

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 1803

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 23, 2002

Referred to the Committee on International Relations

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## AN ACT

To authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2002 and 2003, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Security Assistance Act of 2001”.

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

- Sec. 1. Short title; table of contents.  
 Sec. 2. Definitions.

TITLE I—VERIFICATION OF ARMS CONTROL AND  
 NONPROLIFERATION AGREEMENTS

- Sec. 101. Verification and Compliance Bureau personnel.  
 Sec. 102. Key Verification Assets Fund.  
 Sec. 103. Revised verification and compliance reporting requirements.

TITLE II—MILITARY AND RELATED ASSISTANCE

Subtitle A—Foreign Military Sales and Financing Authorities

- Sec. 201. Authorization of appropriations.  
 Sec. 202. Relationship of foreign military sales to United States nonproliferation interests.  
 Sec. 203. Special Defense Acquisition Fund for nonproliferation and counter-narcotics purposes.  
 Sec. 204. Representation allowances.  
 Sec. 205. Arms Export Control Act prohibition on transactions with countries that have repeatedly provided support for acts of international terrorism.  
 Sec. 206. Congressional notification of small arms and light weapons license approvals; annual reports.

Subtitle B—International Military Education and Training

- Sec. 211. Authorization of appropriations.  
 Sec. 212. Annual human rights reports.

Subtitle C—Security Assistance for Select Countries

- Sec. 221. Security assistance for Israel and Egypt.  
 Sec. 222. Security assistance for Greece and Turkey.  
 Sec. 223. Security assistance for certain other countries.

Subtitle D—Excess Defense Article and Drawdown Authorities

- Sec. 231. Excess defense articles for certain countries.  
 Sec. 232. Annual briefing on projected availability of excess defense articles.  
 Sec. 233. Expanded drawdown authority.  
 Sec. 234. Duration of security assistance leases.

Subtitle E—Other Political-Military Assistance

- Sec. 241. Destruction of surplus weapons stockpiles.  
 Sec. 242. Identification of funds for demining programs.

Subtitle F—Antiterrorism Assistance

- Sec. 251. Authorization of appropriations.  
 Sec. 252. Specific program objectives.

Subtitle G—Other Matters

Sec. 261. Revised military assistance reporting requirements.

TITLE III—NONPROLIFERATION AND EXPORT CONTROL  
ASSISTANCE

Subtitle A—General Provisions

- Sec. 301. Authorization of appropriations.
- Sec. 302. Joint State Department-Defense Department programs.
- Sec. 303. Nonproliferation technology acquisition programs for friendly foreign countries.
- Sec. 304. International nonproliferation and export control training.
- Sec. 305. Relocation of scientists.
- Sec. 306. Audits of the International Science and Technology Centers Program.
- Sec. 307. International Atomic Energy Agency regular budget assessments.
- Sec. 308. Revised nonproliferation reporting requirements.

Subtitle B—Russian Federation Debt Reduction for Nonproliferation

- Sec. 311. Short title.
- Sec. 312. Findings and purposes.
- Sec. 313. Definitions.
- Sec. 314. Establishment of the Russian Nonproliferation Investment Facility.
- Sec. 315. Reduction of the Russian Federation's Soviet-era debt owed to the United States, generally.
- Sec. 316. Reduction of Soviet-era debt owed to the United States as a result of credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954.
- Sec. 317. Authority to engage in debt-for-nonproliferation exchanges and debt buybacks.
- Sec. 318. Russian Nonproliferation Investment Agreement.
- Sec. 319. Structure of debt-for-nonproliferation arrangements.
- Sec. 320. Independent media and the rule of law.
- Sec. 321. Nonproliferation requirement.
- Sec. 322. Discussion of Russian Federation debt reduction for nonproliferation with other creditor states.
- Sec. 323. Implementation of United States policy.
- Sec. 324. Consultations with Congress.
- Sec. 325. Annual report to Congress.

Subtitle C—Nonproliferation Assistance Coordination

- Sec. 331. Short title.
- Sec. 332. Findings.
- Sec. 333. Independent states of the former Soviet Union defined.
- Sec. 334. Establishment of Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union.
- Sec. 335. Duties of the Committee.
- Sec. 336. Administrative support.
- Sec. 337. Confidentiality of information.
- Sec. 338. Statutory construction.

TITLE IV—EXPEDITING THE MUNITIONS LICENSING PROCESS

- Sec. 401. License officer staffing.

- Sec. 402. Funding for database automation.  
 Sec. 403. Information management priorities.  
 Sec. 404. Improvements to the Automated Export System.  
 Sec. 405. Adjustment of threshold amounts for congressional review purposes.  
 Sec. 406. Periodic notification of pending applications for export licenses.

TITLE V—NATIONAL SECURITY ASSISTANCE STRATEGY

- Sec. 501. Establishment of the Strategy.  
 Sec. 502. Security assistance surveys.

TITLE VI—MISCELLANEOUS PROVISIONS

- Sec. 601. Nuclear and missile nonproliferation in South Asia.  
 Sec. 602. Real-time public availability of raw seismological data.  
 Sec. 603. Detailing United States governmental personnel to international arms control and nonproliferation organizations.  
 Sec. 604. Diplomatic presence overseas.  
 Sec. 605. Protection against agricultural bioterrorism.  
 Sec. 606. Compliance with the Chemical Weapons Convention.

TITLE VII—AUTHORITY TO TRANSFER NAVAL VESSELS

- Sec. 701. Authority to transfer naval vessels to certain foreign countries.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) APPROPRIATE COMMITTEES OF CON-  
 4 GRESS.—The term “appropriate committees of Con-  
 5 gress” means the Committee on Foreign Relations  
 6 of the Senate and the Committee on International  
 7 Relations of the House of Representatives.

8 (2) DEFENSE ARTICLE.—The term “defense ar-  
 9 ticle” has the meaning given the term in section  
 10 47(3) of the Arms Export Control Act (22 U.S.C.  
 11 2794 note).

12 (3) DEFENSE SERVICE.—The term “defense  
 13 service” has the meaning given the term in section  
 14 47(4) of the Arms Export Control Act (22 U.S.C.  
 15 2794 note).

1           (4) EXCESS DEFENSE ARTICLE.—The term  
2           “excess defense article” has the meaning given the  
3           term in section 644(g) of the Foreign Assistance Act  
4           of 1961 (22 U.S.C. 2403(g)).

5           (5) SECRETARY.—Except as otherwise provided,  
6           the term “Secretary” means the Secretary of State.

7           **TITLE I—VERIFICATION OF**  
8           **ARMS CONTROL AND NON-**  
9           **PROLIFERATION AGREEMENTS**  
10          **MENTS**

11          **SEC. 101. VERIFICATION AND COMPLIANCE BUREAU PER-**  
12          **SONNEL.**

13          (a) IN GENERAL.—Of the total amounts made avail-  
14          able to the Department of State for fiscal years 2002 and  
15          2003, not less than \$14,000,000 each such fiscal year  
16          shall be provided to the Bureau of Verification and Com-  
17          pliance of the Department of State for Bureau-adminis-  
18          tered activities, including the Key Verification Assets  
19          Fund.

20          (b) ADDITIONAL PERSONNEL.—In addition to the  
21          amounts made available under subsection (a), not less  
22          than \$1,800,000 shall be made available from the Depart-  
23          ment’s American Salaries Account, for the purpose of hir-  
24          ing new personnel to carry out the Bureau’s responsibil-  
25          ities, as set forth in section 112 of the Arms Export Con-

1 trol and Nonproliferation Act of 1999 (113 Stat. 1501A–  
 2 486), as enacted into law by section 1000(a)(7) of Public  
 3 Law 106–113.

4 **SEC. 102. KEY VERIFICATION ASSETS FUND.**

5       Of the total amounts made available to the Depart-  
 6 ment of State for fiscal years 2002 and 2003, not less  
 7 than \$7,000,000 shall be made available within the  
 8 Verification and Compliance Bureau’s account for each  
 9 such fiscal year to carry out section 1111 of the Arms  
 10 Control and Nonproliferation Act of 1999 (113 Stat.  
 11 1501A–486), as enacted into law by section 1000(a)(7)  
 12 of Public Law 106–113.

13 **SEC. 103. REVISED VERIFICATION AND COMPLIANCE RE-**  
 14 **PORTING REQUIREMENTS.**

15       Section 403(a) of the Arms Control and Disar-  
 16 mament Act (22 U.S.C. 2593a(a)) is amended by striking  
 17 “January 31” and inserting “April 15”.

18                   **TITLE II—MILITARY AND**  
 19                   **RELATED ASSISTANCE**  
 20       **Subtitle A—Foreign Military Sales**  
 21                   **and Financing Authorities**

22 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

23       There are authorized to be appropriated to the Presi-  
 24 dent for grant assistance under section 23 of the Arms  
 25 Export Control Act (22 U.S.C. 2763) and for the subsidy

1 cost, as defined in section 502(5) of the Federal Credit  
2 Reform Act of 1990, of direct loans under such section  
3 \$3,674,000,000 for fiscal year 2002 and \$4,267,000,000  
4 for fiscal year 2003.

5 **SEC. 202. RELATIONSHIP OF FOREIGN MILITARY SALES TO**  
6 **UNITED STATES NONPROLIFERATION INTER-**  
7 **ESTS.**

8 (a) **AUTHORIZED PURPOSES.**—The first sentence of  
9 section 4 of the Arms Export Control Act (22 U.S.C.  
10 2754) is amended by inserting “for preventing or hin-  
11 dering the proliferation of weapons of mass destruction  
12 and of the means of delivering such weapons,” after “self-  
13 defense,”.

14 (b) **DEFINITION OF “WEAPONS OF MASS DESTRUC-**  
15 **TION”.**—Section 47 of the Arms Export Control Act (22  
16 U.S.C. 2794) is amended—

17 (1) by striking “and” at the end of paragraph

18 (8);

19 (2) by striking the period at the end of para-  
20 graph (9) and inserting “; and”; and

21 (3) by adding at the end the following new  
22 paragraph:

23 “(10) ‘weapons of mass destruction’ has the  
24 meaning provided by section 1403(1) of the Defense  
25 Against Weapons of Mass Destruction Act of 1996

1 (title XIV of Public Law 104–201; 110 Stat. 2717;  
2 50 U.S.C. 2302(1)).”.

3 (c) SENSE OF CONGRESS.—It is the sense of Con-  
4 gress that the Secretary should ensure, in circumstances  
5 where the sale of defense articles or defense services to  
6 a friendly country would serve the nonproliferation inter-  
7 ests of the United States, but that country cannot afford  
8 to purchase such defense articles or defense services, that  
9 grant assistance is provided pursuant to section 23 of the  
10 Arms Export Control Act to facilitate such acquisition.

11 **SEC. 203. SPECIAL DEFENSE ACQUISITION FUND FOR NON-**  
12 **PROLIFERATION AND COUNTER-NARCOTICS**  
13 **PURPOSES.**

14 (a) ESTABLISHMENT.—Notwithstanding any other  
15 provision of law, the President shall direct that the Special  
16 Defense Acquisition Fund be established pursuant to sec-  
17 tion 51 of the Arms Export Control Act (22 U.S.C. 2795).

18 (b) USE OF THE SPECIAL DEFENSE ACQUISITION  
19 FUND.—Section 51(a)(4) of the Arms Export Control Act  
20 (22 U.S.C. 2795(a)(4)) is amended by striking “for use  
21 for” and all that follows through “equipment” and insert-  
22 ing the following: “for use for—

23 “(A) narcotics control purposes and are  
24 appropriate to the needs of recipient countries,



1           such as small boats, planes (including heli-  
2           copters), and communications equipment; and

3                   “(B) nonproliferation and export control  
4           purposes, such as nuclear, radiological, chem-  
5           ical, and biological warfare materials detection  
6           equipment.”.

7           (c) LIMITATION.—Section 51(c) of the Arms Export  
8   Control Act (22 U.S.C. 2795(c)) is amended—

9                   (1) in paragraph (1), by striking all after “ex-  
10          ceed” through the period and inserting  
11          “\$200,000,000.”; and

12                   (2) in paragraph (2), by striking “provided”  
13          and all that follows through “Acts” and inserting  
14          “specifically authorized by law in advance”.

15          (d) AUTHORIZATION.—For fiscal year 2003, not  
16   more than \$20,000,000 may be made available for obliga-  
17   tion for the procurement of items pursuant to section 51  
18   of the Arms Export Control Act.

19   **SEC. 204. REPRESENTATION ALLOWANCES.**

20          Section 43(c) of the Arms Export Control Act (22  
21   U.S.C. 2792(c)) is amended by striking “\$72,500” and  
22   inserting “\$86,500”.

1 **SEC. 205. ARMS EXPORT CONTROL ACT PROHIBITION ON**  
2 **TRANSACTIONS WITH COUNTRIES THAT**  
3 **HAVE REPEATEDLY PROVIDED SUPPORT FOR**  
4 **ACTS OF INTERNATIONAL TERRORISM.**

5 The second sentence of section 40(d) of the Arms Ex-  
6 port Control Act (22 U.S.C. 2780(d)) is amended—

7 (1) by inserting “or chemical, biological, or ra-  
8 diological agents” after “nuclear explosive devices”;  
9 and

10 (2) by inserting “or chemical, biological, or ra-  
11 diological agents” after “nuclear material”.

12 **SEC. 206. CONGRESSIONAL NOTIFICATION OF SMALL ARMS**  
13 **AND LIGHT WEAPONS LICENSE APPROVALS;**  
14 **ANNUAL REPORTS.**

15 (a) CONGRESSIONAL NOTIFICATION OF EXPORT LI-  
16 CENSE APPROVALS.—Section 36(c) of the Arms Export  
17 Control Act (22 U.S.C. 2776(c)) is amended by inserting  
18 “(or, in the case of a defense article that is a firearm con-  
19 trolled under category I of the United States Munitions  
20 List, \$1,000,000 or more)” after “\$50,000,000 or more”.

21 (b) REPORT.—Not later than six months after the  
22 date of enactment of this Act, and annually thereafter,  
23 the Secretary of State shall submit an unclassified report  
24 to the appropriate congressional committees on the num-  
25 bers, range, and findings of end-use monitoring of United  
26 States transfers in small arms and light weapons.

1           (c) ANNUAL MILITARY ASSISTANCE REPORTS.—Sec-  
2 tion 655(b)(3) of the Foreign Assistance Act of 1961 (22  
3 U.S.C. 2415(b)(3)) is amended by inserting before the pe-  
4 riod at the end the following: “, including, in the case of  
5 defense articles that are firearms controlled under cat-  
6 egory I of the United States Munitions List, a statement  
7 of the aggregate dollar value and quantity of semiauto-  
8 matic assault weapons, or related equipment, the manu-  
9 facture, transfer, or possession of which is unlawful under  
10 section 922 of title 18, United States Code, that were li-  
11 censed for export during the period covered by the report”.

12           (d) ANNUAL REPORT ON ARMS BROKERING.—Not  
13 later than six months after the date of enactment of this  
14 Act, and annually thereafter, the Secretary of State shall  
15 submit a report to the appropriate committees of Congress  
16 on activities of registered arms brokers, including viola-  
17 tions of the Arms Export Control Act.

18           (e) ANNUAL REPORT ON INVESTIGATIONS OF THE  
19 BUREAU OF ALCOHOL, TOBACCO AND FIREARMS.—Not  
20 later than six months after the date of enactment of this  
21 Act, and annually thereafter, the Secretary of the Treas-  
22 ury shall submit a report to the appropriate committees  
23 of Congress on investigations and other efforts undertaken  
24 by the Bureau of Alcohol, Tobacco and Firearms (includ-  
25 ing cooperation with other agencies) to stop United

1 States-source weapons from being used in terrorist acts  
2 and international crime.

3 **Subtitle B—International Military**  
4 **Education and Training**

5 **SEC. 211. AUTHORIZATION OF APPROPRIATIONS.**

6 There are authorized to be appropriated to the Presi-  
7 dent \$75,000,000 for fiscal year 2002 and \$85,290,000  
8 for fiscal year 2003 to carry out chapter 5 of part II of  
9 the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et  
10 seq.; relating to international military education and train-  
11 ing).

12 **SEC. 212. ANNUAL HUMAN RIGHTS REPORTS.**

13 (a) WITH RESPECT TO PROHIBITIONS ON NON-  
14 MILITARY ASSISTANCE.—Section 116(d) of the Foreign  
15 Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended  
16 by redesignating paragraphs (7) and (8) as paragraphs  
17 (8) and (9), respectively, and by inserting after paragraph  
18 (6) the following:

19 “(7) to the extent practicable, for any violation  
20 of internationally recognized human rights reported  
21 under this subsection, whether any foreign military  
22 or defense ministry civilian participant in education  
23 and training activities under chapter 5 of part II of  
24 this Act was involved;”.

1 (b) RECORDS REGARDING FOREIGN PARTICI-  
2 PANTS.—Section 548 of the Foreign Assistance Act of  
3 1961 (22 U.S.C. 2347e) is amended—

4 (1) by striking “In” and inserting “(a) DEVEL-  
5 OPMENT AND MAINTENANCE OF DATABASE.—In”;  
6 and

7 (2) by adding at the end the following new sub-  
8 sections:

9 “(b) ANNUAL LIST OF FOREIGN PERSONNEL.—For  
10 the purposes of preparing the report required pursuant to  
11 section 116(d), the Secretary of State may annually re-  
12 quest the Secretary of Defense to provide information con-  
13 tained in the database with respect to a list submitted to  
14 the Secretary of Defense by the Secretary of State, con-  
15 taining the names of foreign personnel or military units.  
16 To the extent practicable, the Secretary of Defense shall  
17 provide, and the Secretary of State may take into account,  
18 the information contained in the database, if any, relating  
19 to the Secretary of State’s submission.

20 “(c) UPDATING OF DATABASE.—If the Secretary of  
21 State determines and reports to Congress under section  
22 116(d) that a foreign person identified in the database  
23 maintained pursuant to this section was involved in a vio-  
24 lation of internationally recognized human rights, the Sec-

1 retary of Defense shall ensure that the database is up-  
2 dated to contain such fact and all relevant information.”.

3 **Subtitle C—Security Assistance for**  
4 **Select Countries**

5 **SEC. 221. SECURITY ASSISTANCE FOR ISRAEL AND EGYPT.**

6 (a) AUTHORIZATION OF APPROPRIATIONS.—

7 (1) ISRAEL.—Section 513 of the Security As-  
8 sistance Act of 2000 (Public Law 106–280) is  
9 amended by striking “2001 and 2002” each place  
10 that it appears and inserting “2002 and 2003”.

11 (2) EGYPT.—Section 514 of the Security As-  
12 sistance Act of 2000 (Public Law 106–280) is  
13 amended by striking “2001 and 2002” each place  
14 that it appears and inserting “2002 and 2003”.

15 (b) BALLISTIC MISSILE DEFENSE.—Of the amounts  
16 made available for fiscal years 2002 and 2003 under sec-  
17 tion 513 of the Security Assistance Act of 2000 (Public  
18 Law 106–280), as amended by subsection (a),  
19 \$100,000,000 may be used each such fiscal year for the  
20 establishment, in cooperation with a United States com-  
21 pany, of a production line for the Arrow missile in the  
22 United States.

1 **SEC. 222. SECURITY ASSISTANCE FOR GREECE AND TUR-**  
2 **KEY.**

3 (a) **IN GENERAL.**—Of the amounts made available  
4 for the fiscal years 2002 and 2003 to carry out chapter  
5 5 of part II of the Foreign Assistance Act of 1961 (22  
6 U.S.C. 2347 et seq.)—

7 (1) \$1,000,000 for fiscal year 2002 and  
8 \$1,170,000 for fiscal year 2003 are authorized to be  
9 available for Greece; and

10 (2) \$2,500,000 for fiscal year 2002 and  
11 \$2,920,000 for fiscal year 2003 are authorized to be  
12 available for Turkey.

13 (b) **USE FOR PROFESSIONAL MILITARY EDU-**  
14 **CATION.**—Of the amounts available under paragraphs (1)  
15 and (2) of subsection (a) for each of fiscal years 2002  
16 and 2003, \$500,000 of each such amount should be avail-  
17 able for purposes of professional military education.

18 (c) **USE FOR JOINT TRAINING.**—It is the sense of  
19 Congress that, to the maximum extent practicable,  
20 amounts available under subsection (a) that are used in  
21 accordance with subsection (b) should be used for joint  
22 training of Greek and Turkish officers.

23 (d) **REPEAL.**—Section 512 of the Security Assistance  
24 Act of 2000 (Public Law 106–280; 114 Stat. 856) is re-  
25 pealed.

1 **SEC. 223. SECURITY ASSISTANCE FOR CERTAIN OTHER**  
2 **COUNTRIES.**

3 (a) FMF FOR CERTAIN OTHER COUNTRIES.—Of the  
4 amounts made available for the fiscal years 2002 and  
5 2003 under section 23 of the Arms Export Control Act  
6 (22 U.S.C. 2763), the following amounts are authorized  
7 to be available on a grant basis for the following countries  
8 for the fiscal years specified:

9 (1) THE BALTIC STATES.—For all of the Baltic  
10 states of Estonia, Latvia, and Lithuania,  
11 \$21,000,000 for fiscal year 2002 and \$24,400,000  
12 for fiscal year 2003.

13 (2) BULGARIA.—For Bulgaria, \$10,000,000 for  
14 fiscal year 2002 and \$11,620,000 for fiscal year  
15 2003.

16 (3) THE CZECH REPUBLIC.—For the Czech Re-  
17 public, \$12,000,000 for fiscal year 2002 and  
18 \$14,000,000 for fiscal year 2003.

19 (4) GEORGIA.—For Georgia, \$5,650,000 for fis-  
20 cal year 2002 and \$6,560,000 for fiscal year 2003.

21 (5) HUNGARY.—For Hungary, \$12,000,000 for  
22 fiscal year 2002 and \$14,000,000 for fiscal year  
23 2003.

24 (6) JORDAN.—For Jordan, \$75,000,000 for fis-  
25 cal year 2002 and \$87,300,000 for fiscal year 2003.



1           (7) MALTA.—For Malta, \$1,000,000 for fiscal  
2 year 2002 and \$1,170,000 for fiscal year 2003.

3           (8) THE PHILIPPINES.—For the Philippines,  
4 \$19,000,000 for fiscal year 2002 and \$22,100,000  
5 for fiscal year 2003.

6           (9) POLAND.—For Poland, \$15,000,000 for fis-  
7 cal year 2002 and \$17,500,000 for fiscal year 2003.

8           (10) ROMANIA.—For Romania, \$11,500,000 for  
9 fiscal year 2002 and \$13,400,000 for fiscal year  
10 2003.

11           (11) SLOVAKIA.— For Slovakia, \$8,500,000 for  
12 fiscal year 2002 and \$9,900,000 for fiscal year  
13 2003.

14           (12) SLOVENIA.—For Slovenia, \$4,500,000 for  
15 fiscal year 2002 and \$5,250,000 for fiscal year  
16 2003.

17       (b) IMET.—Of the amounts made available for the  
18 fiscal years 2002 and 2003 to carry out chapter 5 of part  
19 II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347  
20 et seq.), the following amounts are authorized to be avail-  
21 able for the following countries for the fiscal years speci-  
22 fied:

23           (1) THE BALTIC STATES.—For all of the Baltic  
24 states of Estonia, Latvia, and Lithuania, \$3,000,000

1 for fiscal year 2002 and \$3,420,000 for fiscal year  
2 2003.

3 (2) BULGARIA.—For Bulgaria, \$1,200,000 for  
4 fiscal year 2002 and \$1,370,000 for fiscal year  
5 2003.

6 (3) THE CZECH REPUBLIC.—For the Czech Re-  
7 public, \$1,800,000 for fiscal year 2002 and  
8 \$2,050,000 for fiscal year 2003.

9 (4) GEORGIA.—For Georgia, \$850,000 for fis-  
10 cal year 2002 and \$970,000 for fiscal year 2003.

11 (5) HUNGARY.—For Hungary, \$1,800,000 for  
12 fiscal year 2002 and \$2,050,000 for fiscal year  
13 2003.

14 (6) JORDAN.—For Jordan, \$1,800,000 for fis-  
15 cal year 2002 and \$2,050,000 for fiscal year 2003.

16 (7) MALTA.—For Malta, \$300,000 for fiscal  
17 year 2002 and \$350,000 for fiscal year 2003.

18 (8) THE PHILIPPINES.—For the Philippines,  
19 \$1,710,000 for fiscal year 2002 and \$2,000,000 for  
20 fiscal year 2003.

21 (9) POLAND.—For Poland, \$1,900,000 for fis-  
22 cal year 2002 and \$2,160,000 for fiscal year 2003.

23 (10) ROMANIA.—For Romania, \$1,400,000 for  
24 fiscal year 2002 and \$1,600,000 for fiscal year  
25 2003.

1           (11) SLOVAKIA.—For Slovakia, \$850,000 for  
2           fiscal year 2002 and \$970,000 for fiscal year 2003.

3           (12) SLOVENIA.—For Slovenia, \$800,000 for  
4           fiscal year 2002 and \$910,000 for fiscal year 2003.

5           (c) WRITTEN EXPLANATION OF PRESIDENTIAL DE-  
6           TERMINATIONS.—In the event that the President deter-  
7           mines not to provide, or determines to exceed, the funding  
8           allocated for any country specified in this section by an  
9           amount that is more than five percent of that specified  
10          in this section, the President shall submit to the appro-  
11          priate committees of Congress within 15 days of such de-  
12          termination a written explanation of the reasons therefor.

13          (d) REPEALS.—Sections 511 (a) and (b) and 515 of  
14          the Security Assistance Act of 2000 are repealed.

15          **Subtitle D—Excess Defense Article**  
16                                   **and Drawdown Authorities**

17          **SEC. 231. EXCESS DEFENSE ARTICLES FOR CERTAIN COUN-**  
18                                   **TRIES.**

19          (a) AUTHORITY.—Notwithstanding section 516(e) of  
20          the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)),  
21          during each of the fiscal years 2002 and 2003, funds  
22          available to the Department of Defense may be expended  
23          for crating, packing, handling, and transportation of ex-  
24          cess defense articles transferred under the authority of  
25          section 516 of such Act to Albania, Bulgaria, Croatia, Es-

1 tonia, Former Yugoslavia Republic of Macedonia, Georgia,  
2 India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania,  
3 Moldova, Mongolia, Pakistan, Romania, Slovakia, Slo-  
4 venia, Tajikistan, Turkmenistan, Ukraine, and  
5 Uzbekistan.

6 (b) SENSE OF CONGRESS.—The authority provided  
7 under this section should be utilized only for those coun-  
8 tries demonstrating a genuine commitment to democracy  
9 and human rights.

10 **SEC. 232. ANNUAL BRIEFING ON PROJECTED AVAILABILITY**  
11 **OF EXCESS DEFENSE ARTICLES.**

12 Not later than 90 days prior to the commencement  
13 of each fiscal year, the Department of Defense shall brief  
14 the Department of State and the appropriate committees  
15 of Congress regarding the expected availability of excess  
16 defense articles during the next fiscal year, for the purpose  
17 of enabling the Department of State to factor such avail-  
18 ability into annual security assistance plans.

19 **SEC. 233. EXPANDED DRAWDOWN AUTHORITY.**

20 Section 506(c) of the Foreign Assistance Act of 1961  
21 (22 U.S.C. 2318(c)) is amended to read as follows:

22 “(c) For the purposes of any provision of law that  
23 authorizes the drawdown of defense or other articles or  
24 commodities, or defense or other services from an agency  
25 of the United States Government, such drawdown may in-

1 clude the supply of commercial transportation and related  
2 services and defense or other articles or commodities, or  
3 defense or other services, that are acquired by contract  
4 for the purposes of the drawdown in question, if the cost  
5 to acquire such items or services is less than the cost to  
6 the United States Government of providing such items or  
7 services from existing agency assets.”.

8 **SEC. 234. DURATION OF SECURITY ASSISTANCE LEASES.**

9 Section 61 of the Arms Export Control Act (22  
10 U.S.C. 2796) is amended—

11 (1) in subsection (b), by striking “of not to ex-  
12 ceed five years” and inserting “that may not exceed  
13 5 years, plus a period of time specified in the lease  
14 as may be necessary for major refurbishment work  
15 to be performed prior to final delivery by the lessor  
16 of the defense articles,”; and

17 (2) by adding at the end the following new sub-  
18 section:

19 “(d) In this section, the term ‘major refurbishment  
20 work’ means refurbishment work performed over a period  
21 estimated to be 6 months or more.”.

1 **Subtitle E—Other Political-Military**  
2 **Assistance**

3 **SEC. 241. DESTRUCTION OF SURPLUS WEAPONS STOCK-**  
4 **PILES.**

5 Of the funds authorized to be appropriated to the  
6 President for fiscal years 2002 and 2003 to carry out  
7 chapters 1 and 10 of part I of the Foreign Assistance Act  
8 of 1961 (22 U.S.C. 2151 et seq.), relating to development  
9 assistance, up to \$10,000,000 is authorized to be made  
10 available each such fiscal year for the destruction of sur-  
11 plus stockpiles of small arms, light weapons, and other  
12 munitions.

13 **SEC. 242. IDENTIFICATION OF FUNDS FOR DEMINING PRO-**  
14 **GRAMS.**

15 Of the funds authorized to be appropriated under sec-  
16 tion 201 for nonproliferation, antiterrorism, demining,  
17 and related programs, \$40,000,000 is authorized to be ap-  
18 propriated for fiscal year 2002 for demining programs and  
19 program support costs.

20 **Subtitle F—Antiterrorism**  
21 **Assistance**

22 **SEC. 251. AUTHORIZATION OF APPROPRIATIONS.**

23 Section 574(a) of the Foreign Assistance Act of 1961  
24 (22 U.S.C. 2349aa–4(a)) is amended by striking  
25 “\$72,000,000 for fiscal year 2001 and \$73,000,000 for

1 fiscal year 2002” and inserting “\$73,000,000 for fiscal  
2 year 2002 and \$75,000,000 for fiscal year 2003”.

3 **SEC. 252. SPECIFIC PROGRAM OBJECTIVES.**

4       Of the amounts authorized to be appropriated to the  
5 President pursuant to section 574(a) of the Foreign As-  
6 sistance Act of 1961 (22 U.S.C. 2349aa-4(a)),  
7 \$2,000,000 may be made available for the provision of the  
8 Pisces system to the governments of the Philippines and  
9 Pakistan.

10                   **Subtitle G—Other Matters**

11 **SEC. 261. REVISED MILITARY ASSISTANCE REPORTING RE-**  
12 **QUIREMENTS.**

13       (a) ANNUAL FOREIGN MILITARY TRAINING RE-  
14 PORTS.—Section 656(a) of the Foreign Assistance Act of  
15 1961 (22 U.S.C. 2416) does not apply to any NATO or  
16 major non-NATO ally unless the chairman or ranking  
17 member of one of the appropriate committees of Congress  
18 has specifically requested, in writing, inclusion of such  
19 country in the report. Such request shall be made not later  
20 than 45 calendar days prior to the date on which the re-  
21 port is required to be transmitted.

22       (b) ANNUAL MILITARY ASSISTANCE REPORTS.—Sec-  
23 tion 655 of the Foreign Assistance Act of 1961 (22 U.S.C.  
24 2415) is amended—

25                   (1) by striking subsection (c); and

1           (2) by redesignating subsection (d) as sub-  
2           section (c).

3           (c) QUARTERLY REPORTS ON GOVERNMENT-TO-  
4 GOVERNMENT ARMS EXPORTS.—Section 36(a) of the  
5 Arms Export Control Act (22 U.S.C. 2776(a)) is  
6 amended—

7           (1) by striking paragraph (7); and

8           (2) by redesignating paragraphs (8), (9), (10),  
9           (11), (12), and (13) as paragraphs (7), (8), (9),  
10          (10), (11), and (12), respectively.

11 **TITLE III—NONPROLIFERATION**  
12 **AND EXPORT CONTROL AS-**  
13 **SISTANCE**

14 **Subtitle A—General Provisions**

15 **SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

16          (a) AUTHORIZATION.—Section 585 of the Foreign  
17 Assistance Act of 1961 (22 U.S.C. 2349bb–4) is  
18 amended—

19           (1) in subsection (a), by striking all after  
20           “chapter” and inserting “\$142,000,000 for fiscal  
21           year 2002 and \$152,000,000 for fiscal year 2003.”;  
22           and

23           (2) in subsection (c), by striking “2001” each  
24           place that it appears and inserting “2002”.



1 (b) SUBALLOCATIONS.—Of the amounts authorized  
2 to be appropriated to the President for fiscal years 2002  
3 and 2003 under chapter 9 of part II of the Foreign Assist-  
4 ance Act of 1961 (22 U.S.C. 2349bb et seq.)—

5 (1) not less than \$2,000,000 shall be made  
6 available each such fiscal year for the purpose of  
7 carrying out section 584 of the Foreign Assistance  
8 Act of 1961, as added by section 304 of this Act;  
9 and

10 (2) \$65,000,000 for fiscal year 2002 and  
11 \$65,000,000 for fiscal year 2003 are authorized to  
12 be appropriated for science and technology centers  
13 in the independent states of the former Soviet  
14 Union.

15 (c) CONFORMING AMENDMENT.—Section 302 of the  
16 Security Assistance Act of 2000 (Public Law 106–280)  
17 is repealed.

18 **SEC. 302. JOINT STATE DEPARTMENT-DEFENSE DEPART-**  
19 **MENT PROGRAMS.**

20 Of the amounts authorized to be appropriated to the  
21 President for fiscal years 2002 and 2003 under chapter  
22 9 of part II of the Foreign Assistance Act of 1961 (22  
23 U.S.C. 2349bb et seq.), the Secretary is authorized to  
24 make available not more than \$1,000,000 for international

1 counterproliferation programs administered by the De-  
2 partment of Defense.

3 **SEC. 303. NONPROLIFERATION TECHNOLOGY ACQUISITION**  
4 **PROGRAMS FOR FRIENDLY FOREIGN COUN-**  
5 **TRIES.**

6 (a) **IN GENERAL.**—For the purpose of enhancing the  
7 nonproliferation and export control capabilities of friendly  
8 countries, of the amounts authorized to be appropriated  
9 for fiscal years 2002 and 2003 under chapter 9 of part  
10 II of the Foreign Assistance Act of 1961 (22 U.S.C.  
11 2349bb et seq.), the Secretary is authorized to expend not  
12 more than—

13 (1) \$5,000,000 for the procurement and provi-  
14 sion of nuclear, chemical, and biological detection  
15 systems, including spectroscopic and pulse echo tech-  
16 nologies; and

17 (2) \$10,000,000 for the procurement and provi-  
18 sion of x-ray systems capable of imaging sea-cargo  
19 containers.

20 (b) **TRAINING REQUIREMENT.**—The Secretary shall  
21 not provide any equipment or technology pursuant to this  
22 section without having first developed and budgeted for  
23 a multiyear training plan to assist foreign personnel in  
24 the utilization of those items.

1           (c) PROCUREMENT AUTHORITIES.—For fiscal year  
2 2003, the Secretary shall utilize, to the maximum extent  
3 practicable, the Special Defense Acquisition Fund for pro-  
4 curements authorized under this section.

5 **SEC. 304. INTERNATIONAL NONPROLIFERATION AND EX-**  
6 **PORT CONTROL TRAINING.**

7           Chapter 9 of part II of the Foreign Assistance Act  
8 of 1961 (22 U.S.C. 2349bb et seq.) is amended—

9           (1) by redesignating sections 584 and 585 as  
10 sections 585 and 586, respectively; and

11           (2) by inserting after section 583 the following:

12 **“SEC. 584. INTERNATIONAL NONPROLIFERATION EXPORT**  
13 **CONTROL TRAINING.**

14           “(a) GENERAL AUTHORITY.—The President is au-  
15 thorized to furnish, on such terms and conditions con-  
16 sistent with this chapter (but whenever feasible on a reim-  
17 bursable basis), education and training to foreign per-  
18 sonnel for the purpose of enhancing the nonproliferation  
19 and export control capabilities of such personnel through  
20 their attendance in special courses of instruction con-  
21 ducted by the United States.

22           “(b) ADMINISTRATION OF COURSES.—The Secretary  
23 of State shall have overall responsibility for the develop-  
24 ment and conduct of international nonproliferation edu-  
25 cation and training programs, but may utilize other de-

1 departments and agencies, as appropriate, to recommend  
2 personnel for the education and training, and to admin-  
3 ister specific courses of instruction.

4 “(c) PURPOSES.—Education and training activities  
5 conducted under this section shall be—

6 “(1) of a technical nature, emphasizing tech-  
7 niques for detecting, deterring, monitoring, inter-  
8 dicting, and countering proliferation;

9 “(2) designed to encourage effective and mutu-  
10 ally beneficial relations and increased understanding  
11 between the United States and friendly countries;  
12 and

13 “(3) designed to improve the ability of friendly  
14 countries to utilize their resources with maximum ef-  
15 fectiveness, thereby contributing to greater self-reli-  
16 ance by such countries.

17 “(d) PRIORITY TO CERTAIN COUNTRIES.—In select-  
18 ing military and foreign governmental personnel for edu-  
19 cation and training pursuant to this section, priority shall  
20 be given to personnel from countries for which the Sec-  
21 retary of State has given priority under section 583(b).”.

22 **SEC. 305. RELOCATION OF SCIENTISTS.**

23 (a) REINSTATEMENT OF CLASSIFICATION AUTHOR-  
24 ITY.—Section 4 of the Soviet Scientists Immigration Act  
25 of 1992 (Public Law 102–509; 106 Stat. 3316; 8 U.S.C.

1 1153 note) is amended by striking subsection (d) and in-  
2 serting the following:

3 “(d) DURATION OF AUTHORITY.—The authority  
4 under subsection (a) shall be in effect during the following  
5 periods:

6 “(1) The period beginning on the date of the  
7 enactment of this Act and ending 4 years after such  
8 date.

9 “(2) The period beginning on the date of the  
10 enactment of the Security Assistance Act of 2001  
11 and ending 4 years after such date.”.

12 (b) LIMITATION ON NUMBER OF SCIENTISTS ELIGI-  
13 BLE FOR VISAS UNDER AUTHORITY.—Subsection (c) of  
14 such section is amended by striking “750” and inserting  
15 “950”.

16 (c) LIMITATION ON ELIGIBILITY.—Subsection (a) of  
17 such section is amended by adding at the end the following  
18 new sentence: “A scientist is not eligible for designation  
19 under this subsection if the scientist has previously been  
20 granted the status of an alien lawfully admitted for perma-  
21 nent residence (as defined in section 101(a)(20) of the Im-  
22 migration and Nationality Act (8 U.S.C. 1101(a)(20))).”.

23 (d) CONSULTATION REQUIREMENT.—The Attorney  
24 General shall consult with the Secretary, the Secretary of

1 Defense, the Secretary of Energy, and the heads of other  
2 appropriate agencies of the United States regarding—

3 (1) previous experience in implementing the So-  
4 viet Scientists Immigration Act of 1992; and

5 (2) any changes that those officials would rec-  
6 ommend in the regulations prescribed under that  
7 Act.

8 **SEC. 306. AUDITS OF THE INTERNATIONAL SCIENCE AND**  
9 **TECHNOLOGY CENTERS PROGRAM.**

10 Consistent with section 303(b) of the Security Assist-  
11 ance Act of 2000 (Public Law 106–280; 114 Stat. 853),  
12 not later than 60 days after the date of enactment of this  
13 Act, the Secretary shall submit a detailed report to the  
14 appropriate committees of Congress on United States  
15 audit practices with respect to the “International Science  
16 and Technology Centers Program”.

17 **SEC. 307. INTERNATIONAL ATOMIC ENERGY AGENCY REG-**  
18 **ULAR BUDGET ASSESSMENTS.**

19 (a) FINDINGS.—Congress makes the following find-  
20 ings:

21 (1) The Department of State has concluded  
22 that the International Atomic Energy Agency (here-  
23 after in this section referred to as the “IAEA”) is  
24 a critical and effective instrument for verifying com-  
25 pliance with international nuclear nonproliferation

1 agreements, and that it serves as an essential bar-  
2 rier to the spread of nuclear weapons.

3 (2) The IAEA furthers United States national  
4 security objectives by helping to prevent the pro-  
5 liferation of nuclear weapons material, especially  
6 through its work on effective verification and safe-  
7 guards measures.

8 (3) The IAEA can also perform a critical role  
9 in monitoring and verifying aspects of nuclear weap-  
10 ons reduction agreements between nuclear weapons  
11 states.

12 (4) As the IAEA has negotiated and developed  
13 more effective verification and safeguards measures,  
14 it has experienced significant real growth in its mis-  
15 sion, especially in the vital area of nuclear safe-  
16 guards inspections.

17 (5) Nearly two decades of zero budget growth  
18 have affected the ability of the IAEA to carry out  
19 its mission and to hire and retain the most qualified  
20 inspectors and managers, as evidenced in the de-  
21 creasing proportion of such personnel who hold doc-  
22 torate degrees.

23 (6) Although voluntary contributions by the  
24 United States lessen the IAEA's budgetary con-  
25 straints, they cannot readily be used for the long-

1 term capital investments or permanent staff in-  
2 creases necessary to an effective IAEA safeguards  
3 regime.

4 (7) It was not the intent of Congress that the  
5 United States contributions to all United Nations-re-  
6 lated organizations and activities be reduced pursu-  
7 ant to the Admiral James W. Nance and Meg Dono-  
8 van Foreign Relations Authorization Act, Fiscal  
9 Years 2000 and 2001 (as enacted into law by sec-  
10 tion 1000(a)(7) of Public Law 106–113; 113 Stat.  
11 1501A–405 et seq.), which sets 22 percent assess-  
12 ment rates as benchmarks for the general United  
13 Nations budget, the Food and Agricultural Organi-  
14 zation, the World Health Organization, and the  
15 International Labor Organization. Rather, contribu-  
16 tions for important and effective agencies such as  
17 the IAEA should be maintained at levels commensu-  
18 rate with the criticality of its mission.

19 (b) ADDITIONAL FUNDING FOR THE INTERNATIONAL  
20 ATOMIC ENERGY AGENCY.—It is the sense of Congress  
21 that—

22 (1) the Secretary should negotiate a gradual  
23 and sustained increase in the regular budget of the  
24 International Atomic Energy Agency, which should  
25 begin with the 2002 budget;



1           (2) if a regular budget increase for the IAEA  
2           is achieved, the Secretary should seek to gain con-  
3           sensus within the IAEA Board of Governors for allo-  
4           cation of a larger proportion of that budget to nu-  
5           clear nonproliferation activities; and

6           (3) if such a reallocation of the regular IAEA  
7           budget cannot be obtained, the United States should  
8           decrease its voluntary contribution by \$400,000 for  
9           each \$1,000,000 increase in its annual assessment.

10          (c) AUTHORIZATION OF APPROPRIATIONS.—Of the  
11 funds authorized to be appropriated for international or-  
12 ganizations, \$60,000,000 are authorized to be appro-  
13 priated in fiscal year 2002 for the payment of the United  
14 States assessment to the International Atomic Energy  
15 Agency, and \$75,000,000 shall be available for that pur-  
16 pose in fiscal year 2003.

17 **SEC. 308. REVISED NONPROLIFERATION REPORTING RE-**  
18 **QUIREMENTS.**

19          Section 308 of Public Law 102–182 (22 U.S.C.  
20 5606) is hereby repealed.

1 **Subtitle B—Russian Federation**  
2 **Debt Reduction for Non-**  
3 **proliferation**

4 **SEC. 311. SHORT TITLE.**

5 This subtitle may be cited as the “Russian Federa-  
6 tion Debt Reduction for Nonproliferation Act of 2001”.

7 **SEC. 312. FINDINGS AND PURPOSES.**

8 (a) FINDINGS.—Congress finds the following:

9 (1) It is in the vital security interests of the  
10 United States to prevent the spread of weapons of  
11 mass destruction to additional states or to terrorist  
12 organizations, and to ensure that other nations’ obli-  
13 gations to reduce their stockpiles of such arms in ac-  
14 cordance with treaties, executive agreements, or po-  
15 litical commitments are fulfilled.

16 (2) In particular, it is in the vital national secu-  
17 rity interests of the United States to ensure that—

18 (A) all stocks of nuclear weapons and  
19 weapons-usable nuclear material in the Russian  
20 Federation are secure and accounted for;

21 (B) stocks of nuclear weapons and weap-  
22 ons-usable nuclear material that are excess to  
23 military needs in the Russian Federation are  
24 monitored and reduced;

1 (C) any chemical or biological weapons, re-  
2 lated materials, and facilities in the Russian  
3 Federation are destroyed;

4 (D) the Russian Federation's nuclear  
5 weapons complex is reduced to a size appro-  
6 priate to its post-Cold War missions, and its ex-  
7 perts in weapons of mass destruction tech-  
8 nologies are shifted to gainful and sustainable  
9 civilian employment;

10 (E) the Russian Federation's export con-  
11 trol system blocks any proliferation of weapons  
12 of mass destruction, the means of delivering  
13 such weapons, and materials, equipment, know-  
14 how, or technology that would be used to de-  
15 velop, produce, or deliver such weapons; and

16 (F) these objectives are accomplished with  
17 sufficient monitoring and transparency to pro-  
18 vide confidence that they have in fact been ac-  
19 complished and that the funds provided to ac-  
20 complish these objectives have been spent effi-  
21 ciently and effectively.

22 (3) United States programs should be designed  
23 to accomplish these vital objectives in the Russian  
24 Federation as rapidly as possible, and the President

1       should develop and present to Congress a plan for  
2       doing so.

3               (4) Substantial progress has been made in  
4       United States-Russian Federation cooperative pro-  
5       grams to achieve these objectives, but much more re-  
6       mains to be done to reduce the urgent risks to  
7       United States national security posed by the current  
8       state of the Russian Federation's weapons of mass  
9       destruction stockpiles and complexes.

10              (5) The threats posed by inadequate manage-  
11       ment of weapons of mass destruction stockpiles and  
12       complexes in the Russian Federation remain urgent.  
13       Incidents in years immediately preceding 2001,  
14       which have been cited by the Russia Task Force of  
15       the Secretary of Energy's Advisory Board, include—

16              (A) a conspiracy at one of the Russian  
17       Federation's largest nuclear weapons facilities  
18       to steal nearly enough highly enriched uranium  
19       for a nuclear bomb;

20              (B) an attempt by an employee of the Rus-  
21       sian Federation's premier nuclear weapons fa-  
22       cility to sell nuclear weapons designs to agents  
23       of Iraq and Afghanistan; and

24              (C) the theft of radioactive material from  
25       a Russian Federation submarine base.

1           (6) Addressing these threats to United States  
2 and world security will ultimately consume billions of  
3 dollars, a burden that will have to be shared by the  
4 Russian Federation, the United States, and other  
5 governments, if this objective is to be achieved.

6           (7) The creation of new funding streams could  
7 accelerate progress in reducing these threats to  
8 United States security and help the government of  
9 the Russian Federation to fulfill its responsibility for  
10 secure management of its weapons stockpiles and  
11 complexes as United States assistance phases out.

12           (8) The Russian Federation suffers from a sig-  
13 nificant foreign debt burden, a substantial propor-  
14 tion of which it inherited from the Soviet Union.  
15 The Russian Federation is taking full responsibility  
16 for this debt, but the burden of debt repayment  
17 could threaten Russian Federation economic reform,  
18 particularly in 2003 and beyond.

19           (9) The Russian Federation's need for debt re-  
20 lief has been the subject of discussions between the  
21 United States and the Russian Federation at the  
22 highest levels and is cited by United States officials  
23 as one reason why the Russian Federation has rec-  
24 ognized that its future lies with the West.

1           (10) Past debt-for-environment exchanges, in  
2           which a portion of a country's foreign debt is can-  
3           celed in return for certain environmental commit-  
4           ments or payments by that country, provide a model  
5           for a possible debt-for-nonproliferation exchange  
6           with the Russian Federation, which could be de-  
7           signed to provide additional funding for non-  
8           proliferation and arms reduction initiatives.

9           (11) Most of the Russian Federation's official  
10          bilateral debt is held by United States allies that are  
11          advanced industrial democracies. Since the issues de-  
12          scribed pose threats to United States allies as well,  
13          United States leadership that results in a larger con-  
14          tribution from United States allies to cooperative  
15          threat reduction activities will be needed.

16          (b) PURPOSES.—The purposes of this subtitle are—

17               (1) to recognize the vital interests of the United  
18               States, its allies, and the Russian Federation in re-  
19               ducing the threats to international security described  
20               in the findings set forth in subsection (a);

21               (2) to facilitate the accomplishment of the  
22               United States objectives described in the findings set  
23               forth in subsection (a) by providing for the allevi-  
24               ation of a portion of the Russian Federation's for-

1       eign debt, thus allowing the use of additional re-  
2       sources for these purposes; and

3               (3) to ensure that resources freed from debt in  
4       the Russian Federation are targeted to the accom-  
5       plishment of the United States objectives described  
6       in the findings set forth in subsection (a).

7 **SEC. 313. DEFINITIONS.**

8       In this subtitle:

9               (1) **AGREEMENT.**—The term “Agreement”  
10       means the Russian Nonproliferation Investment  
11       Agreement provided for in section 318.

12              (2) **APPROPRIATE CONGRESSIONAL COMMIT-**  
13       **TEES.**—The term “appropriate congressional com-  
14       mittees” means—

15                   (A) the Committee on International Rela-  
16       tions and the Committee on Appropriations of  
17       the House of Representatives; and

18                   (B) the Committee on Foreign Relations  
19       and the Committee on Appropriations of the  
20       Senate.

21              (3) **COST.**—The term “cost” has the meaning  
22       given that term in section 502(5) of the Federal  
23       Credit Reform Act of 1990 (2 U.S.C. 661a(5)).

24              (4) **FACILITY.**—The term “Facility” means the  
25       Russian Nonproliferation Investment Facility estab-

1 lished in the Department of the Treasury by section  
2 314.

3 (5) SOVIET-ERA DEBT.—The term “Soviet-era  
4 debt” means debt owed as a result of loans or cred-  
5 its provided by the United States (or any agency of  
6 the United States) to the Union of Soviet Socialist  
7 Republics.

8 **SEC. 314. ESTABLISHMENT OF THE RUSSIAN NON-**  
9 **PROLIFERATION INVESTMENT FACILITY.**

10 There is established in the Department of the Treas-  
11 ury an entity to be known as the “Russian Nonprolifera-  
12 tion Investment Facility” for the purpose of providing for  
13 the administration of debt reduction in accordance with  
14 this subtitle.

15 **SEC. 315. REDUCTION OF THE RUSSIAN FEDERATION’S SO-**  
16 **VIET-ERA DEBT OWED TO THE UNITED**  
17 **STATES, GENERALLY.**

18 (a) **AUTHORITY TO REDUCE SOVIET-ERA DEBT.—**

19 (1) **AUTHORITY.—**

20 (A) **IN GENERAL.—**Except as provided in  
21 subparagraph (B), and subject to section 321,  
22 the President may reduce the amount of Soviet-  
23 era debt owed by the Russian Federation to the  
24 United States (or any agency of the United



1 States) that is outstanding as of October 1,  
2 2001.

3 (B) EXCEPTION.—The authority of sub-  
4 paragraph (A) to reduce Soviet-era debt does  
5 not include any debt that is described in section  
6 316(a)(1).

7 (2) CONGRESSIONAL NOTIFICATION.—The  
8 President shall notify the appropriate congressional  
9 committees of his intention to reduce the amount of  
10 the Russian Federation’s Soviet-era debt at least 15  
11 days in advance of any formal determination to do  
12 so.

13 (3) AUTHORIZATION OF APPROPRIATIONS.—

14 (A) IN GENERAL.—For the cost of the re-  
15 duction of any Soviet-era debt pursuant to this  
16 section, there are authorized to be appropriated  
17 to the President—

18 (i) \$50,000,000 for fiscal year 2002;

19 and

20 (ii) \$100,000,000 for fiscal year 2003.

21 (B) LIMITATION.—The authority provided  
22 by this section shall be available only to the ex-  
23 tent that appropriations for the cost of the  
24 modification of any Soviet-era debt pursuant to  
25 this section are made in advance.

1 (4) CERTAIN PROHIBITIONS INAPPLICABLE.—

2 (A) IN GENERAL.—A reduction of Soviet-  
3 era debt pursuant to this section shall not be  
4 considered assistance for the purposes of any  
5 provision of law limiting assistance to a coun-  
6 try.

7 (B) ADDITIONAL REQUIREMENT.—The au-  
8 thority of this section may be exercised notwith-  
9 standing section 620(r) of the Foreign Assist-  
10 ance Act of 1961 or section 321 of the Inter-  
11 national Development and Food Assistance Act  
12 of 1975.

13 (b) IMPLEMENTATION OF SOVIET-ERA DEBT REDUC-  
14 TION.—

15 (1) IN GENERAL.—Any reduction of Soviet-era  
16 debt pursuant to subsection (a) shall be—

17 (A) implemented pursuant to the terms of  
18 a Russian Nonproliferation Investment Agree-  
19 ment authorized under section 318; and

20 (B) accomplished at the direction of the  
21 Facility by the exchange of a new obligation for  
22 obligations of the type referred to in such sub-  
23 section that are outstanding as of October 1,  
24 2001.

25 (2) EXCHANGE OF OBLIGATIONS.—

1           (A) IN GENERAL.—The Facility shall no-  
2           tify the agency primarily responsible for admin-  
3           istering part I of the Foreign Assistance Act of  
4           1961 of an agreement entered into under para-  
5           graph (1) with the Russian Federation to ex-  
6           change a new obligation for outstanding obliga-  
7           tions.

8           (B) ADDITIONAL REQUIREMENT.—At the  
9           direction of the Facility, the old obligations that  
10          are the subject of the agreement shall be can-  
11          celed and a new debt obligation for the Russian  
12          Federation shall be established relating to the  
13          agreement, and the agency primarily respon-  
14          sible for administering part I of the Foreign  
15          Assistance Act of 1961 shall make an adjust-  
16          ment in its accounts to reflect the debt reduc-  
17          tion.

18          (c) ADDITIONAL TERMS AND CONDITIONS.—The fol-  
19          lowing additional terms and conditions shall apply to the  
20          reduction of Soviet-era debt under subsection (a)(1) in the  
21          same manner as such terms and conditions apply to the  
22          reduction of debt under section 704(a)(1) of the Foreign  
23          Assistance Act of 1961:

1           (1) The provisions relating to repayment of  
2           principal under section 705 of the Foreign Assist-  
3           ance Act of 1961.

4           (2) The provisions relating to interest on new  
5           obligations under section 706 of the Foreign Assist-  
6           ance Act of 1961.

7 **SEC. 316. REDUCTION OF SOVIET-ERA DEBT OWED TO THE**  
8                           **UNITED STATES AS A RESULT OF CREDITS**  
9                           **EXTENDED UNDER TITLE I OF THE AGRICUL-**  
10                           **TURAL TRADE DEVELOPMENT AND ASSIST-**  
11                           **ANCE ACT OF 1954.**

12           (a) **AUTHORITY TO REDUCE CERTAIN SOVIET-ERA**  
13 **DEBT.—**

14           (1) **AUTHORITY.**—Notwithstanding any other  
15           provision of law, and subject to section 321, the  
16           President may reduce the amount of Soviet-era debt  
17           owed to the United States (or any agency of the  
18           United States) by the Russian Federation that is  
19           outstanding as of October 1, 2001, as a result of  
20           any credits extended under title I of the Agricultural  
21           Trade Development and Assistance Act of 1954 (7  
22           U.S.C. 1701 et seq.).

23           (2) **CONGRESSIONAL NOTIFICATION.**—The  
24           President shall notify the appropriate congressional  
25           committees of his intention to reduce the amount of

1 the Russian Federation's Soviet-era debt described  
2 in paragraph (1) at least 15 days in advance of any  
3 formal determination to do so.

4 (3) AUTHORIZATION OF APPROPRIATIONS.—

5 (A) IN GENERAL.—For the cost of the re-  
6 duction of any Soviet-era debt pursuant to this  
7 section, there are authorized to be appropriated  
8 to the President—

9 (i) \$50,000,000 for fiscal year 2002;

10 and

11 (ii) \$100,000,000 for fiscal year 2003.

12 (B) LIMITATION.—The authority provided  
13 by this section shall be available only to the ex-  
14 tent that appropriations for the cost of the  
15 modification of any Soviet-era debt pursuant to  
16 this section are made in advance.

17 (b) IMPLEMENTATION OF SOVIET-ERA DEBT REDUC-  
18 TION.—

19 (1) IN GENERAL.—Any reduction of Soviet-era  
20 debt pursuant to subsection (a) shall be—

21 (A) implemented pursuant to the terms of  
22 a Russian Nonproliferation Investment Agree-  
23 ment authorized under section 318; and

24 (B) accomplished at the direction of the  
25 Facility by the exchange of a new obligation for

1 obligations of the type referred to in such sub-  
2 section that are outstanding as of October 1,  
3 2001.

4 (2) EXCHANGE OF OBLIGATIONS.—

5 (A) IN GENERAL.—The Facility shall no-  
6 tify the Commodity Credit Corporation of an  
7 agreement entered into under paragraph (1)  
8 with an eligible country to exchange a new obli-  
9 gation for outstanding obligations.

10 (B) ADDITIONAL REQUIREMENT.—At the  
11 direction of the Facility, the old obligations that  
12 are the subject of the agreement shall be can-  
13 celed and a new debt obligation shall be estab-  
14 lished for the Russian Federation relating to  
15 the agreement, and the Commodity Credit Cor-  
16 poration shall make an adjustment in its ac-  
17 counts to reflect the debt reduction.

18 (c) ADDITIONAL TERMS AND CONDITIONS.—The fol-  
19 lowing additional terms and conditions shall apply to the  
20 reduction of Soviet-era debt under subsection (a)(1) in the  
21 same manner as such terms and conditions apply to the  
22 reduction of debt under section 604(a)(1) of the Agricul-  
23 tural Trade Development and Assistance Act of 1954 (7  
24 U.S.C. 1738c):

1           (1) The provisions relating to repayment of  
2           principal under section 605 of such Act.

3           (2) The provisions relating to interest on new  
4           obligations under section 606 of such Act.

5 **SEC. 317. AUTHORITY TO ENGAGE IN DEBT-FOR-NON-**  
6                   **PROLIFERATION EXCHANGES AND DEBT**  
7                   **BUYBACKS.**

8           (a) LOANS AND CREDITS ELIGIBLE FOR SALE, RE-  
9           DUCTION, OR CANCELLATION.—

10           (1) DEBT-FOR-NONPROLIFERATION EX-  
11           CHANGES.—

12                   (A) IN GENERAL.—Notwithstanding any  
13           other provision of law, and subject to section  
14           321, the President may, in accordance with this  
15           section, sell to any purchaser eligible under sub-  
16           paragraph (B), any loan or credit described in  
17           section 315(a)(1), or any credit described in  
18           section 316(a)(1), or on receipt of payment  
19           from an eligible purchaser, reduce or cancel any  
20           such loan or credit or portion thereof, only for  
21           the purpose of facilitating a debt-for-non-  
22           proliferation exchange to support activities that  
23           further United States objectives described in  
24           the findings set forth in section 312(a).

1           (B) ELIGIBLE PURCHASER.—A loan or  
2 credit may be sold, reduced, or canceled under  
3 subparagraph (A) with respect to a purchaser  
4 who presents plans satisfactory to the President  
5 for using the loan or credit for the purpose of  
6 engaging in debt-for-nonproliferation exchange  
7 to support activities that further United States  
8 objectives described in the findings set forth in  
9 section 312(a).

10           (C) CONSULTATION REQUIREMENT.—Be-  
11 fore the sale under subparagraph (A) to any  
12 purchaser eligible under subparagraph (B), or  
13 any reduction or cancellation under subpara-  
14 graph (A), of any loan or credit made to the  
15 Russian Federation, the President shall consult  
16 with that country concerning the amount of  
17 loans or credits to be sold, reduced, or canceled  
18 and their uses for debt-for-nonproliferation ex-  
19 changes to support activities that further  
20 United States objectives described in the find-  
21 ings set forth in section 312(a).

22           (D) AUTHORIZATION OF APPROPRIA-  
23 TIONS.—For the cost of the reduction of any  
24 debt pursuant to subparagraph (A), amounts  
25 authorized to be appropriated under sections



1           315(a)(3) and 316(a)(3) shall be made available  
2           for such reduction of debt pursuant to subpara-  
3           graph (A).

4           (2) DEBT BUYBACKS.—Notwithstanding any  
5           other provision of law, the President may, in accord-  
6           ance with this section, sell to the Russian Federation  
7           any loan or credit described in section 315(a)(1) or  
8           any credit described in section 316(a)(1), or on re-  
9           ceipt of payment from the Russian Federation, re-  
10          duce or cancel such loan or credit or portion thereof,  
11          if the purpose of doing so is to facilitate a debt  
12          buyback by the Russian Federation of its own quali-  
13          fied debt and the Russian Federation uses a sub-  
14          stantial additional amount of its local currency to  
15          support activities that further United States objec-  
16          tives described in the findings set forth in section  
17          312(a).

18          (3) LIMITATION.—The authority provided by  
19          paragraphs (1) and (2) shall be available only to the  
20          extent that appropriations for the cost of the modi-  
21          fication of any debt pursuant to such paragraphs are  
22          made in advance.

23          (4) TERMS AND CONDITIONS.—Notwithstanding  
24          any other provision of law, the President shall, in ac-  
25          cordance with this section, establish the terms and

1 conditions under which loans and credits may be  
2 sold, reduced, or canceled pursuant to this section.

3 (5) ADMINISTRATION.—

4 (A) IN GENERAL.—The Facility shall no-  
5 tify the Administrator of the agency primarily  
6 responsible for administering part I of the For-  
7 eign Assistance Act of 1961 or the Commodity  
8 Credit Corporation, as the case may be, of pur-  
9 chasers that the President has determined to be  
10 eligible under paragraph (1)(B), and shall di-  
11 rect such agency or Corporation, as the case  
12 may be, to carry out the sale, reduction, or can-  
13 cellation of a loan pursuant to such paragraph.

14 (B) ADDITIONAL REQUIREMENT.—Such  
15 agency or Corporation, as the case may be,  
16 shall make an adjustment in its accounts to re-  
17 flect the sale, reduction, or cancellation.

18 (b) DEPOSIT OF PROCEEDS.—The proceeds from a  
19 sale, reduction, or cancellation of a loan sold, reduced, or  
20 canceled pursuant to this section shall be deposited in the  
21 United States Government account or accounts estab-  
22 lished for the repayment of such loan.

1 **SEC. 318. RUSSIAN NONPROLIFERATION INVESTMENT**  
2 **AGREEMENT.**

3 (a) **AUTHORITY.**—Subject to section 321, the Sec-  
4 retary is authorized, in consultation with other appro-  
5 priate officials of the Federal Government, to enter into  
6 an agreement with the Russian Federation concerning the  
7 use of the funds saved by that country as a result of any  
8 debt relief provided pursuant to this subtitle. An agree-  
9 ment entered into under this section may be referred to  
10 as the “Russian Nonproliferation Investment Agreement”.

11 (b) **CONTENT OF AGREEMENT.**—The Russian Non-  
12 proliferation Investment Agreement shall ensure that—

13 (1) a significant proportion of the funds saved  
14 by the Russian Federation as a result of any debt  
15 relief provided pursuant to this subtitle is devoted to  
16 nonproliferation programs and projects;

17 (2) funding of each such program or project is  
18 approved by the United States Government, either  
19 directly or through its representation on any gov-  
20 erning board that may be directed or established to  
21 manage these funds;

22 (3) administration and oversight of non-  
23 proliferation programs and projects incorporate best  
24 practices from established threat reduction and non-  
25 proliferation assistance programs;

1           (4) each program or project funded pursuant to  
2 the Agreement is subject to audits conducted by or  
3 for the United States Government;

4           (5) unobligated funds for investments pursuant  
5 to the Agreement are segregated from other Russian  
6 Federation funds and invested in financial instru-  
7 ments guaranteed or insured by the United States  
8 Government;

9           (6) the funds that are devoted to programs and  
10 projects pursuant to the Agreement are not subject  
11 to any taxation by the Russian Federation;

12           (7) all matters relating to the intellectual prop-  
13 erty rights and legal liabilities of United States  
14 firms in a given project are agreed upon before the  
15 expenditure of funds is authorized for that project;  
16 and

17           (8) not less than 75 percent of the funds made  
18 available for each nonproliferation program or  
19 project under the Agreement is spent in the Russian  
20 Federation.

21       (c) USE OF EXISTING MECHANISMS.—It is the sense  
22 of Congress that, to the extent practicable, the boards and  
23 administrative mechanisms of existing threat reduction  
24 and nonproliferation programs should be used in the ad-

1 ministration and oversight of programs and projects under  
2 the Agreement.

3 **SEC. 319. STRUCTURE OF DEBT-FOR-NONPROLIFERATION**  
4 **ARRANGEMENTS.**

5 It is the sense of Congress that any debt-for-non-  
6 proliferation arrangements with the Russian Federation  
7 should provide for gradual debt relief over a period of  
8 years, with debt relief to be suspended if more than two  
9 years' worth of funds remain unobligated for approved  
10 nonproliferation programs or projects.

11 **SEC. 320. INDEPENDENT MEDIA AND THE RULE OF LAW.**

12 Subject to section 321, of the agreed funds saved by  
13 the Russian Federation as a result of any debt relief pro-  
14 vided pursuant to this subtitle, up to 10 percent may be  
15 used to promote a vibrant, independent media sector and  
16 the rule of law in the Russian Federation through an en-  
17 dowment to support the establishment of a "Center for  
18 an Independent Press and the Rule of Law" in the Rus-  
19 sian Federation, which shall be directed by a joint United  
20 States-Russian Board of Directors in which the majority  
21 of members, including the chairman, shall be United  
22 States personnel, and which shall be responsible for man-  
23 agement of the endowment, its funds, and the Center's  
24 programs.

1 **SEC. 321. NONPROLIFERATION REQUIREMENT.**

2 (a) PROLIFERATION TO STATE SPONSORS OF TER-  
3 RORISM.—The authorities granted under sections 315,  
4 316, 317, 318, and 320 may not be exercised, and funds  
5 may not be expended, unless and until—

6 (1) the Russian Federation makes material  
7 progress in stemming the flow of sensitive goods,  
8 technologies, material, and know-how related to the  
9 design, development, and production of weapons of  
10 mass destruction and the means to deliver them to  
11 countries that have been determined by the Sec-  
12 retary, for the purposes of section 40 of the Arms  
13 Export Control Act, section 620A of the Foreign As-  
14 sistance Act, or section 6(j) of the Export Adminis-  
15 tration Act of 1979, to have repeatedly provided  
16 support for acts of international terrorism; and

17 (2) the President certifies to the appropriate  
18 congressional committees that the condition required  
19 in paragraph (1) has been met.

20 (b) ANNUAL DETERMINATION.—If, in any annual re-  
21 port to Congress submitted pursuant to section 325, the  
22 President cannot certify that the Russian Federation con-  
23 tinues to meet the condition required in subsection (a)(1),  
24 then, subject to the provisions of subsection (c), the au-  
25 thorities granted under under sections 315, 316, 317, 318,  
26 and 320 may not be exercised, and funds may not be ex-

1 pended, unless and until such certification is made to the  
2 appropriate congressional committees.

3 (c) **PRESIDENTIAL WAIVER.**—The President may  
4 waive the requirements of subsection (b) for a fiscal year  
5 if the President determines that imposition of those re-  
6 quirements in that fiscal year would be counter to the na-  
7 tional interest of the United States and so reports to the  
8 appropriate congressional committees.

9 **SEC. 322. DISCUSSION OF RUSSIAN FEDERATION DEBT RE-**  
10 **DUCTION FOR NONPROLIFERATION WITH**  
11 **OTHER CREDITOR STATES.**

12 The President and such other appropriate officials as  
13 the President may designate shall institute discussions in  
14 the Paris Club of creditor states with the objectives of—

15 (1) reaching agreement that each member of  
16 the Paris Club is authorized to negotiate debt ex-  
17 changes with the Russian Federation covering a por-  
18 tion of its bilateral debt, to finance the accomplish-  
19 ment of nonproliferation and arms reduction activi-  
20 ties;

21 (2) convincing other member states of the Paris  
22 Club, especially the largest holders of Soviet-era  
23 Russian debt, to dedicate significant proportions of  
24 their bilateral debt with the Russian Federation to  
25 these purposes; and

1           (3) reaching agreement, as appropriate, to es-  
2           tablish a unified debt exchange fund to manage and  
3           provide financial transparency for the resources pro-  
4           vided through the debt exchanges.

5 **SEC. 323. IMPLEMENTATION OF UNITED STATES POLICY.**

6           It is the sense of Congress that implementation of  
7           debt-for-nonproliferation programs with the Russian Fed-  
8           eration should be overseen by the Committee on Non-  
9           proliferation Assistance to the Independent States of the  
10          Former Soviet Union (established pursuant to section 334  
11          of this Act).

12 **SEC. 324. CONSULTATIONS WITH CONGRESS.**

13          The President shall consult with the appropriate con-  
14          gressional committees on a periodic basis to review the op-  
15          erations of the Facility and the Russian Federation's eligi-  
16          bility for benefits from the Facility.

17 **SEC. 325. ANNUAL REPORT TO CONGRESS.**

18          Not later than December 31, 2002, and not later  
19          than December 31 of each year thereafter, the President  
20          shall prepare and transmit to Congress a report con-  
21          cerning the operation of the Facility during the fiscal year  
22          preceding the fiscal year in which the report is trans-  
23          mitted. The report on a fiscal year shall include—

24                 (1) a description of the activities undertaken by  
25                 the Facility during the fiscal year;



1           (2) a description of any agreement entered into  
2 under this subtitle;

3           (3) a description of any grants that have been  
4 provided pursuant to the agreement; and

5           (4) a summary of the results of audits per-  
6 formed in the fiscal year pursuant to the agreement.

7           **Subtitle C—Nonproliferation**  
8           **Assistance Coordination**

9           **SEC. 331. SHORT TITLE.**

10          This subtitle may be cited as the “Nonproliferation  
11 Assistance Coordination Act of 2001”.

12          **SEC. 332. FINDINGS.**

13          Congress finds that—

14               (1) United States nonproliferation efforts in the  
15 independent states of the former Soviet Union have  
16 achieved important results in ensuring that weapons  
17 of mass destruction, weapons-usable material and  
18 technology, and weapons-related knowledge remain  
19 beyond the reach of terrorists and weapons-prolifer-  
20 ating states;

21               (2) although these efforts are in the United  
22 States national security interest, the effectiveness of  
23 these efforts suffers from a lack of coordination  
24 within and among United States Government agen-  
25 cies;

1           (3) increased spending and investment by the  
2           United States private sector on nonproliferation ef-  
3           forts in the independent states of the former Soviet  
4           Union, specifically, spending and investment by the  
5           United States private sector in job creation initia-  
6           tives and proposals for unemployed Russian Federa-  
7           tion weapons scientists and technicians, are making  
8           an important contribution in ensuring that knowl-  
9           edge related to weapons of mass destruction remains  
10          beyond the reach of terrorists and weapons-prolifer-  
11          ating states; and

12          (4) increased spending and investment by the  
13          United States private sector on nonproliferation ef-  
14          forts in the independent states of the former Soviet  
15          Union require the establishment of a coordinating  
16          body to ensure that United States public and private  
17          efforts are not in conflict, and to ensure that public  
18          spending on efforts by the independent states of the  
19          former Soviet Union is maximized to ensure effi-  
20          ciency and further United States national security  
21          interests.

22 **SEC. 333. INDEPENDENT STATES OF THE FORMER SOVIET**  
23 **UNION DEFINED.**

24          In this subtitle, the term “independent states of the  
25 former Soviet Union” has the meaning given the term in

1 section 3 of the FREEDOM Support Act (22 U.S.C.  
2 5801).

3 **SEC. 334. ESTABLISHMENT OF COMMITTEE ON NON-**  
4 **PROLIFERATION ASSISTANCE TO THE INDE-**  
5 **PENDENT STATES OF THE FORMER SOVIET**  
6 **UNION.**

7 (a) ESTABLISHMENT.—There is established within  
8 the executive branch of the Government an interagency  
9 committee known as the “Committee on Nonproliferation  
10 Assistance to the Independent States of the Former Soviet  
11 Union” (in this subtitle referred to as the “Committee”).

12 (b) MEMBERSHIP.—

13 (1) IN GENERAL.—The Committee shall be  
14 composed of five members, as follows:

15 (A) A representative of the Department of  
16 State designated by the Secretary of State.

17 (B) A representative of the Department of  
18 Energy designated by the Secretary of Energy.

19 (C) A representative of the Department of  
20 Defense designated by the Secretary of De-  
21 fense.

22 (D) A representative of the Department of  
23 Commerce designated by the Secretary of Com-  
24 merce.

1           (E) A representative of the Assistant to  
2           the President for National Security Affairs des-  
3           ignated by the Assistant to the President.

4           (2) LEVEL OF REPRESENTATION.—The Sec-  
5           retary of a department named in subparagraph (A),  
6           (B), (C), or (D) of paragraph (1) shall designate as  
7           the department’s representative an official of that  
8           department who is not below the level of an Assist-  
9           ant Secretary of the department.

10          (c) CHAIR.—The representative of the Assistant to  
11          the President for National Security Affairs shall serve as  
12          Chair of the Committee. The Chair may invite the head  
13          of any other department or agency of the United States  
14          to designate a representative of that department or agency  
15          to participate from time to time in the activities of the  
16          Committee.

17          **SEC. 335. DUTIES OF THE COMMITTEE.**

18          (a) IN GENERAL.—The Committee shall have pri-  
19          mary continuing responsibility within the executive branch  
20          of the Government for—

21                 (1) monitoring United States nonproliferation  
22                 efforts in the independent states of the former So-  
23                 viet Union; and

24                 (2) coordinating the implementation of United  
25                 States policy with respect to such efforts.

1 (b) DUTIES SPECIFIED.—In carrying out the respon-  
2 sibilities described in subsection (a), the Committee  
3 shall—

4 (1) arrange for the preparation of analyses on  
5 the issues and problems relating to coordination  
6 within and among United States departments and  
7 agencies on nonproliferation efforts of the inde-  
8 pendent states of the former Soviet Union;

9 (2) arrange for the preparation of analyses on  
10 the issues and problems relating to coordination be-  
11 tween the United States public and private sectors  
12 on nonproliferation efforts in the independent states  
13 of the former Soviet Union, including coordination  
14 between public and private spending on nonprolifera-  
15 tion programs of the independent states of the  
16 former Soviet Union and coordination between pub-  
17 lic spending and private investment in defense con-  
18 version activities of the independent states of the  
19 former Soviet Union;

20 (3) provide guidance on arrangements that will  
21 coordinate, de-conflict, and maximize the utility of  
22 United States public spending on nonproliferation  
23 programs of the independent states of the former  
24 Soviet Union to ensure efficiency and further United  
25 States national security interests;

1           (4) encourage companies and nongovernmental  
2 organizations involved in nonproliferation efforts of  
3 the independent states of the former Soviet Union to  
4 voluntarily report these efforts to the Committee;

5           (5) arrange for the preparation of analyses on  
6 the issues and problems relating to the coordination  
7 between the United States and other countries with  
8 respect to nonproliferation efforts in the independent  
9 states of the former Soviet Union; and

10          (6) consider, and make recommendations to the  
11 President and Congress with respect to, proposals  
12 for new legislation or regulations relating to United  
13 States nonproliferation efforts in the independent  
14 states of the former Soviet Union as may be nec-  
15 essary.

16 **SEC. 336. ADMINISTRATIVE SUPPORT.**

17          All United States departments and agencies shall  
18 provide, to the extent permitted by law, such information  
19 and assistance as may be requested by the Committee in  
20 carrying out its functions and activities under this sub-  
21 title.

22 **SEC. 337. CONFIDENTIALITY OF INFORMATION.**

23          Information which has been submitted or received in  
24 confidence shall not be publicly disclosed, except to the  
25 extent required by law, and such information shall be used

1 by the Committee only for the purpose of carrying out the  
2 functions and activities set forth in this subtitle.

3 **SEC. 338. STATUTORY CONSTRUCTION.**

4 Nothing in this subtitle—

5 (1) applies to the data-gathering, regulatory, or  
6 enforcement authority of any existing United States  
7 department or agency over nonproliferation efforts  
8 in the independent states of the former Soviet  
9 Union, and the review of those efforts undertaken by  
10 the Committee shall not in any way supersede or  
11 prejudice any other process provided by law; or

12 (2) applies to any activity that is reportable  
13 pursuant to title V of the National Security Act of  
14 1947 (50 U.S.C. 413 et seq.).

15 **TITLE IV—EXPEDITING THE MU-**  
16 **NITIONS LICENSING PROCESS**

17 **SEC. 401. LICENSE OFFICER STAFFING.**

18 (a) FUNDING.—Of the amounts authorized to be ap-  
19 propriated under the appropriations account entitled  
20 “DIPLOMATIC AND CONSULAR PROGRAMS” for fiscal years  
21 2002 and 2003, not less than \$10,000,000 shall be made  
22 available each such fiscal year for the Office of Defense  
23 Trade Controls of the Department of State for salaries  
24 and expenses.

1 (b) ASSIGNMENT OF LICENSE REVIEW OFFICERS.—  
2 Effective January 1, 2002, the Secretary shall assign to  
3 the Office of Defense Trade Controls of the Department  
4 of State a sufficient number of license review officers to  
5 ensure that the average weekly caseload for each officer  
6 does not exceed 40.

7 (c) DETAILEES.—For the purpose of expediting li-  
8 cense reviews, the Secretary of Defense should ensure that  
9 10 military officers are continuously detailed to the Office  
10 of Defense Trade Controls of the Department of State on  
11 a nonreimbursable basis.

12 **SEC. 402. FUNDING FOR DATABASE AUTOMATION.**

13 Of the amounts authorized to be appropriated under  
14 the appropriations account entitled “CAPITAL INVEST-  
15 MENT FUND” for fiscal years 2002 and 2003, not less  
16 than \$4,000,000 shall be made available each such fiscal  
17 year for the Office of Defense Trade Controls of the De-  
18 partment of State for the modernization of information  
19 management systems.

20 **SEC. 403. INFORMATION MANAGEMENT PRIORITIES.**

21 (a) OBJECTIVE.—The Secretary shall establish a se-  
22 cure, Internet-based system for the filing and review of  
23 applications for export of Munitions List items.

24 (b) ESTABLISHMENT OF AN ELECTRONIC SYSTEM.—  
25 Of the amounts made available pursuant to section 402,



1 not less than \$3,000,000 each such fiscal year shall be  
2 made available to fully automate the Defense Trade Appli-  
3 cation System, and to ensure that the system—

4 (1) is a secure, electronic system for the filing  
5 and review of Munitions List license applications;

6 (2) is accessible by United States companies  
7 through the Internet for the purpose of filing and  
8 tracking their Munitions List license applications;  
9 and

10 (3) is capable of exchanging data with—

11 (A) the Export Control Automated Sup-  
12 port System of the Department of Commerce;

13 (B) the Foreign Disclosure and Technology  
14 Information System and the USXPORTS sys-  
15 tems of the Department of Defense;

16 (C) the Export Control System of the Cen-  
17 tral Intelligence Agency; and

18 (D) the Proliferation Information Network  
19 System of the Department of Energy.

20 (e) MUNITIONS LIST DEFINED.—In this section, the  
21 term “Munitions List” means the United States Muni-  
22 tions List of defense articles and defense services con-  
23 trolled under section 38 of the Arms Export Control Act  
24 (22 U.S.C. 2778).

1 **SEC. 404. IMPROVEMENTS TO THE AUTOMATED EXPORT**  
2 **SYSTEM.**

3 (a) CONTRIBUTION TO THE AUTOMATED EXPORT  
4 SYSTEM.—Not less than \$250,000 of the amounts pro-  
5 vided under section 302 for each fiscal year shall be avail-  
6 able for the purpose of—

7 (1) providing the Department of State with full  
8 access to the Automated Export System;

9 (2) ensuring that the system is modified to  
10 meet the needs of the Department of State, if such  
11 modifications are consistent with the needs of other  
12 United States Government agencies; and

13 (3) providing operational support.

14 (b) MANDATORY FILING.—The Secretary of Com-  
15 merce, with the concurrence of the Secretary of State and  
16 the Secretary of Treasury, shall publish regulations in the  
17 Federal Register to require, upon the effective date of  
18 those regulations, that all persons who are required to file  
19 export information under chapter 9 of title 13, United  
20 States Code, to file such information through the Auto-  
21 mated Export System.

22 (c) REQUIREMENT FOR INFORMATION SHARING.—  
23 The Secretary shall conclude an information-sharing ar-  
24 rangement with the heads of United States Customs Serv-  
25 ice and the Census Bureau—

1           (1) to allow the Department of State to access  
2 information on controlled exports made through the  
3 United States Postal Service; and

4           (2) to adjust the Automated Export System to  
5 parallel information currently collected by the De-  
6 partment of State.

7           (d) SECRETARY OF TREASURY FUNCTIONS.—Section  
8 303 of title 13, United States Code, is amended by strik-  
9 ing “, other than by mail,”.

10          (e) FILING EXPORT INFORMATION, DELAYED FIL-  
11 INGS, PENALTIES FOR FAILURE TO FILE.—Section 304  
12 of title 13, United States Code, is amended—

13           (1) in subsection (a)—

14           (A) in the first sentence, by striking “the  
15 penal sum of \$1,000” and inserting “a penal  
16 sum of \$10,000”; and

17           (B) in the third sentence, by striking “a  
18 penalty not to exceed \$100 for each day’s delin-  
19 quency beyond the prescribed period, but not  
20 more than \$1,000,” and inserting “a penalty  
21 not to exceed \$1,000 for each day’s delinquency  
22 beyond the prescribed period, but not more  
23 than \$10,000 per violation”;

24           (2) by redesignating subsection (b) as sub-  
25 section (c); and

1           (3) by inserting after subsection (a) the fol-  
2           lowing:

3           “(b) Any person, other than a person described in  
4 subsection (a), required to submit export information,  
5 shall file such information in accordance with any rule,  
6 regulation, or order issued pursuant to this chapter. In  
7 the event any such information or reports are not filed  
8 within such prescribed period, the Secretary of Commerce  
9 (and officers of the Department of Commerce designated  
10 by the Secretary) may impose a civil penalty not to exceed  
11 \$1,000 for each day’s delinquency beyond the prescribed  
12 period, but not more than \$10,000 per violation.”.

13           (f) ADDITIONAL PENALTIES.—

14           (1) IN GENERAL.—Section 305 of title 13,  
15           United States Code, is amended to read as follows:

16           **“SEC. 305. PENALTIES FOR UNLAWFUL EXPORT INFORMA-**  
17           **TION ACTIVITIES.**

18           “(a) CRIMINAL PENALTIES.—(1) Any person who  
19 knowingly fails to file or knowingly submits false or mis-  
20 leading export information through the Shippers Export  
21 Declaration (SED) (or any successor document) or the  
22 Automated Export System (AES) shall be subject to a fine  
23 not to exceed \$10,000 per violation or imprisonment for  
24 not more than 5 years, or both.

1       “(2) Any person who knowingly reports any informa-  
2 tion on or uses the SED or the AES to further any illegal  
3 activity shall be subject to a fine not to exceed \$10,000  
4 per violation or imprisonment for not more than 5 years,  
5 or both.

6       “(3) Any person who is convicted under this sub-  
7 section shall, in addition to any other penalty, be subject  
8 to forfeiting to the United States—

9           “(A) any of that person’s interest in, security  
10 of, claim against, or property or contractual rights  
11 of any kind in the goods or tangible items that were  
12 the subject of the violation;

13           “(B) any of that person’s interest in, security  
14 of, claim against, or property or contractual rights  
15 of any kind in tangible property that was used in the  
16 export or attempt to export that was the subject of  
17 the violation; and

18           “(C) any of that person’s property constituting,  
19 or derived from, any proceeds obtained directly or  
20 indirectly as a result of the violation.

21       “(b) CIVIL PENALTIES.—The Secretary (and officers  
22 of the Department of Commerce specifically designated by  
23 the Secretary) may impose a civil penalty not to exceed  
24 \$10,000 per violation on any person violating the provi-  
25 sions of this chapter or any rule, regulation, or order

1 issued thereunder, except as provided in section 304. Such  
2 penalty may be in addition to any other penalty imposed  
3 by law.

4 “(c) CIVIL PENALTY PROCEDURE.—(1) When a civil  
5 penalty is sought for a violation of this section or of sec-  
6 tion 304, the charged party is entitled to receive a formal  
7 complaint specifying the charges and, at his or her re-  
8 quest, to contest the charges in a hearing before an admin-  
9 istrative law judge. Any such hearing shall be conducted  
10 in accordance with sections 556 and 557 of title 5, United  
11 States Code.

12 “(2) If any person fails to pay a civil penalty imposed  
13 under this chapter, the Secretary may ask the Attorney  
14 General to commence a civil action in an appropriate dis-  
15 trict court of the United States to recover the amount im-  
16 posed (plus interest at currently prevailing rates from the  
17 date of the final order). No such action may be com-  
18 menced more than 5 years after the order imposing the  
19 civil penalty becomes final. In such action, the validity,  
20 amount, and appropriateness of such penalty shall not be  
21 subject to review.

22 “(3) The Secretary may remit or mitigate any pen-  
23 alties imposed under paragraph (1) if, in his or her  
24 opinion—

1       “(A) the penalties were incurred without willful neg-  
2       ligence or fraud; or

3       “(B) other circumstances exist that justify a remis-  
4       sion or mitigation.

5       “(4) If, pursuant to section 306, the Secretary dele-  
6       gates functions under this section to another agency, the  
7       provisions of law of that agency relating to penalty assess-  
8       ment, remission or mitigation of such penalties, collection  
9       of such penalties, and limitations of actions and com-  
10      promise of claims, shall apply.

11      “(5) Any amount paid in satisfaction of a civil pen-  
12      alty imposed under this section or section 304 shall be  
13      deposited into the general fund of the Treasury and cred-  
14      ited as miscellaneous receipts.

15      “(d) ENFORCEMENT.—(1) The Secretary of Com-  
16      merce may designate officers or employees of the Office  
17      of Export Enforcement to conduct investigations pursuant  
18      to this chapter. In conducting such investigations, those  
19      officers or employees may, to the extent necessary or ap-  
20      propriate to the enforcement of this chapter, exercise such  
21      authorities as are conferred upon them by other laws of  
22      the United States, subject to policies and procedures ap-  
23      proved by the Attorney General.

24      “(2) The Commissioner of Customs may designate of-  
25      ficers or employees of the Customs Service to enforce the

1 provisions of this chapter, or to conduct investigations  
2 pursuant to this chapter.

3 “(e) REGULATIONS.—The Secretary of Commerce  
4 shall promulgate regulations for the implementation and  
5 enforcement of this section.

6 “(f) EXEMPTION.—The criminal fines provided for in  
7 this section are exempt from the provisions of section 3571  
8 of title 18, United States Code.”.

9 (2) CLERICAL AMENDMENT.—The table of sec-  
10 tions at the beginning of chapter 9 of title 13,  
11 United States Code, is amended by striking the item  
12 relating to section 305 and inserting the following:

“305. Penalties for unlawful export information activities.”.

13 **SEC. 405. ADJUSTMENT OF THRESHOLD AMOUNTS FOR**  
14 **CONGRESSIONAL REVIEW PURPOSES.**

15 The Arms Export Control Act is amended—

16 (1) in section 3(d) (22 U.S.C. 2753(d))—

17 (A) in paragraphs (1) and (3)(A), by strik-  
18 ing “The President may not” and inserting  
19 “Subject to paragraph (5), the President may  
20 not”; and

21 (B) by adding at the end of the following  
22 new paragraph:

23 “(5) In the case of a transfer to a member country  
24 of the North Atlantic Treaty Organization (NATO) or  
25 Australia, Japan, or New Zealand that does not authorize



1 a new sales territory that includes any country other than  
 2 such countries, the limitations on consent of the President  
 3 set forth in paragraphs (1) and (3)(A) shall apply only  
 4 if the transfer is—

5           “(A) a transfer of major defense equipment val-  
 6           ued (in terms of its original acquisition cost) at  
 7           \$25,000,000 or more; or

8           “(B) a transfer of defense articles or defense  
 9           services valued (in terms of its original acquisition  
 10          cost) at \$100,000,000 or more.”;

11           (2) in section 36 (22 U.S.C. 2776)—

12           (A) in subsection (b)—

13                   (i) in paragraph (1), by striking “(1)  
 14                   In the case of” and inserting “(1) Subject  
 15                   to paragraph (6), in the case of”;

16                   (ii) in paragraph (5)(C), by striking  
 17                   “(C) If” and inserting “(C) Subject to  
 18                   paragraph (6), if”; and

19                   (iii) by adding at the end of the fol-  
 20                   lowing new paragraph:

21           “(6) The limitation in paragraph (1) and the require-  
 22           ment in paragraph (5)(C) shall apply in the case of a letter  
 23           of offer to sell to a member country of the North Atlantic  
 24           Treaty Organization (NATO) or Australia, Japan, or New  
 25           Zealand that does not authorize a new sales territory that

1 includes any country other than such countries only if the  
2 letter of offer involves—

3 “(A) sale of major defense equipment under  
4 this Act for, or enhancement or upgrade of major  
5 defense equipment at a cost of, \$25,000,000 or  
6 more, as the case may be; and

7 “(B) sale of defense articles or services for, or  
8 enhancement or upgrade of defense articles or serv-  
9 ices at a cost of, \$100,000,000 or more, as the case  
10 may be; or

11 “(C) sale of design and construction services  
12 for, or enhancement or upgrade of design and con-  
13 struction services at a cost of, \$300,000,000 or  
14 more, as the case may be.”; and

15 (B) in subsection (c)—

16 (i) in paragraph (1), by striking “(1)  
17 In the case of” and inserting “(1) Subject  
18 to paragraph (5), in the case of”; and

19 (ii) by adding at the end the following  
20 new paragraph:

21 “(5) In the case of an application by a person (other  
22 than with regard to a sale under section 21 or 22 of this  
23 Act) for a license for the export to a member country of  
24 the North Atlantic Treaty Organization (NATO) or Aus-  
25 tralia, Japan, or New Zealand that does not authorize a

1 new sales territory that includes any country other than  
2 such countries, the limitation on the issuance of the license  
3 set forth in paragraph (1) shall apply only if the license  
4 is for export of—

5 “(A) major defense equipment sold under a  
6 contract in the amount of \$25,000,000 or more; or

7 “(B) defense articles or defense services sold  
8 under a contract in the amount of \$100,000,000 or  
9 more.”; and

10 (3) in section 63(a) (22 U.S.C. 2796b(a))—

11 (A) by striking “In the case of” and in-  
12 serting “(1) Subject to paragraph (2), in the  
13 case of”; and

14 (B) by adding at the end the following new  
15 paragraph:

16 “(2) In the case of an agreement described in para-  
17 graph (1) that is entered into with a member country of  
18 the North Atlantic Treaty Organization (NATO) or Aus-  
19 tralia, Japan, or New Zealand, the limitation in paragraph  
20 (1) shall apply only if the agreement involves a lease or  
21 loan of—

22 “(A) major defense equipment valued (in terms  
23 of its replacement cost less any depreciation in its  
24 value) at \$25,000,000 or more; or

1           “(B) defense articles valued (in terms of their  
2           replacement cost less any depreciation in their value)  
3           at \$100,000,000 or more.”.

4 **SEC. 406. PERIODIC NOTIFICATION OF PENDING APPLICA-**  
5 **TIONS FOR EXPORT LICENSES.**

6           The Secretary shall submit, on a biannual basis, to  
7 the appropriate committees of Congress a report  
8 identifying—

9           (1) each outstanding application for a license to  
10 export under section 38 of the Arms Export Control  
11 Act for which final administrative action has been  
12 withheld for longer than 180 days; and

13           (2) the referral status of each such application  
14 and any other relevant information.

15 **TITLE V—NATIONAL SECURITY**  
16 **ASSISTANCE STRATEGY**

17 **SEC. 501. ESTABLISHMENT OF THE STRATEGY.**

18           (a) REQUIREMENT.—Not later than 180 days after  
19 the date of enactment of this Act, and annually thereafter  
20 in connection with submission of congressional presen-  
21 tation materials for the foreign operations appropriations  
22 budget request, the Secretary shall submit to the appro-  
23 priate committees of Congress a report setting forth a Na-  
24 tional Security Assistance Strategy for the United States.

1 (b) ELEMENTS OF THE STRATEGY.—The National  
2 Security Assistance Strategy shall—

3 (1) set forth a 5-year plan for security assist-  
4 ance programs;

5 (2) be consistent with the National Security  
6 Strategy of the United States;

7 (3) be coordinated with the Secretary of De-  
8 fense and the Chairman of the Joint Chiefs of Staff;

9 (4) identify overarching security assistance ob-  
10 jectives, including identification of the role that spe-  
11 cific security assistance programs will play in achiev-  
12 ing such objectives;

13 (5) identify a primary security assistance objec-  
14 tive, as well as specific secondary objectives, for indi-  
15 vidual countries;

16 (6) identify, on a country-by-country basis, how  
17 specific resources will be allocated to accomplish  
18 both primary and secondary objectives;

19 (7) discuss how specific types of assistance,  
20 such as foreign military financing and international  
21 military education and training, will be combined at  
22 the country level to achieve United States objectives;  
23 and

24 (8) detail, with respect to each of the para-  
25 graphs (1) through (7), how specific types of assist-

1       ance provided pursuant to the Arms Export Control  
2       Act and Foreign Assistance Act of 1961 are coordi-  
3       nated with United States assistance programs ad-  
4       ministered by the Department of Defense and other  
5       agencies.

6       (c) COVERED ASSISTANCE.—The National Security  
7       Assistance Strategy shall cover assistance provided  
8       under—

9               (1) section 23 of the Arms Export Control Act  
10              (22 U.S.C. 2763);

11              (2) chapter 5 of part II of the Foreign Assist-  
12              ance Act of 1961 (22 U.S.C. 2347 et seq.); and

13              (3) section 516 of the Foreign Assistance Act  
14              of 1961 (22 U.S.C. 2321i).

15       **SEC. 502. SECURITY ASSISTANCE SURVEYS.**

16       (a) UTILIZATION.—The Secretary shall utilize secu-  
17       rity assistance surveys in preparation of the National Se-  
18       curity Assistance Strategy required pursuant to section  
19       501 of this Act.

20       (b) FUNDING.—Of the amounts made available for  
21       fiscal year 2002 under section 23 of the Arms Export Con-  
22       trol Act (22 U.S.C. 2763), \$2,000,000 is authorized to  
23       be available to the Secretary to conduct security assistance  
24       surveys, or to request such a survey, on a reimbursable  
25       basis, by the Department of Defense or other United

1 States Government agencies. Such surveys shall be con-  
2 ducted consistent with the requirements of section 26 of  
3 the Arms Export Control Act.

4           **TITLE VI—MISCELLANEOUS**  
5                           **PROVISIONS**

6   **SEC. 601. NUCLEAR AND MISSILE NONPROLIFERATION IN**  
7                           **SOUTH ASIA.**

8           (a) UNITED STATES POLICY.—It shall be the policy  
9 of the United States, consistent with its obligations under  
10 the Treaty on the Non-Proliferation of Nuclear Weapons,  
11 to encourage and work with the governments of India and  
12 Pakistan to achieve the following objectives by September  
13 30, 2003:

14                   (1) Continuation of a nuclear testing morato-  
15 rium.

16                   (2) Commitment not to deploy nuclear weapons.

17                   (3) Agreement by both governments to bring  
18 their export controls in line with the guidelines and  
19 requirements of the Nuclear Suppliers Group.

20                   (4) Agreement by both governments to bring  
21 their export controls in line with the guidelines and  
22 requirements of the Zangger Committee.

23                   (5) Agreement by both governments to bring  
24 their export controls in line with the guidelines, re-

1        requirements, and annexes of the Missile Technology  
2        Control Regime.

3            (6) Establishment of a modern, effective system  
4        to protect and secure nuclear devices and materiel  
5        from unauthorized use, accidental employment,  
6        theft, espionage, misuse, or abuse.

7            (7) Establishment of a modern, effective system  
8        to control the export of sensitive dual-use items,  
9        technology, technical information, and materiel that  
10       can be used in the design, development, or produc-  
11       tion of weapons of mass destruction and ballistic  
12       missiles.

13           (8) Conduct of bilateral meetings between In-  
14       dian and Pakistani senior officials to discuss secu-  
15       rity issues, establish confidence building measures,  
16       and increase transparency with regard to nuclear  
17       policies, programs, stockpiles, capabilities, and deliv-  
18       ery systems.

19        (b) REPORT.—Not later than March 1, 2003, the  
20       President shall submit to the appropriate committees of  
21       Congress a report describing United States efforts in pur-  
22       suit of the objectives listed in subsection (a), the progress  
23       made toward the achievement of those objectives, and the  
24       likelihood that each objective will be achieved by Sep-  
25       tember 30, 2003.



1 **SEC. 602. REAL-TIME PUBLIC AVAILABILITY OF RAW SEIS-**  
2 **MOLOGICAL DATA.**

3 The head of the Air Force Technical Applications  
4 Center shall make available to the public, immediately  
5 upon receipt or as soon after receipt as is possible, all raw  
6 seismological data provided to the United States Govern-  
7 ment by any international monitoring organization that is  
8 directly responsible for seismological monitoring.

9 **SEC. 603. DETAILING UNITED STATES GOVERNMENTAL**  
10 **PERSONNEL TO INTERNATIONAL ARMS CON-**  
11 **TROL AND NONPROLIFERATION ORGANIZA-**  
12 **TIONS.**

13 (a) IN GENERAL.—The Secretary, in consultation  
14 with the Secretaries of Defense and Energy and the heads  
15 of other relevant United States departments and agencies,  
16 as appropriate, shall develop measures to improve the  
17 process by which United States Government personnel  
18 may be detailed to international arms control and non-  
19 proliferation organizations without adversely affecting the  
20 pay or career advancement of such personnel.

21 (b) REPORT REQUIRED.—Not later than May 1,  
22 2002, the Secretary shall submit a report to the Com-  
23 mittee on Foreign Relations of the Senate and the Com-  
24 mittee on International Relations of the House of Rep-  
25 resentatives setting forth the measures taken under sub-  
26 section (a).

1 **SEC. 604. DIPLOMATIC PRESENCE OVERSEAS.**

2 (a) PURPOSE.—The purpose of this section is to—

3 (1) elevate the stature given United States dip-  
4 lomatic initiatives relating to nonproliferation and  
5 political-military issues; and

6 (2) develop a group of highly specialized, tech-  
7 nical experts with country expertise capable of ad-  
8 ministering the nonproliferation and political-mili-  
9 tary affairs functions of the Department of State.

10 (b) AUTHORITY.—To carry out the purposes of sub-  
11 section (a), the Secretary is authorized to establish the  
12 position of Counselor for Nonproliferation and Political  
13 Military Affairs in United States diplomatic missions over-  
14 seas to be filled by individuals who are career Civil Service  
15 officers or Foreign Service officers committed to follow-  
16 on assignments in the Nonproliferation or Political Mili-  
17 tary Affairs Bureaus of the Department of State.

18 (c) TRAINING.—After being selected to serve as  
19 Counselor, any person so selected shall spend not less than  
20 10 months in language training courses at the Foreign  
21 Service Institute, or in technical courses administered by  
22 the Department of Defense, the Department of Energy,  
23 or other appropriate departments and agencies of the  
24 United States, except that such requirement for training  
25 may be waived by the Secretary.

1 **SEC. 605. PROTECTION AGAINST AGRICULTURAL BIOTER-**  
2 **RORISM.**

3 Of funds made available to carry out programs under  
4 the Foreign Assistance Act of 1961, \$1,500,000 may be  
5 made available to North Carolina State University for the  
6 purpose of fingerprinting crop and livestock pathogens in  
7 order to enhance the ability of the United States Govern-  
8 ment to detect new strains, determine their origin, and  
9 to facilitate research in pathogen epidemiology.

10 **SEC. 606. COMPLIANCE WITH THE CHEMICAL WEAPONS**  
11 **CONVENTION.**

12 (a) FINDINGS.—Congress makes the following find-  
13 ings:

14 (1) On April 24, 1997, the Senate provided its  
15 advice and consent to ratification of the Chemical  
16 Weapons Convention subject to the condition that no  
17 sample collected in the United States pursuant to  
18 the Convention would be transferred for analysis to  
19 any laboratory outside the territory of the United  
20 States.

21 (2) Congress enacted the same condition into  
22 law as section 304(f)(1) of the Chemical Weapons  
23 Convention Implementation Act of 1998 (22 U.S.C.  
24 6724(f)(1)).

25 (3) Part II, paragraph 57, of the Verification  
26 Annex of the Convention requires that all samples

1 taken during a challenge inspection under the Con-  
2 vention shall be analyzed by at least two laboratories  
3 that have been designated as capable of conducting  
4 such testing by the OPCW.

5 (4) The only United States laboratory currently  
6 designated by the OPCW is the United States Army  
7 Edgewood Forensic Science Laboratory.

8 (5) In order to meet the requirements of condi-  
9 tion (18) of the resolution of ratification of the  
10 Chemical Weapons Convention, and section 304 of  
11 the Chemical Weapons Convention Implementation  
12 Act of 1998 (22 U.S.C. 6724), the United States  
13 must possess, at a minimum, a second OPCW-des-  
14 ignated laboratory.

15 (6) The possession of a second laboratory is  
16 necessary in view of the potential for a challenge in-  
17 spection to be initiated against the United States by  
18 a foreign nation.

19 (7) To qualify as a designated laboratory, a lab-  
20 oratory must be certified under ISO Guide 25 or a  
21 higher standard, and complete three proficiency  
22 tests. The laboratory must have the full capability to  
23 handle substances listed on Schedule 1 of the Annex  
24 on Schedules of Chemicals of the Chemical Weapons  
25 Convention. In order to handle such substances in

1 the United States, a laboratory also must operate  
2 under a bailment agreement with the United States  
3 Army.

4 (8) Several existing United States commercial  
5 laboratories have approved quality control systems,  
6 already possess bailment agreements with the United  
7 States Army, and have the capabilities necessary to  
8 obtain OPCW designation.

9 (9) In order to bolster the legitimacy of United  
10 States analysis of samples taken on its national ter-  
11 ritory, it is preferable that the second designated  
12 laboratory is not a United States Government facil-  
13 ity. Further, it is not cost-effective to build and  
14 equip another Government laboratory to meet  
15 OPCW designation standards when such capability  
16 already exists in the private sector.

17 (b) ESTABLISHMENT OF SECOND DESIGNATED LAB-  
18 ORATORY.—

19 (1) DIRECTIVE.—Not later than February 1,  
20 2002, the United States National Authority, as des-  
21 ignated under section 101 of the Chemical Weapons  
22 Convention Implementation Act of 1998 (22 U.S.C.  
23 6711), shall select, through competitive procedures,  
24 a commercial laboratory within the United States to  
25 pursue designation by the OPCW.

1           (2) DELEGATION.—The National Authority  
2 may delegate the authority and administrative re-  
3 sponsibility for carrying out paragraph (1) to one or  
4 more of the heads of the agencies described in sec-  
5 tion 101(b)(2) of the Chemical Weapons Convention  
6 Implementation Act of 1998 (22 U.S.C. 6711(b)(2)).

7           (3) REPORT.—Not later than March 1, 2002,  
8 the National Authority shall submit to the appro-  
9 priate committees of Congress a report detailing a  
10 plan for securing OPCW designation of a third  
11 United States laboratory by December 1, 2003.

12       (c) DEFINITIONS.—In this section:

13           (1) CHEMICAL WEAPONS CONVENTION.—The  
14 term “Chemical Weapons Convention” means the  
15 Convention on the Prohibition of Development, Pro-  
16 duction, Stockpiling and Use of Chemical Weapons  
17 and on Their Destruction, Opened for Signature and  
18 Signed by the United States at Paris on January  
19 13, 1993, including the following protocols and  
20 memorandum of understanding:

21                   (A) The Annex on Chemicals.

22                   (B) The Annex on Implementation and  
23 Verification.

24                   (C) The Annex on the Protection of Con-  
25 fidential Information.

1 (D) The Resolution Establishing the Pre-  
2 preparatory Commission for the Organization for  
3 the Prohibition of Chemical Weapons.

4 (E) The Text on the Establishment of a  
5 Preparatory Commission.

6 (2) OPCW.—The term “OPCW” means the  
7 Organization for the Prohibition of Chemical Weap-  
8 ons established under the Convention.

9 **TITLE VII—AUTHORITY TO**  
10 **TRANSFER NAVAL VESSELS**

11 **SEC. 701. AUTHORITY TO TRANSFER NAVAL VESSELS TO**  
12 **CERTAIN FOREIGN COUNTRIES.**

13 (a) AUTHORITY TO TRANSFER.—

14 (1) BRAZIL.—The President is authorized to  
15 transfer to the Government of Brazil the “Newport”  
16 class tank landing ship Peoria (LST1183). Such  
17 transfer shall be on a sale basis under section 21 of  
18 the Arms Export Control Act (22 U.S.C. 2761).

19 (2) POLAND.—The President is authorized to  
20 transfer to the Government of Poland the “Oliver  
21 Hazard Perry” class guided missile frigate Wads-  
22 worth (FFG 9). Such transfer shall be on a grant  
23 basis under section 516 of the Foreign Assistance  
24 Act of 1961 (22 U.S.C. 2321j).

1           (3) TURKEY.—The President is authorized to  
2 transfer to the Government of Turkey the “Oliver  
3 Hazard Perry” class guided missile frigates Estocin  
4 (FFG 15) and Samuel Eliot Morrison (FFG 13).  
5 Each such transfer shall be on a sale basis under  
6 section 21 of the Arms Export Control Act (22  
7 U.S.C. 2761). The President is further authorized to  
8 transfer to the Government of Turkey the “Knox”  
9 class frigates Capadanno (FF 1093), Thomas C.  
10 Hart (FF 1092), Donald B. Beary (FF 1085),  
11 McCandless (FF 1084), Reasoner (FF 1063), and  
12 Bowen (FF 1079). The transfer of these 6 “Knox”  
13 class frigates shall be on a grant basis under section  
14 516 of the Foreign Assistance Act of 1961 (22  
15 U.S.C. 2321j).

16           (4) TAIWAN.—The President is authorized to  
17 transfer to the Taipei Economic and Cultural Rep-  
18 resentative Office in the United States (which is the  
19 Taiwan instrumentality designated pursuant to sec-  
20 tion 10(a) of the Taiwan Relations Act) the “Kidd”  
21 class guided missile destroyers Kidd (DDG 993),  
22 Callaghan (DDG 994), Scott (DDG 995), and Chan-  
23 dler (DDG 996). The transfer of these 4 “Kidd”  
24 class guided missile destroyers shall be on a sale



1 basis under section 21 of the Arms Export Control  
2 Act (22 U.S.C. 2761).

3 (b) GRANTS NOT COUNTED IN ANNUAL TOTAL OF  
4 TRANSFERRED EXCESS DEFENSE ARTICLES.—The value  
5 of a vessel transferred to another country on a grant basis  
6 under section 516 of the Foreign Assistance Act of 1961  
7 (22 U.S.C. 2321j) pursuant to authority provided by sub-  
8 section (a) shall not be counted for the purposes of sub-  
9 section (g) of that section in the aggregate value of excess  
10 defense articles transferred to countries under that section  
11 in any fiscal year.

12 (c) COSTS OF TRANSFERS.—Notwithstanding section  
13 516(e)(1) of the Foreign Assistance Act of 1961 (22  
14 U.S.C. 2321j(e)(1)), any expense incurred by the United  
15 States in connection with a transfer authorized to be made  
16 on a grant basis under subsection (a) or (b) shall be  
17 charged to the recipient.

18 (d) REPAIR AND REFURBISHMENT IN UNITED  
19 STATES SHIPYARDS.—To the maximum extent prac-  
20 ticable, the President shall require, as a condition of the  
21 transfer of a vessel under this section, that the country  
22 to which the vessel is transferred have such repair or re-  
23 furbishment of the vessel as is needed, before the vessel  
24 joins the naval forces of that country, performed at a

1 United States Navy shipyard or other shipyard located in  
2 the United States.

3 (e) EXPIRATION OF AUTHORITY.—The authority pro-  
4 vided under subsection (a) shall expire at the end of the  
5 2-year period beginning on the date of the enactment of  
6 this Act.

Passed the Senate December 20 (legislative day, De-  
cember 18), 2001.

Attest:

JERI THOMSON,  
*Secretary.*