

104TH CONGRESS
1ST SESSION

H. R. 2231

To amend the Export Administration Act of 1979 to require reviews of the commodity control list.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 4, 1995

Mr. MINETA introduced the following bill; which was referred to the Committee on International Relations

A BILL

To amend the Export Administration Act of 1979 to require reviews of the commodity control list.

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 “Technology Export Re-
5 view Act”.

6 **SEC. 2. ANNUAL REVIEW OF CONTROLLED ITEMS.**

7 Section 4 of the Export Administration Act of 1979
8 (50 U.S.C. App. 2403) is amended by adding at the end
9 the following:

10 “(h) CONTROL LIST REVIEW.—

1 “(1) IN GENERAL.—In order to ensure that re-
2 quirements for validated licenses to export are peri-
3 odically removed as goods and technology become
4 obsolete with respect to the specific objectives of the
5 export controls requiring such licenses, the Secretary
6 shall conduct periodic reviews of such controls im-
7 posed under sections 5 and 6. The Secretary shall
8 complete such a review not later than 6 months
9 after the date of the enactment of this subsection,
10 and not later than the end of each 1-year period
11 thereafter.

12 “(2) REVIEW ELEMENTS.—In conducting each
13 review under paragraph (1), the Secretary shall do
14 the following with respect to the export controls re-
15 quiring a license described in paragraph (1):

16 “(A) OBJECTIVES OF CONTROLS.—The
17 Secretary shall identify the specific objectives of
18 the export controls, for the 12-month period fol-
19 lowing the completion of the review, for each
20 country or group of countries for which a vali-
21 dated license is required. When an objective of
22 an export control is to defer the development of
23 a specific capability in such country or group of
24 countries, the Secretary shall specify for what

1 period of time the controls are expected to defer
2 such capability.

3 “(B) QUANTITY AND PERFORMANCE.—The
4 Secretary shall estimate, for the 12-month pe-
5 riod described in subparagraph (A), the quan-
6 tities and performance (as specified in specific
7 performance parameters on the control list) of
8 the goods and technology to which the controls
9 apply that must be obtained by each country or
10 group of countries for which a validated license
11 is required in order to defeat the objectives of
12 the export controls.

13 “(C) AVAILABILITY TO CONTROLLED DES-
14 TINATIONS.—The Secretary shall evaluate the
15 effectiveness of the export controls in achieving
16 their specific objectives, including explicit de-
17 scriptions of the availability from sources out-
18 side the United States, or from sources inside
19 the United States resulting from the inability of
20 the United States Government to effectively en-
21 force controls, during the 12-month period de-
22 scribed in subparagraph (A), to controlled coun-
23 tries of goods and technology to which the ex-
24 port controls apply.

1 “(D) ECONOMIC IMPACT.—The Secretary
2 shall evaluate the economic impact, during the
3 12-month period described in subparagraph
4 (A), of the export controls on exporting compa-
5 nies, including estimates of lost sales, loss in
6 market share, and administrative overhead.

7 “(3) CHANGES IN CONTROLS.—

8 “(A) CHANGES.—After completing each re-
9 view under this subsection, the Secretary shall,
10 if warranted by the findings of the review and
11 after consultation with appropriate departments
12 or agencies—

13 “(i) eliminate the requirement for an
14 export license for a particular good or
15 technology;

16 “(ii) make such a good or technology
17 eligible for delivery under a distribution li-
18 cense or other license authorizing multiple
19 exports;

20 “(iii) eliminate a performance thresh-
21 old or other characteristic upon which the
22 requirement for a validated license for such
23 a good or technology is based; or

24 “(iv) increase the performance levels
25 at which an individual validated license for

1 such a good or technology is required, at
2 which it is eligible for delivery under a dis-
3 tribution license, or at which special condi-
4 tions or security safeguard plans are im-
5 posed as a condition of export.

6 “(4) HEARINGS.—The Secretary shall conduct
7 public hearings not less than once each year in order
8 to solicit information from all interested parties on
9 all matters to be addressed in each review conducted
10 under this subsection.

11 “(5) REMOVAL OF CONTROLS ON MASS-MARKET
12 PRODUCTS.—

13 “(A) MASS-MARKET PRODUCTS DE-
14 FINED.—For the purposes of this paragraph,
15 the term ‘mass-market product’ means any
16 good or technology sold, licensed, or otherwise
17 distributed as a discrete item and which will
18 have been distributed for end use outside the
19 United States in a quantity exceeding 100,000
20 units over a 12-month period, as determined
21 under subparagraph (B).

22 “(B) ANTICIPATORY REVIEW OF MASS-
23 MARKET PRODUCTS.—Not later than—

24 “(i) 6 months after the date of the en-
25 actment of this subsection, and

1 “(ii) the end of each 1-year period
2 thereafter,
3 the Secretary shall, in consultation with the ap-
4 propriate technical advisory committee, industry
5 groups, and producers, identify those items de-
6 scribed in subparagraph (A) (including products
7 differentiated on the control list according to
8 specific performance parameters) that will be
9 distributed for end use outside the United
10 States in a quantity exceeding 100,000 units
11 beginning on the applicable date described in
12 clause (i) or (ii). For purposes of this para-
13 graph, estimates of numbers of items that will
14 be distributed shall be based on reliable esti-
15 mates provided by producers of such items.

16 “(C) ACTION BY THE SECRETARY.—Not
17 later than 30 days after an item is determined
18 by the Secretary under subparagraph (B) to be
19 a mass-market product, the Secretary shall pro-
20 pose to any group of countries which imposes
21 export controls on the item cooperatively with
22 the United States the elimination of controls on
23 the item in accordance with the procedures of
24 such group, and shall publish a notice of such
25 proposal in the Federal Register.

1 “(6) RELATIONSHIP TO OTHER PROVISIONS.—
2 The requirements of this subsection are in addition
3 to any other requirements of this Act. The Secretary
4 may coordinate reviews under this subsection with
5 reviews conducted under section 5(c).”.

6 **SEC. 3. EQUAL TREATMENT OF COMPONENTS.**

7 Section 4 of the Export Administration Act of 1979
8 is amended by adding at the end the following new sub-
9 section:

10 “(i) TREATMENT OF SEMICONDUCTORS.—The export
11 control treatment imposed under the authority of this Act
12 upon semiconductor devices shall be no more restrictive
13 or burdensome to the exporter than the export control
14 treatment imposed under the authority of this Act upon
15 computer systems or telecommunications systems for
16 which the semiconductor devices serve or can serve as
17 components.”.

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