

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARDIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BOOZMAN). Without objection, it is so ordered.

CLOTURE MOTION

Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Daniel Aaron Bress, of California, to be United States Circuit Judge for the Ninth Circuit.

Mitch McConnell, Thom Tillis, Richard Burr, Richard C. Shelby, Shelley Moore Capito, Roger F. Wicker, Johnny Isakson, David Perdue, Tom Cotton, John Thune, Steve Daines, John Boozman, John Cornyn, Mike Crapo, Pat Roberts, John Hoeven, John Barrasso.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that the debate on the nomination of Daniel Aaron Bress, of California, to be United States Circuit Judge for the Ninth Circuit, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Louisiana (Mr. CASSIDY), the Senator from Florida (Mr. RUBIO), and the Senator from North Carolina (Mr. TILLIS).

Further, if present and voting, the Senator from Florida (Mr. RUBIO) would have voted "yea" and the Senator from North Carolina (Mr. TILLIS) would have voted "yea".

Mr. DURBIN. I announce that the Senator from California (Ms. HARRIS), the Senator from New York (Mrs. GILLIBRAND), the Senator from Vermont (Mr. LEAHY), the Senator from Vermont (Mr. SANDERS), and the Senator from Massachusetts (Ms. WARREN), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 50, nays 42, as follows:

[Rollcall Vote No. 190 Ex.]

YEAS—50

Alexander	Cramer	Hoeven
Barrasso	Crapo	Hyde-Smith
Blackburn	Cruz	Inhofe
Blunt	Daines	Isakson
Boozman	Enzi	Johnson
Braun	Ernst	Kennedy
Burr	Fischer	Lankford
Capito	Gardner	Lee
Collins	Graham	McConnell
Cornyn	Grassley	McSally
Cotton	Hawley	Moran

Murkowski	Romney	Sullivan
Paul	Rounds	Thune
Perdue	Sasse	Toomey
Portman	Scott (FL)	Wicker
Risch	Scott (SC)	Young
Roberts	Shelby	

NAYS—42

Baldwin	Hassan	Reed
Bennet	Heinrich	Rosen
Blumenthal	Hirono	Schatz
Booker	Jones	Schumer
Brown	Kaine	Shaheen
Cantwell	King	Sinema
Cardin	Klobuchar	Smith
Carper	Manchin	Stabenow
Casey	Markey	Tester
Coons	Menendez	Udall
Cortez Masto	Merkley	Van Hollen
Duckworth	Murphy	Warner
Durbin	Murray	Whitehouse
Feinstein	Peters	Wyden

NOT VOTING—8

Cassidy	Leahy	Tillis
Gillibrand	Rubio	Warren
Harris	Sanders	

The PRESIDING OFFICER. On this vote, the yeas are 50, the nays are 42.

The motion is agreed to.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. SCHATZ. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHATZ. I ask unanimous consent that I be allowed to speak for up to 10 minutes, followed by Senators WHITEHOUSE and HEINRICH for 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHATZ. Mr. President, I yield the floor to the majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that notwithstanding rule XXII, the postcloture time on the Bress nomination expire at 4:30 p.m. on Tuesday, July 9 and that, if confirmed, the motion to reconsider be considered made and laid upon the table and the President be immediately notified of the Senate's action. I further ask unanimous consent that following disposition of the Bress nomination, the Senate vote on the pending cloture motions on the following nominations in the order listed: Executive Calendar Nos. 47, 51, and 52; that if cloture is invoked, the confirmation votes occur on Wednesday, July 10, at a time to be determined by the majority leader in consultation with the Democratic leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Hawaii.

AMERICAN OPPORTUNITY CARBON FEE ACT OF 2019

Mr. SCHATZ. Mr. President, last year, the United States weathered 14 different disasters costing \$1 billion or more, including 2 hurricanes that cost more than \$25 billion in damages. Just in the past 3 years, the annual average

of billion-dollar disasters has doubled compared to what it has been over the long term. These numbers give us a sense of what extreme weather and climate inaction will cost us, but the hundreds of billions of dollars of damages we have seen from extreme weather over the past few years do not capture the full costs.

An economist named Gary Yohe recently pointed out in a Washington Post article that extreme weather doesn't simply damage or destroy property. These events require people, businesses, and government to take money they would have spent elsewhere and put it toward rebuilding. So instead of promoting growth or investing in business or communities, we are treading water by putting billions of dollars into just rebuilding the status quo. Yohe calculates that if we have similar extreme weather events over the next 10 years, the U.S. GDP will be 3.6 percent lower. So, in 2029, our economy will be \$1 trillion poorer because of extreme weather and climate change. This is why actuaries have named climate change the No. 1 risk to North American insurers. This isn't the Conservation Council for Hawai'i. This isn't the Sierra Club. This is not the League of Conservation Voters. These are actuaries. They named climate change the No. 1 risk to North American insurers. That is why insurance executives are warning that the world will be uninsurable if climate change accelerates.

Risks that come with climate change—extreme fires and droughts, sea rise and hurricanes—threaten economic growth and financial instability across sectors. This is no longer in the future tense. This is no longer hypothetical. Climate change is happening right now and is forcing businesses to change their approach right now. In Europe and the United States, insurance companies have publicly announced they will no longer do business with mining and coal companies. Alliance, Chubb, AXA, Zurich, Swiss Re, and others have all decided they can't insure coal anymore. They can't underwrite or invest in the industry without taking on too much risk.

This is part of a trend across the private sector and across the world. Farmers, private equity groups, shareholders, and regulators are all looking at the economic risks of climate change and changing their strategies to mitigate these risks. They are worried about the cost of goods, the profitability of businesses, the stability of the market. They are worried about the new and growing risk of droughts, floods, storms, wildfires, and sea level rise because these events reduce the value of assets. They decrease investment income. They increase insured and uninsured losses. In other words, they are disrupting our financial institutions. The health of our financial system is at stake, and the cost of inaction is higher than the cost of action.

The U.S. Government cannot be alone. Like the private sector and other countries, it is in all of our best interests to deal with climate change and to invest in an energy system for the future. The best thing we can do that will make the biggest difference is to put a price on carbon.

The carbon fee is straightforward and it is simple: unleash the markets to tackle climate change by requiring companies to pay for the emissions they are responsible for. Senators WHITEHOUSE, HEINRICH, GILLIBRAND, and I have introduced a carbon pricing piece of legislation that will allow us to address nearly all greenhouse gas emissions.

Our bill establishes a set of incentives for businesses to stop using dirty fuels so the free market can compete, innovate, and make money building the energy future we need.

We also give businesses something they say they crave, which is certainty. It is challenging to make investment choices when the private sector is subjugated to the idiosyncrasies of politics. The last administration had a Clean Power Plan and Paris Agreement and now there is no Clean Power Plan and no Paris Agreement. In the meantime, companies are trying to plan a business strategy beyond an election cycle. A price on carbon put in place by Congress is much more certain than an Executive order and cannot be overturned or not enforced.

You don't have to take my word for it. The business community is organizing for a carbon fee for this very reason. Oil companies with big name brands have joined together to support a carbon pricing proposal by something called the Climate Leadership Council. One of the top benefits they cite is predictability.

There are many other things we can do about climate. We can invest in clean jobs. We can invest in nuclear. We can work on carbon capture. We can certainly fund innovation. We can do solar and wind. I am for conservation and efficiency. The point is there is no silver bullet, but there is silver buckshot. In other words, we are going to have to do all of these things, and the best way to get all of these things done is to simply assign a price to carbon and let the market take over. That is why we should move forward with our legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. HEINRICH. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINRICH. Mr. President, a new generation of young leaders in my home State of New Mexico and all around the world recognizes that the climate crisis is not just urgent, it is literally existential. These young students and activists are demanding that their elected leaders get to work on im-

plementing solutions to limit its devastating impact.

I heard from many students in New Mexico about how we should confront the climate crisis. Earlier this year, I sat down with students in Santa Fe to hear their ideas on how we should confront this crisis. These students showed an incredible depth of knowledge on climate science and on their changing atmosphere. They are observing how the climate crisis is already impacting their daily lives. Talking with young people who are calling on us to save their future drives home how urgent this issue is for our next generation.

It is not just high school or college students. I want to read to you from a couple of handwritten letters I recently received from elementary school students in New Mexico.

Brook is 9 years old from Albuquerque. She wrote to me: "The Earth is important to me because if we don't take care of earth now things are going to get much worse, please do something."

Orla, age 10, from Rio Rancho, wrote:

The Earth is important to me because Earth is the only planet perfect for us. Earth is the place we live, plants live, where other creatures big and small live. And if we don't do something about this now, our Earth will not be Earth, but Junk. We will have no place to live. Please do something. NOW!

If these children can see so clearly how important it is, how desperately urgent it is to fight for the future of the planet, why on Earth can't our Nation's leaders here in Washington? I think it is long past time for us to listen to our children who are pleading for us to take action and to leave them with a better world in which to live. It is long past time for us to think through substantive solutions that can move us away from carbon pollution that is causing this crisis.

That means we should refuse to continue down the climate deniers' desired path of inaction. That will only keep us moving toward more and more costly disruptions for our children. I am focused on implementing real and pragmatic solutions to eliminate this pollution. That is why I was proud to join with Senator WHITEHOUSE of Rhode Island and Senator SCHATZ of Hawaii to introduce legislation this year that will finally put a price on carbon. The scientific consensus is clear—the destructive wildfires in my home State, the catastrophic hurricanes, and the extreme flooding we are experiencing are all directly linked to our pollution.

When we look at the climate modeling, one of the surest and, for that matter, one of the cheapest ways we can move the needle is by finally putting a price on carbon pollution because the truth is carbon pollution isn't free. We are all paying the price for carbon pollution in the billions of dollars we are spending each and every year to recover from climate disruptions of more extreme wildfires, floods, and storms. We need to stop socializing the cost of that pollution and ask those

who produce it to bear its true costs. In other words, we need to internalize the price of carbon pollution at the source.

Our legislation, the American Opportunity Carbon Fee Act, would collect a fee from carbon polluters. It would also include a border adjustment provision to ensure that American manufacturers would still be able to compete on a level playing field and that international carbon polluters would pay a price. The fee for carbon pollution under our bill would start at \$52 a ton, and it would rise 6 percent each year. This matches the midrange of the estimated cost of carbon that researchers at the Office of Management and Budget, under the previous administration, determined in 2016. Roughly translated, this is the cost that carbon pollution is already costing you and your neighbors because of its devastating effects. This is the cost that pollution producers should be paying, and we can put the revenues raised by this fee on carbon pollution directly to work helping American households.

Our legislation would raise a projected \$2.3 trillion over 10 years that would be returned directly to American families in the States to transition us toward a clean energy economy. States would receive \$10 billion a year to help pay for their transition toward clean energy and a clean energy workforce. This transition represents our greatest opportunity to create millions of new jobs all across our Nation and particularly in our rural communities. Wind technology and solar are already two of the fastest growing jobs in the Nation. States need to put real resources into training our workers for these clean energy jobs, and our legislation would make that happen.

The rest of the revenue from our legislation would be delivered directly to American families in the form of tax credits and Social Security and veterans' benefits. This is the responsible way forward. This is the type of market-based climate policy that should have the support of both Democrats and Republicans.

We know that to meet our climate goals and to limit the damage wrought by the climate crisis, we must immediately change our trajectory. We must move toward an economy that is run entirely—yes, 100 percent—on clean, pollution-free energy.

Our proposal is just one way to take a major Federal action that would move us quickly in that direction—and I would welcome a full debate in the Senate on the best way forward—but what is abundantly clear is that we can no longer afford to debate whether to move forward.

Our climate crisis often feels too big, too complex, too hard to fix. However, the scientific fact is, we have created this problem, and we possess the creativity and the tools and the technology to fix it. Our kids understand better than even most of us do that we need to act urgently and decisively. That is what leadership is all about. That is our job.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. WHITEHOUSE. Mr. President, we have just heard two colleagues make convincing and compassionate arguments for putting a price on carbon, the central protection from climate crisis.

A price on carbon like we propose would dramatically lower emissions and put us on a net-zero-by-2050 path, the path necessary to avoid the worst climate chaos. Because it is a price on pollution, we can dial it up or dial it down as climate chaos worsens or abates. Because our proposal is border-adjustable, it would let American industry compete even in countries without a price on carbon. Because our plan is revenue neutral, all the funds go back to the American people in the form of payroll tax credits, Social Security or VA benefits, or grants to States to navigate this transition.

If our plan is so good, you might think it would already be on its way to becoming law. You might think there would be Senate hearings on it or bipartisan negotiations. Well, none of the above. To understand why that is taking place, you have to look at who is supporting carbon pricing and who is opposed.

Let's start with the good news. Who is supporting it? Earlier this year, 27 winners of the Nobel Prize in economics—27 Nobel prize-winning economists—15 former Chairs of the President's Council of Economic Advisers, more than half of them marked here in red are Republicans; 4 former Chairs of the Federal Reserve, half of them Republicans; and 2 Treasury Secretaries, including a Republican, in the *Wall Street Journal*, no less, endorsed a border-adjustable price on carbon with revenues returned to the American people—in other words, a carbon price very like our bill.

Even the patron saint of conservative economists, Milton Friedman, himself a Nobel Prize winner, made the case that it is proper under conservative economics for government to put a price on pollution.

[T]he best way to do it is to impose a tax on the cost of the pollutants . . . and make an incentive for . . . manufacturers and for consumers to keep down the amount of pollution.

Four former Republican Administrators of the Environmental Protection Agency—for President Nixon, President Reagan, and both President Bushes—advocated for a price on carbon in the *New York Times*.

There is burgeoning support in the business community. In May, dozens of companies, with a combined market cap of nearly \$2.5 trillion, came to Congress to advocate for a price on carbon. CEOs of 13 major corporations recently announced the formation of the CEO Climate Dialogue to do the same. All these CEOs and corporations may be responding to an explosion of warnings coming from economic regulators here

and abroad, national banks here and abroad, government agencies here and abroad, and risk analysts, who do this kind of thing professionally, that we are headed for economic perils if climate change is not addressed with an effective, predictable remedy, like a price on carbon emissions.

Last month, even Pope Francis convened a 2-day summit at the Vatican on climate change, where he urged governments, businesses, and oil companies to get serious about climate change and to follow carbon pricing as the smart path forward, calling it “essential.”

By the way, to do a little moral wander here, Pope Francis is not alone among religious leaders in seeing a moral imperative to solving this problem.

The head of the Church of England said that “[r]educing the cost of climate change is essential to the life of faith. It is a way to love our neighbour and to steward the gift of creation.” Two hundred thirty-two evangelical pastors from 44 States declared that “[l]ove of God, love of neighbor, and the demands of stewardship are more than enough reason for evangelical Christians to respond to the climate change problem with moral passion and concrete action.”

Forty-three rabbis from around the world stated that “Jewish teachings mandate that we do everything possible to help avert a climate catastrophe and other environmental disasters and to help shift our imperiled planet onto a sustainable path.”

Likewise, leaders and scholars of the Islamic, Hindu, and Buddhist faiths have urged climate action, including pricing carbon.

With all this support, particularly from so many Republicans, you would think that carbon pricing would be a no-brainer and that we would be already at work here in Congress doing something. Unfortunately, if you thought that, you would be wrong.

The bad news is who is opposed to carbon pricing and what dirty tools they bring to that job. Here is one example: Last month, hints of interest in carbon pricing appeared from a few House Republicans, and suddenly an “open letter” appeared opposing carbon pricing. The letter was signed by all these entities with happy-sounding names like Americans for Tax Reform, Americans for Prosperity, Citizens Against Government Waste. Such nice names.

You might think this letter represents grassroots popular opposition to carbon pricing. You would be wrong. These groups have a common identifier: They keep their funding sources secret. But skilled investigative journalists and researchers who spent countless hours digging through corporate tax filings and other documents have unearthed the funders. And guess what. The vast majority of these groups are funded with fossil fuel money. They are front groups. They are not real.

We actually added it up. The groups behind this letter received collectively over half a billion dollars from groups linked to the fossil fuel billionaire Koch brothers, ExxonMobil, the American Petroleum Institute, and other fossil fuel interests. It is a complete front. Half a billion dollars is a lot. Remember, that is just what the researchers could find. Because these front groups hide their funding so well, the true number is probably several times that, probably billions of dollars.

It sounds disgusting, doesn't it—an industry hiding behind front groups to spend billions of dollars to gum up a remedy to our climate crisis? But why wouldn't the fossil fuel industry spend a few billion dollars to block climate action here in Congress? The annual U.S. subsidy for fossil fuel was most recently estimated by the International Monetary Fund at \$650 billion. Against that fat annual subsidy, spending a few billion is just a rounding error.

Look at one example from this flotilla of phony front-group signatories: Americans for Tax Reform, with its president Grover Norquist, which claims to represent the regular taxpayer. Hogwash. Americans for Tax Reform has received over \$5 million from Koch-linked groups—Koch Industries, the big fossil fuel company—and over \$800,000 from the American Petroleum Institute. They are hired guns, and they are wearing masks so you don't know who is paying them. That group is just one tentacle of the fossil fuel climate denial apparatus. They have even taken over the U.S. Chamber of Commerce and the National Association of Manufacturers and turned those business groups into fossil fuel zombies on climate change.

It is time to say enough.

I ask my colleagues to please take a sincere look at climate change and carbon pricing and look at who is saying what. On one side, you have the moral authority of the great religions. You have bipartisan agreement of the world's best economists. You have lots of Republicans—at least ones who don't have to face elections. You have lots of tough, smart business leaders. My God, you even have your home State universities that teach this stuff. On the other side, you have a bunch of hired guns, hiding behind phony front-group masks, funded with fossil fuel money that they try to hide. Who are you going to trust? Pope Francis or the oily, secretive Koch brothers? Milton Friedman or fossil-fuel hit man Grover Norquist? The International Monetary Fund or ExxonMobil, the company that has been caught out lying for decades about climate change over and over again? Front groups who hide their donors— isn't that a clue? Can we as a body, as the Senate, really not discern where the conflict of interest lies, where the record of lying lies?

The climate crisis is real, and it is accelerating. Bad as it is already, we are just in the opening credits. It is getting worse. The pages sitting here

on the Senate floor know this. The rest of their lives will be spent coping with the consequences of our failure, the failure of the grownups—the sickening failure of the grownups.

We have to get going here. We are trying to do it your way. Pretty much every Republican who has thought this climate problem through to a solution comes to the same place: a revenue-neutral, border-adjustable price on carbon. That is what we offered. We can't come much further than that. We are reaching out. We are trying to do it your way. But the answer back can't be dictated by a fossil fuel industry that has spent billions to deny and obscure the facts, an industry that to this day fights from behind a facade of lies.

I tell my Republican colleagues, they have lied to you and lied to you, and you should cut them loose. We are all just back from the Fourth of July. How about an independence day for the Republican Party from the rotten rain of the fossil fuel industry? Just cut them loose.

Let's do the job we have been entrusted with as Senators. Let's look at the facts. Let's look at the reality. Let's look at what our home State universities teach and what real businesses in America are telling us. Let's do our job.

On our part, we have reached over as far as we know how. We know nothing more that we can offer than the terms that Republicans have proposed when they work this problem through to a solution. We said yes. Is there really not one of you who will reach back and start to solve this problem?

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SULLIVAN). The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE SESSION

### MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to legislative session and be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ARMS SALES NOTIFICATION

Mr. RISCH. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of certain proposed arms sales as defined by that statute. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipu-

lates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Senate Foreign Relations Committee.

In keeping with the committee's intention to see that relevant information is available to the full Senate, I ask unanimous consent to have printed in the RECORD the notifications which have been received. If the cover letter references a classified annex, then such annex is available to all Senators in the office of the Foreign Relations Committee, room SD-423.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY  
COOPERATION AGENCY,  
Arlington, VA.

Hon. JAMES E. RISCH,  
Chairman, Committee on Foreign Relations,  
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 19-21 concerning the Army's proposed Letter(s) of Offer and Acceptance to the Taipei Economic and Cultural Representative Office in the United States (TECRO) for defense articles and services estimated to cost \$223.56 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

CHARLES W. HOOPER,  
Lieutenant General, USA, Director.

Enclosures.

TRANSMITTAL NO. 19-21

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

(i) Prospective Purchaser: Taipei Economic and Cultural Representative Office in the United States (TECRO).

(ii) Total Estimated Value:  
Major Defense Equipment\* \$114.13 million.  
Other \$109.43 million.  
Total \$223.56 million.

(iii) Description and Quantity or Quantities of Articles or Services Under Consideration for Purchase:

Major Defense Equipment (MDE):  
Two hundred fifty (250) Block I-92F MANPAD Stinger Missiles.

Four (4) Block I-92F MANPAD Stinger Fly-to-Buy Missiles.

Non-MDE: Also included is one (1) Captive Flight Trainer (CFT), twenty-three (23) Field Handling Trainers (FHTs), one hundred eight (108) Griptestock Control Groups, one hundred eight (108) Medium Thermal Weapon Sights (MTWS), seven (7) Tracking Head Trainers (THTs), two (2) Sierra Coolant Recharging Units (CRUs), one (1) Missile Go/No Go Test Set, one hundred eight (108) Identification Friend or Foe (IFF), IFF Development, one (1) Integrated Electronic Technical Manuals (IETMs), Government Furnished Equipment, spare and repair parts, telemeters, range and test support, contractor technical support, contractor training, contractor engineering services, contractor logistics services, consolidation, total package fielding, material fielding team, Field Service Representative (FSR), U.S. Government technical support, and other associated equipment and services and other related elements of logistics and program support.

(iv) Military Department: Army (TW-BZZZ).

(v) Prior Related Cases, if any: None.

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex.

(viii) Date Report Delivered to Congress: July 8, 2019.

\*As defined in Section 47(6) of the Arms Export Control Act.

#### POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States (TECRO)—Block I-92F MANPAD Stinger Missiles and Related Equipment and Support

TECRO has requested to buy two hundred fifty (250) Block I-92F MANPAD Stinger missiles and four (4) Block I-92F MANPAD Stinger Fly-to-Buy missiles. Also included is one (1) Captive Flight Trainer (CFT), twenty-three (23) Field Handling Trainers (FHTs), one hundred eight (108) Griptestock Control Groups, one hundred eight (108) Medium Thermal Weapon Sights (MTWS), seven (7) Tracking Head Trainers (THTs), two (2) Sierra Coolant Recharging Units (CRUs), one (1) Missile Go/No Go Test Set, one hundred eight (108) Identification Friend or Foe (IFF), TFF Development, one (1) Integrated Electronic Technical Manuals (IETMs), Government Furnished Equipment, spare and repair parts, telemeters, range and test support, contractor technical support, contractor training, contractor engineering services, contractor logistics services, consolidation, total package fielding, material fielding team, Field Service Representative (FSR), U.S. Government technical support, and other associated equipment and services and other related elements of logistics and program support. The total estimated program cost is \$223.56 million.

This proposed sale is consistent with U.S. law and policy as expressed in Public Law 96-8.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security and defensive capability of the recipient, an important force for political stability, military balance, and economic progress in the region.

The recipient intends to use these defense articles and services to modernize its armed forces and expand its existing air defense architecture to counter threats. This will contribute to the recipient military's goal to update its capability while further enhancing greater interoperability between the recipient, the U.S., and other allies. The recipient will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractors will be Raytheon Missile Systems. There are no known offset agreements proposed. However, the purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will require 12 U.S. Government or contractor representatives to travel to the recipient for a period of 6 weeks (non-concurrent).

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

TRANSMITTAL NO. 19-21

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

Annex Item No. vii

(vii) Sensitivity of Technology:  
1. The highest classification of the Stinger 92F Reprogrammable Micro-Processor (RMP) Block I Missile and Stinger Man-Portable Air Defense System (MANPADS) hardware is CONFIDENTIAL, and the highest classification of data and information is SECRET.