

TRANSMITTAL NO. 18-30

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act

Annex No. vii

(vii) Sensitivity of Technology:

1. A completely assembled Standard Missile-2 (SM-2) Block IIIA with or without a conventional warhead, whether a tactical, telemetry, or inert (training) configuration, is classified CONFIDENTIAL. Missile component hardware includes: Guidance Section (classified CONFIDENTIAL), Target Detection Device (classified CONFIDENTIAL), Warhead (UNCLASSIFIED), Dual Thrust Rocket Motor (UNCLASSIFIED), Steering Control Section (UNCLASSIFIED), Safe and Arming Device (UNCLASSIFIED), Autopilot Battery Unit (classified CONFIDENTIAL), and if telemetry missiles, AN/DKT-71 Telemeters (UNCLASSIFIED).

2. SM-2 operator and maintenance documentation is usually classified CONFIDENTIAL. Shipboard operation/firing guidance is generally classified CONFIDENTIAL. Prefiring missile assembly/pedigree information is UNCLASSIFIED.

3. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that Denmark can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to Denmark.

INTERIOR, ENVIRONMENT BILL APPROPRIATIONS

Mr. MARKEY. Mr. President, I wish to discuss H.R. 6147, which includes the Fiscal Year 2019 Interior and Related Agencies Appropriations bill. This bill provides critical funding for the U.S. Geological Survey, USGS, and the Advanced National Seismic System, ANSS.

In recent years, USGS funding for external grants for local earthquake monitoring and research has become highly competitive and does not always reach areas of need. In a solicitation from May 2017, for example, USGS only funded approximately 15 percent of the grant proposals that were submitted to the agency for funding in this area.

I am particularly concerned by USGS's reduction of funding and utilization of local earthquake monitoring programs and ANSS partner facilities in areas of moderate earthquake risk, particularly in the northeast region of the United States.

It is true that most earthquakes tend to occur in zones where past earthquakes have taken place. However, each year, there are earthquakes that take place at unexpected locations, including in my home State of Massachusetts. The Northeast is a region of high population density, and the cities and

towns in this region are often home to older buildings that are situated on soft soil and vulnerable to earthquake activity. This means that even small earthquakes can be felt by local residents and can be misinterpreted another disaster or even as a terrorist event if accurate and timely information is not readily made available.

While we cannot yet identify the active faults in the Northeast, earthquake data and research are pointing us toward those localities where we need to look for active faults. Once these faults are found, they can be studied to better define the probabilities of future potentially damaging earthquakes in the Northeast and New England region. Important advancements in understanding earthquake hazards and in promoting earthquake risk reduction activities are realized because of the efforts of local seismic experts at places like Weston Observatory in my home State of Massachusetts. These external partners play critical roles in delivering accurate earthquake assessments and warnings to State and local emergency management agencies and the general public.

I look forward to working with USGS to identify ways to expand funding for research at ANSS partner facilities that will improve their ability to deliver accurate earthquake assessments and products to their local populations across the United States, including the Northeast. As recently as 2011, a Northeast region stakeholder plan for ANSS called for improved delivery of seismic information to users in the region; an improved understanding of earthquake hazards in the Northeast; improved education and outreach on earthquakes and earthquake safety; and a multi-hazard approach to earthquake monitoring in this region. The stakeholders also called for funding support to local earthquake monitoring centers in the Northeast for these activities. Damaging earthquakes are rare, but they have happened in the past, and the evidence is overwhelming that they can happen again at some point in the future.

In order to be fully prepared, I urge the USGS to begin now to reinvest in local seismic monitoring programs and ANSS partner facilities in the Northeast and in New England in particular.

Thank you.

NATIONAL FLOOD INSURANCE PROGRAM

Mr. ENZI. Mr. President, I wish to speak on recent legislation extending the National Flood Insurance Program on a short-term basis.

The National Flood Insurance Program, NFIP, was created in 1968 in response to the lack of flood insurance available at the time. The program's intent was to encourage folks to protect their homes and communities to adopt sound floodplain management standards.

I would like to reiterate the findings of the 1966 Presidential Task Force on Federal Flood Control Policy: "A flood insurance program is a tool that should be used expertly or not at all. Correctly applied it could promote wise use of flood plains. Incorrectly applied, it could exacerbate the whole problem of flood losses. For the Federal Government to subsidize low premium disaster insurance or provide insurance in which premiums are not proportionate to risk would be to invite economic waste of great magnitude"

In less than a year, we have extended the program seven times, most attached to must-pass bills, without any needed reforms. The program is over \$20 billion in debt, even though we forgave \$16 billion of that debt just last year. With our Federal debt now above \$21 trillion, we need to address the solvency of the NFIP as soon as possible.

We can begin doing that by bringing some meaningful reform to the program, including moving towards more risk-based premiums. More importantly, interest from the private flood insurance market is growing. Their involvement means more flexible flood policies, integrated coverage with other insurance policies, and lower-cost coverage for some customers. Increasing private insurance's participation in flood insurance markets would reduce the financial risk obligations of this program for the Federal Government. I hope Congress will further clarify private insurers' role in the flood insurance market. As it stands, the NFIP cannot stand on its own feet, and it requires significant reforms to put it on sound financial footing. I urge my colleagues to find bipartisan, sustainable reforms to this program. We must stop kicking the can down the road on the necessary reforms needed to make this an effective program.

Mr. CRAPO. Mr. President, I agree with my colleague that homeowners affected by flood disasters would benefit from greater certainty through a longer-term reauthorization. I would agree that meaningful reform is necessary to sustain the National Flood Insurance Program, NFIP. As chairman of the Senate Banking Committee, it is my goal to bring bipartisan reform to the program. Our Nation has seen some devastating disasters involving floods and related natural disasters, especially in the last two decades. With those disasters, the NFIP has amassed significant debt to the US Treasury. The underlying program is not structurally sound and too few people are protected from flood risk. Comprehensive reforms to the program are important to improve the program's fiscal condition, ensure more homeowners are covered against the risk of loss from flooding, and enable the program to better serve current policyholders.

I agree with Senator ENZI. There is still work to be done to make the NFIP