Freedom Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress makes the following findings:

8 (1) Increased communications and exchange of
9 information through computer and telecommuni-

1 cations networks promotes the development of demo-
2 cratic political institutions, free market reforms, and
3 economic modernization; nevertheless, computers,
4 telecommunications, semiconductor, and related
5 equipment, software, and technology account for
6 more than 85 percent of the value of exports con-
7 trolled by the United States Department of Com-
8 merce under the Export Administration Act of 1979.

9 (2) The computer, telecommunications, and
10 semiconductor industries account for
11 \$55,000,000,000 in exports and 12.3 percent of all
12 of the export trade of the United States. These sec-
13 tors represent over 850,000 jobs in the United
14 States.

15 (3) The rapid pace of technological development
16 and the dramatic reductions in product innovation
17 cycles for these products have rendered any system
18 for controlling their export meaningless.

19 (4) The availability of advanced computer, tele-
20 communications, and semiconductor products from
21 sources of supply other than the United States and
22 members of the Coordinating Committee for Multi-
23 lateral Export Countries (COCOM) exists, and the
24 perpetuation of export controls on these products
25 disadvantages United States exporters to the det-

1 riment of the domestic economy, United States inno-
2 vation, and employment of American workers in
3 these 3 industries and in those United States indus-
4 tries which are the suppliers and customers of these
5 industries.

6 **SEC. 3. REMOVAL OF EXPORT CONTROLS ON COMPUTERS**
7 **AND ELECTRONIC EQUIPMENT.**

8 Section 4 of the Export Administration Act of 1979
9 (50 U.S.C. App. 2401) is amended by adding at the end
10 the following new subsection:

11 “(h) LICENSE AUTHORITY FOR COMPUTERS, TELE-
12 COMMUNICATIONS EQUIPMENT, AND SEMICONDUCTORS.—
13 TORS.—

14 “(1)(A) No validated license or reexport author-
15 ization may be required for the export or reexport
16 (as the case may be), for consumption or use in any
17 country other than a targeted country, of any prod-
18 uct or related software or technology that is or
19 would be classified under the following entries of the
20 control list as in effect on July 1, 1993, except for
21 any such product or related software or technology
22 to which missile technology controls apply under the
23 control list:

24 “(i) Computers and related equipment
25 under Category 4, code letter A.

1 “(ii) Telecommunications and related
2 equipment under Category 5, Part I.

3 “(iii) Semiconductors, as follows:

4 “(I) Items 3A01A.a, 3A02A.h,
5 3A92F, and all integrated circuits or their
6 microelectronic devices classified under
7 3A96G.

8 “(II) Items 3D01A related to
9 3A01A.a and 3A02A.h, 3D03A, 3D94F,
10 and 3D96G related to integrated circuits
11 or other microelectronic devices classified
12 under 3A96G.

13 “(III) Items 3E01A related to
14 3A01A.a and 3A02A.h, 3E02A, 3E94F re-
15 lated to 3A92F, and 3E96G related to in-
16 tegrated circuits or other microelectronic
17 devices classified under 3A96G.

18 “(B) The United States shall not propose (or
19 ask any other government to propose) to the Coordi-
20 nating Committee the transfer of any item subject to
21 subparagraph (A) from the Industrial List of the
22 Coordinating Committee to the International Muni-
23 tions List of the Coordinating Committee.

24 “(C) The United States shall not agree to any
25 proposal to transfer any item subject to subpara-

1 graph (A) from the Industrial List of the Coordinat-
2 ing Committee to the International Munitions List
3 of the Coordinating Committee.

4 “(2) No control on the export or reexport of
5 any good or technology for which no license or au-
6 thorization may be required under paragraph (1)(A)
7 may be imposed, directly or indirectly, under the
8 International Emergency Economic Powers Act, the
9 Trading with the Enemy Act, or other provision of
10 law, other than in connection with a prohibition on
11 all or substantially all exports to a specific country,
12 government, entity, or person.

13 “(3) Nothing in this subsection shall prohibit
14 the Secretary from requiring a validated license for
15 exports to (A) a country against which the United
16 States maintains an embargo of all or substantially
17 all exports, or (B) a party lawfully denied export
18 privileges under this Act.

19 “(4) For the purposes of this subsection, the
20 term ‘targeted country’ means any country—

21 “(A) the government of which the Sec-
22 retary of State has determined, under section
23 6(j), to be a government that has repeatedly
24 provided support for acts of international ter-
25 rorism; or

1 “(B) which is subject to an embargo—

2 “(i) which has been imposed by the
3 United Nations on all or substantially all
4 exports to that country; and

5 “(ii) in which the United States is
6 participating.

7 “(5) The provisions of this subsection apply
8 notwithstanding any other provision of this Act.”.

9 **SEC. 4. EFFECTIVE DATE.**

10 (a) FOR AMENDMENT.—The amendment made by
11 section 3 shall take effect 6 months after the date of the
12 enactment of this Act.

13 (b) INTERIM NEGOTIATIONS.—Upon the enactment
14 of this Act, the President shall undertake negotiations
15 with the Coordinating Committee for Multilateral Export
16 Controls (“COCOM”) and other relevant multilateral ex-
17 port control regimes for the purpose of attaining agree-
18 ment among the members of COCOM and such other re-
19 gimes to apply export controls consistent with the amend-
20 ment made by section 3. Whether such agreement is at-
21 tained shall not affect the effective date set forth in sub-
22 section (a).

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