

Calendar No. 576

105TH CONGRESS
2^D Session

S. 2463

[Report No. 105-333]

A BILL

To provide authorities with respect to the transfer of excess defense articles and the transfer of naval vessels under the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

SEPTEMBER 14, 1998

Read twice and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 14, 1998

Mr. HELMS, from the Committee on Foreign Relations, reported the following original bill; which was read twice and placed on the calendar

A BILL

To provide authorities with respect to the transfer of excess defense articles and the transfer of naval vessels under the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Security Assistance
5 Act of 1998”.

1 **SEC. 2. TABLE OF CONTENTS.**

2 The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—DEFENSE AND SECURITY ASSISTANCE

Subtitle A—Transfers of Excess Defense Articles

- Sec. 101. Excess defense articles for central European countries.
- Sec. 102. Excess defense articles for certain independent states of the former Soviet Union.

Subtitle B—Foreign Military Sales Authorities

- Sec. 111. Continuation of foreign military financed training after the termination of assistance.
- Sec. 112. Sales of excess Coast Guard property.
- Sec. 113. Notification of upgrades to direct commercial sales.
- Sec. 114. Reporting of offset agreements.
- Sec. 115. Expanded prohibition on incentive payments.

Subtitle C—Stockpiling of Defense Articles for Foreign Countries

- Sec. 121. Additions to United States war reserve stockpiles for allies.
- Sec. 122. Transfer of certain obsolete or surplus defense articles in the war reserves stockpile for allies.

Subtitle D—Miscellaneous Provisions

- Sec. 131. Foreign military training.
- Sec. 132. Annual military assistance reports.

TITLE II—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

- Sec. 201. Authority to transfer certain naval vessels.
- Sec. 202. Authority to transfer naval vessels to the eastern Mediterranean region.
- Sec. 203. Inapplicability of aggregate annual limitation to the transfer of certain excess defense articles.
- Sec. 204. Cost of transfers.
- Sec. 205. Combined lease-sales.
- Sec. 206. Conversion of certain previous leases.
- Sec. 207. Authority to consent to third party transfer of ex-U.S.S. Bowman County to USS LST Ship Memorial, Inc.
- Sec. 208. Expiration of authorities.

1 **TITLE I—DEFENSE AND**
 2 **SECURITY ASSISTANCE**
 3 **Subtitle A—Transfers of Excess**
 4 **Defense Articles**

5 **SEC. 101. EXCESS DEFENSE ARTICLES FOR CENTRAL EURO-**
 6 **PEAN COUNTRIES.**

7 Section 105 of Public Law 104–164 (110 Stat. 1427)
 8 is amended by striking “1996 and 1997” and inserting
 9 “1998, 1999, and 2000”.

10 **SEC. 102. EXCESS DEFENSE ARTICLES FOR CERTAIN INDE-**
 11 **PENDENT STATES OF THE FORMER SOVIET**
 12 **UNION.**

13 (a) USES FOR WHICH FUNDS ARE AVAILABLE.—
 14 Notwithstanding section 516(e) of the Foreign Assistance
 15 Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal
 16 years 1999 and 2000, funds available to the Department
 17 of Defense may be expended for crating, packing, han-
 18 dling, and transportation of excess defense articles trans-
 19 ferred under the authority of section 516 of that Act to
 20 Georgia, Kazakhstan, Kyrgyzstan, Moldova, Ukraine, and
 21 Uzbekistan.

22 (b) CONTENT OF CONGRESSIONAL NOTIFICATION.—
 23 Each notification required to be submitted under section
 24 516(f) of the Foreign Assistance Act of 1961 (22 U.S.C.
 25 2321j(f)) with respect to a proposed transfer of a defense

1 article described in subsection (a) shall include an esti-
 2 mate of the amount of funds to be expended under sub-
 3 section (a) with respect to that transfer.

4 **Subtitle B—Foreign Military Sales** 5 **Authorities**

6 **SEC. 111. CONTINUATION OF FOREIGN MILITARY FI-** 7 **NANCED TRAINING AFTER THE TERMI-** 8 **NATION OF ASSISTANCE.**

9 Section 617 of the Foreign Assistance Act of 1961
 10 (22 U.S.C. 2367) is amended—

11 (1) by inserting in the second sentence “and the
 12 Arms Export Control Act” after “under this Act”
 13 the first place it appears;

14 (2) by striking “under this Act” the second
 15 place it appears; and

16 (3) by inserting in the third sentence “and
 17 under the Arms Export Control Act” after “this
 18 Act”.

19 **SEC. 112. SALES OF EXCESS COAST GUARD PROPERTY.**

20 Section 21(a)(1) of the Arms Export Control Act (22
 21 U.S.C. 2761(a)(1)) is amended in the text above subpara-
 22 graph (A) by inserting “and the Coast Guard” after “De-
 23 partment of Defense”.

1 **SEC. 113. NOTIFICATION OF UPGRADES TO DIRECT COM-**
2 **MERCIAL SALES.**

3 Section 36(c) of the Arms Export Control Act (22
4 U.S.C. 2776(c)) is amended by adding at the end the fol-
5 lowing new paragraph:

6 “(4) The provisions of subsection (b)(5) shall apply
7 to any equipment, article, or service for which a numbered
8 certification has been transmitted to Congress pursuant
9 to paragraph (1) in the same manner and to the same
10 extent as that subsection applies to any equipment, article,
11 or service for which a numbered certification has been
12 transmitted to Congress pursuant to subsection (b)(1).
13 For purposes of such application, any reference in sub-
14 section (b)(5) to ‘a letter of offer’ or ‘an offer’ shall be
15 deemed to be a reference to ‘a contract’.”.

16 **SEC. 114. REPORTING OF OFFSET AGREEMENTS.**

17 (a) GOVERNMENT-TO-GOVERNMENT SALES.—Sec-
18 tion 36(b)(1) of the Arms Export Control Act (22 U.S.C.
19 2776(b)(1)) is amended in the fourth sentence by striking
20 “(if known on the date of transmittal of such certifi-
21 cation)” and inserting: “and, if so, a description of the
22 offset agreement, including the dollar amount of the
23 agreement”.

24 (b) COMMERCIAL SALES.—Section 36(c)(1) of the
25 Arms Export Control Act (22 U.S.C. 2776(c)(1)) is
26 amended in the second sentence by striking “(if known

1 on the date of transmittal of such certification)” and in-
 2 serting: “and, if so, a description of the offset agreement,
 3 including the dollar amount of the agreement”.

4 **SEC. 115. EXPANDED PROHIBITION ON INCENTIVE PAY-**
 5 **MENTS.**

6 (a) IN GENERAL.—Section 39A(a) of the Arms Ex-
 7 port Control Act (22 U.S.C. 2779a(a)) is amended—

- 8 (1) by inserting “or licensed” after “sold”; and
 9 (2) by inserting “or export” after “sale”.

10 (b) DEFINITION OF UNITED STATES PERSON.—Sec-
 11 tion 39A(d)(3)(B)(ii) of the Arms Export Control Act (22
 12 U.S.C. 2779a(d)(3)(B)(ii)) is amended by inserting “or by
 13 an entity described in clause (i)” after “subparagraph
 14 (A)”.

15 **Subtitle C—Stockpiling of Defense**
 16 **Articles for Foreign Countries**

17 **SEC. 121. ADDITIONS TO UNITED STATES WAR RESERVE**
 18 **STOCKPILES FOR ALLIES.**

19 Paragraph (2) of section 514(b) of the Foreign As-
 20 sistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended
 21 to read as follows:

22 “(2)(A) The value of such additions to stock-
 23 piles of defense articles in foreign countries shall not
 24 exceed \$340,000,000 for fiscal year 1999.

1 “(B) Of the amount specified in subparagraph
 2 (A) for fiscal year 1999, not more than
 3 \$320,000,000 may be made available for stockpiles
 4 in the Republic of Korea and not more than
 5 \$20,000,000 may be made available for stockpiles in
 6 Thailand.”.

7 **SEC. 122. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**
 8 **DEFENSE ARTICLES IN THE WAR RESERVES**
 9 **STOCKPILE FOR ALLIES.**

10 (a) ITEMS IN THE KOREAN STOCKPILE.—

11 (1) IN GENERAL.—Notwithstanding section 514
 12 of the Foreign Assistance Act of 1961 (22 U.S.C.
 13 2321h), the President is authorized to transfer to
 14 the Republic of Korea, in return for concessions to
 15 be negotiated by the Secretary of Defense, with the
 16 concurrence of the Secretary of State, any or all of
 17 the items described in subsection (a)(2).

18 (2) COVERED ITEMS.—The items referred to in
 19 paragraph (1) are munitions, equipment, and mate-
 20 rial such as tanks, trucks, artillery, mortars, general
 21 purpose bombs, repair parts, ammunition, barrier
 22 material, and ancillary equipment, if such items
 23 are—

24 (A) obsolete or surplus items;

1 (B) in the inventory of the Department of
2 Defense;

3 (C) intended for use as reserve stocks for
4 the Republic of Korea; and

5 (D) as of the date of enactment of this
6 Act, located in a stockpile in the Republic of
7 Korea.

8 (b) ITEMS IN THE THAILAND STOCKPILE.—

9 (1) IN GENERAL.—Notwithstanding section 514
10 of the Foreign Assistance Act of 1961 (22 U.S.C.
11 2321h), the President is authorized to transfer to
12 Thailand, in return for concessions to be negotiated
13 by the Secretary of Defense, with the concurrence of
14 the Secretary of State, any or all of the items in the
15 WRS–T stockpile described in paragraph (2).

16 (2) COVERED ITEMS.—The items referred to in
17 paragraph (1) are munitions, equipment, and mate-
18 rial such as tanks, trucks, artillery, mortars, general
19 purpose bombs, repair parts, ammunition, barrier
20 material, and ancillary equipment, if such items
21 are—

22 (A) obsolete or surplus items;

23 (B) in the inventory of the Department of
24 Defense;

1 (C) intended for use as reserve stocks for
2 Thailand; and

3 (D) as of the date of enactment of this
4 Act, located in a stockpile in Thailand.

5 (c) VALUATION OF CONCESSIONS.—The value of con-
6 cessions negotiated pursuant to subsections (a) and (b)
7 shall be at least equal to the fair market value of the items
8 transferred. The concessions may include cash compensa-
9 tion, services, waiver of charges otherwise payable by the
10 United States, and other items of value.

11 (d) PRIOR NOTIFICATIONS OF PROPOSED TRANS-
12 FERS.—Not less 30 days before making a transfer under
13 the authority of this section, the President shall transmit
14 to the chairmen of the Committee on Foreign Relations
15 of the Senate and the Committee on International Rela-
16 tions of the House of Representatives a detailed notifica-
17 tion of the proposed transfer, which shall include an iden-
18 tification of the items to be transferred and the conces-
19 sions to be received.

20 (e) TERMINATION OF AUTHORITY.—No transfer may
21 be made under the authority of this section more than five
22 years after the date of enactment of this Act.

Subtitle D—Miscellaneous Provisions

3 SEC. 131. FOREIGN MILITARY TRAINING.

4 (a) IN GENERAL.—Chapter 5 of part II of the For-
5 eign Assistance Act of 1961 (22 U.S.C. 2347 et seq.) is
6 amended by adding at the end the following new section:

7 “SEC. 547. OTHER FOREIGN MILITARY TRAINING.

8 “Notwithstanding any other provision of law, the
9 armed forces or other security forces of a foreign country
10 that is ineligible for assistance under this chapter, or for
11 which assistance under this chapter is restricted, may not
12 receive United States military training under any other
13 provision of law, unless—

14 “(1) the committees specified in section
15 634A(a) are notified at least 15 days in advance of
16 the first provision of training to the forces of the
17 country in a fiscal year in accordance with the pro-
18 cedures applicable to reprogramming notifications
19 under that section;

20 “(2) the foreign country is a NATO or major
21 non-NATO ally (as defined in section 644(q));

22 “(3) the foreign country is a country described
23 in section 546(b);

1 “(4) the training is related to an operation un-
2 dertaken to save the lives or property of United
3 States citizens; or

4 “(5) the training is reportable under title V of
5 the National Security Act of 1947.”.

6 (b) REPORT.—Not later than 90 days after the date
7 of enactment of this Act, the Secretary of State shall sub-
8 mit a report to the Committee on Foreign Relations of
9 the Senate and the Committee on International Relations
10 of the House of Representatives on the measures taken
11 to ensure that all United States foreign military education
12 and training activities are being conducted in accordance
13 with the foreign policy objectives of the United States.

14 **SEC. 132. ANNUAL MILITARY ASSISTANCE REPORTS.**

15 Section 655(b) of the Foreign Assistance Act of 1961
16 (22 U.S.C. 2415(b)) is amended to read as follows:

17 “(b) INFORMATION RELATING TO MILITARY ASSIST-
18 ANCE AND MILITARY EXPORTS.—Each such report shall
19 show the aggregate dollar value and quantity of defense
20 articles (including excess defense articles), defense serv-
21 ices, and foreign military education and training activities
22 authorized by the United States and of such articles, serv-
23 ices, and activities provided by the United States, exclud-
24 ing any activity that is reportable under title V of the Na-
25 tional Security Act of 1947, to each foreign country and

1 international organization. The report shall specify, by
2 category—

3 “(1) in the case of defense articles, whether
4 such articles—

5 “(A) were furnished by grant under chap-
6 ter 2 or chapter 5 of part II of this Act or
7 under any other authority of law or by sale
8 under chapter 2 of the Arms Export Control
9 Act;

10 “(B) were furnished with the financial as-
11 sistance of the United States Government, in-
12 cluding through loans and guarantees; or

13 “(C) were licensed for export under section
14 38 of the Arms Export Control Act; and

15 “(2) in the case of foreign military education
16 and training activities, the provision of law pursuant
17 to which such activities were conducted.”.

18 **TITLE II—TRANSFER OF NAVAL** 19 **VESSELS TO CERTAIN FOR-** 20 **IGN COUNTRIES**

21 **SEC. 201. AUTHORITY TO TRANSFER CERTAIN NAVAL VES-** 22 **SELS.**

23 (a) ARGENTINA.—The President is authorized to
24 transfer to the Government of Argentina the “NEW-
25 PORT” class tank landing ship NEWPORT (LST 1179).

1 Such transfer shall be on a grant basis under section 516
2 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j;
3 relating to transfers of excess defense articles).

4 (b) BRAZIL.—The President is authorized to transfer
5 to the Government of Brazil the following:

6 (1) The “NEWPORT” class tank landing ship
7 PEORIA (LST 1183). Such transfer shall be on a
8 sales basis under section 21 of the Arms Export
9 Control Act (22 U.S.C. 2761; relating to the foreign
10 military sales program).

11 (2) The “CIMARRON” class fleet oiler
12 MERRIMACK (AO 179). Such transfer shall be on
13 a lease-sale basis under section 205 of this Act.

14 (c) MEXICO.—The President is authorized to transfer
15 to the Government of Mexico, on a sales basis under sec-
16 tion 21 of the Arms Export Control Act (22 U.S.C. 2761;
17 relating to the foreign military sales program), the follow-
18 ing:

19 (1) The auxiliary repair dry dock SAN
20 ONOFRE (ARD 30).

21 (2) The “KNOX” class frigate PHARRIS (FF
22 1094).

23 (d) TAIWAN.—The President is authorized to trans-
24 fer to the Taipei Economic and Cultural Representative
25 Office in the United States (which is the Taiwan instru-

1 mentality designated pursuant to section 10(a) of the Tai-
2 wan Relations Act), on a sales basis under section 21 of
3 the Arms Export Control Act (22 U.S.C. 2761; relating
4 to the foreign military sales program), the following:

5 (1) The medium auxiliary floating dry dock
6 COMPETENT (AFDM 6).

7 (2) The “ANCHORAGE” class dock landing
8 ship PENSACOLA (LSD 38).

9 (e) PORTUGAL.—The President is authorized to
10 transfer to the Government of Portugal the “STAL-
11 WART” class ocean surveillance ship ASSURANCE (T-
12 AGOS 5). Such transfer shall be on a grant basis under
13 section 516 of the Foreign Assistance Act of 1961 (22
14 U.S.C. 2321j; relating to transfers of excess defense arti-
15 cles).

16 (f) PHILIPPINES.—The President is authorized to
17 transfer to the Government of the Philippines the “STAL-
18 WART” class ocean surveillance ship TRIUMPH (T-
19 AGOS 4). Such transfer shall be on a sales basis under
20 section 21 of the Arms Export Control Act (22 U.S.C.
21 2761; relating to the foreign military sales program).

22 (g) CHILE.—The President is authorized to transfer
23 to the Government of Chile the auxiliary repair dry dock
24 WATERFORD (ARD 5). Such transfer shall be on a sales
25 basis under section 21 of the Arms Export Control Act

1 (22 U.S.C. 2761; relating to the foreign military sales pro-
2 gram).

3 (h) VENEZUELA.—The President is authorized to
4 transfer to the Government of Venezuela the unnamed me-
5 dium auxiliary floating dry dock, AFDM 2. Such transfer
6 shall be on a sales basis under section 21 of the Arms
7 Export Control Act (22 U.S.C. 2761; relating to the for-
8 eign military sales program).

9 **SEC. 202. AUTHORITY TO TRANSFER NAVAL VESSELS TO**
10 **THE EASTERN MEDITERRANEAN REGION.**

11 (a) CERTIFICATION.—In order to ensure that United
12 States assistance is furnished consistent with the objective
13 of ensuring a stable and peaceful atmosphere in the east-
14 ern Mediterranean region, before each exercise by the
15 President of any authority provided pursuant to sub-
16 section (b) or (c), the President shall transmit to the Com-
17 mittee on Foreign Relations of the Senate and the Com-
18 mittee on International Relations of the House of Rep-
19 resentatives his certification, with a full explanation there-
20 of, that the furnishing of such assistance would be consist-
21 ent with the principles set forth in section 620C(b) of the
22 Foreign Assistance Act of 1961.

23 (b) GREECE.—The President is authorized to trans-
24 fer to the Government of Greece—

1 (1) on a lease-sale basis under section 205 of
2 this Act the following:

3 (A) the “KIDD” class guided missile de-
4 stroyer KIDD (DDG 993);

5 (B) the “KIDD” class guided missile de-
6 stroyer CALLAGHAN (DDG 994);

7 (C) the “KIDD” class guided missile de-
8 stroyer SCOTT (DDG 995); and

9 (D) the “KIDD” class guided missile de-
10 stroyer CHANDLER (DDG 996);

11 (2) on a grant basis under section 516 of the
12 Foreign Assistance Act of 1961 (22 U.S.C. 2321j;
13 relating to transfers of excess defense articles) the
14 “KNOX” class frigate HEPBURN (FF 1055); and

15 (3) on a sales basis under section 21 of the
16 Arms Export Control Act (22 U.S.C. 2761; relating
17 to the foreign military sales program) the
18 “OAKRIDGE” class medium repair dry dock
19 ALAMOGORDO (ARDM 2).

20 (c) TURKEY.—The President is authorized to trans-
21 fer to the Government of Turkey—

22 (1) on a sales basis under section 21 of the
23 Arms Export Control Act (22 U.S.C. 2761; relating
24 to the foreign military sales program) the following:

1 (A) the “OLIVER HAZARD PERRY”
2 class guided missile frigate DUNCAN (FFG
3 10);

4 (B) the “OLIVER HAZARD PERRY”
5 class guided missile frigate MAHLON S. TIS-
6 DALE (FFG 27); and

7 (C) the “OLIVER HAZARD PERRY”
8 class guided missile frigate REID (FFG 30);
9 and

10 (2) on a grant basis under section 516 of the
11 Foreign Assistance Act of 1961 (22 U.S.C. 2321j;
12 relating to transfers of excess defense articles) the
13 following:

14 (A) the “KNOX” class frigate W.S.
15 SIMMS (FF 1059);

16 (B) the “KNOX” class frigate PAUL (FF
17 1080); and

18 (C) the “KNOX” class frigate MILLER
19 (FF 1091).

20 (d) BALANCED ASSISTANCE TO NATO ALLIES.—Any
21 offer of a naval vessel under subsection (b) shall be made
22 contemporaneous with an offer of a naval vessel under
23 subsection (c).

1 **SEC. 203. INAPPLICABILITY OF AGGREGATE ANNUAL LIM-**
2 **TATION TO THE TRANSFER OF CERTAIN EX-**
3 **CESS DEFENSE ARTICLES.**

4 The value of naval vessels authorized under sections
5 201 and 202 to be transferred on a grant basis under sec-
6 tion 516 of the Foreign Assistance Act of 1961 (22 U.S.C.
7 2321j) shall not be included in the aggregate value of ex-
8 cess defense articles transferred to countries under such
9 section 516 in any fiscal year.

10 **SEC. 204. COST OF TRANSFERS.**

11 Any expense of the United States in connection with
12 a transfer authorized under section 201 or 202 shall be
13 charged to the recipient.

14 **SEC. 205. COMBINED LEASE-SALES.**

15 (a) IN GENERAL.—For each naval vessel made eligi-
16 ble for transfer on a lease-sale basis under sections
17 201(b)(2) and 202(b)(1), the President is authorized to
18 transfer the vessel under the terms of a lease, with lease
19 payments suspended for the term of the lease, if the coun-
20 try to which the vessel is to be leased simultaneously en-
21 ters into a foreign military sales agreement for the trans-
22 fer of title to the leased vessel. Delivery of title to the pur-
23 chasing country shall not be made until the purchase price
24 of the vessel has been paid in full. Upon delivery of title
25 to the purchasing country, the lease shall terminate.

1 (b) TERMS APPLICABLE IF FULL PAYMENT NOT
 2 MADE.—In the event the purchasing country fails to make
 3 full payment of the purchase price, the sales agreement
 4 shall be immediately terminated, the suspension of lease
 5 payments under the lease shall be vacated, and the United
 6 States shall retain all funds received to date under the
 7 sales agreement, up to the amount of the lease payments
 8 due and payable under the lease and all other costs re-
 9 quired by the lease to be paid to date. No interest is pay-
 10 able to the recipient by the United States on any amounts
 11 paid to the United States by the recipient under the sales
 12 agreement but not retained by the United States under
 13 the lease.

14 **SEC. 206. CONVERSION OF CERTAIN PREVIOUS LEASES.**

15 (a) CONVERSION TO FOREIGN MILITARY SALES.—

16 (1) IN GENERAL.—For each country leasing a
 17 naval vessel identified in paragraph (2) as of the
 18 date of enactment of this Act, the President is au-
 19 thorized to convert the lease for that vessel under
 20 section 61 of the Arms Export Control Act (22
 21 U.S.C. 2796) to a sale of the vessel under section
 22 21 of the Arms Export Control Act (22 U.S.C.
 23 2761; relating to the foreign military sales pro-
 24 gram).

(2) VESSELS IDENTIFIED.—The vessels referred to in paragraph (1) are the following:

(A) the “KNOX” class frigate VREELAND (FF 1068);

(B) the “KNOX” class frigate TRIPPE (FF 1075);

(C) the “KNOX” class frigate REASONER (FF 1063);

(D) the “KNOX” class frigate BOWEN (FF 1079);

(E) the “KNOX” class frigate McCANDLESS (FF 1084);

(F) the “KNOX” class frigate AINSWORTH (FF 1090);

(G) the “KNOX” class frigate THOMAS C. HART (FF 1092);

(H) the “KNOX” class frigate CAPODANNO (FF 1093);

(I) the “KNOX” class frigate PEARY (FF 1073);

(J) the “KNOX” class frigate JOSEPH HEWES (FF 1078);

(K) the “KNOX” class frigate COOK (FF 1083);

1 (L) the “KNOX” class frigate BREWTON
2 (FF 1086);

3 (M) the “KNOX” class frigate KIRK
4 (1087);

5 (N) the “KNOX” class frigate BARBEY
6 (FF 1088);

7 (O) the “NEWPORT” class tank landing
8 ship CAYUGA (LST 1186);

9 (P) the “NEWPORT” class tank landing
10 ship SAN BERNARDINO (LST 1189);

11 (Q) the “NEWPORT” class tank landing
12 ship HARLAN COUNTY (LST 1196);

13 (R) the “NEWPORT” class tank landing
14 ship BARNSTABLE COUNTY (LST 1197);

15 (S) the “NEWPORT” class tank landing
16 ship MANITOWOC (LST 1180);

17 (T) the “NEWPORT” class tank landing
18 ship SUMTER (LST 1181);

19 (U) the “KNOX” class frigate FANNING
20 (FF 1076); and

21 (V) the “KNOX” class frigate DONALD
22 BEARY (FF 1085).

23 (b) CONVERSION TO GRANTS OF EXCESS DEFENSE
24 ARTICLES.—

1 (1) IN GENERAL.—For each country leasing
 2 under section 61 of the Arms Export Control Act
 3 (22 U.S.C. 2796) a naval vessel identified in para-
 4 graph (2) as of the date of enactment of this Act,
 5 such vessels, while under lease, may be considered
 6 excess for purposes of being granted to such coun-
 7 tries under section 516 of the Foreign Assistance
 8 Act of 1961 (22 U.S.C. 2321j; relating to transfers
 9 of excess defense articles).

10 (2) VESSELS IDENTIFIED.—The vessels referred
 11 to in paragraph (1) are the following:

12 (A) the “ADAMS” class guided missile de-
 13 stroyer STRAUSS (DDG 16);

14 (B) the “ADAMS” class guided missile de-
 15 stroyer SEMMES (DDG 18); and

16 (C) the “ADAMS” class guided missile de-
 17 stroyer WADDELL (DDG 24).

18 **SEC. 207. AUTHORITY TO CONSENT TO THIRD PARTY**
 19 **TRANSFER OF EX-U.S.S. BOWMAN COUNTY TO**
 20 **USS LST SHIP MEMORIAL, INC.**

21 (a) FINDINGS.—Congress makes the following find-
 22 ings:

23 (1) It is the long-standing policy of the United
 24 States Government to deny requests for the retrans-

1 fer of significant military equipment that originated
2 in the United States to private entities.

3 (2) In very exceptional circumstances, when the
4 United States public interest would be served by the
5 proposed retransfer and end-use, such requests may
6 be favorably considered.

7 (3) Such retransfers to private entities have
8 been authorized in very exceptional circumstances
9 following appropriate demilitarization and receipt of
10 assurances from the private entity that the item to
11 be transferred would be used solely in furtherance of
12 Federal Government contracts or for static museum
13 display.

14 (4) Nothing in this section should be construed
15 as a revision of long-standing policy referred to in
16 paragraph (1).

17 (5) The Government of Greece has requested
18 the consent of the United States Government to the
19 retransfer of HS Rodos (ex-U.S.S. Bowman County
20 (LST 391)) to the USS LST Ship Memorial, Inc.

21 (b) AUTHORITY TO CONSENT TO RETRANSFER.—

22 (1) IN GENERAL.—Subject to paragraph (2),
23 the President may consent to the retransfer by the
24 Government of Greece of HS Rodos (ex-U.S.S. Bow-

1 man County (LST 391)) to the USS LST Ship Me-
2 morial, Inc..

3 (2) CONDITIONS FOR CONSENT.—The President
4 should not exercise the authority under paragraph
5 (1) unless USS LST Memorial, Inc.—

6 (A) utilizes the vessel for public, nonprofit,
7 museum-related purposes;

8 (B) submits a certification with the import
9 application that no firearms frames or receivers,
10 ammunition, or other firearms as defined in
11 section 5845 of the National Firearms Act (26
12 U.S.C. 5845) will be imported with the vessel;
13 and

14 (C) complies with regulatory policy re-
15 quirements related to the facilitation of mon-
16 itoring by the Federal Government of, and the
17 mitigation of, potential environmental hazards
18 associated with, aging vessels, and has a dem-
19 onstrated financial capability to so comply.

20 **SEC. 208. EXPIRATION OF AUTHORITIES.**

21 The authorities of sections 201, 202, and 206 shall
22 expire at the end of the 2-year period beginning on the
23 date of enactment of this Act.