

112TH CONGRESS  
1ST SESSION

# H. R. 1727

To strengthen certain provisions relating to arms export licenses, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2011

Mr. RUPPERSBERGER introduced the following bill; which was referred to the Committee on Foreign Affairs

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## A BILL

To strengthen certain provisions relating to arms export licenses, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Strengthening Amer-  
5 ica’s Satellite Industry Act”.

6 **SEC. 2. DIPLOMATIC EFFORTS TO STRENGTHEN NATIONAL**  
7 **AND INTERNATIONAL ARMS EXPORT CON-**  
8 **TROLS.**

9 (a) SENSE OF CONGRESS.—It is the sense of Con-  
10 gress that the President should redouble United States

1 diplomatic efforts to strengthen national and international  
2 arms export controls by establishing a senior-level initia-  
3 tive to ensure that those arms export controls are com-  
4 parable to and supportive of United States arms export  
5 controls, particularly with respect to countries of concern  
6 to the United States.

7 (b) REPORT.—Not later than 1 year after the date  
8 of the enactment of this Act, and annually thereafter for  
9 4 years, the President shall transmit to the Committee on  
10 Foreign Affairs of the House of Representatives and the  
11 Committee on Foreign Relations of the Senate a report  
12 on United States diplomatic efforts described in subsection  
13 (a).

14 **SEC. 3. REPORTING REQUIREMENT FOR UNLICENSED EX-**  
15 **PORTS.**

16 Section 655(b) of the Foreign Assistance Act of 1961  
17 (22 U.S.C. 2415(b)) is amended—

18 (1) in paragraph (2), by striking “or” at the  
19 end;

20 (2) in paragraph (3), by striking the period at  
21 the end and inserting “; or”; and

22 (3) by adding at the end the following:

23 “(4) were exported without a license under sec-  
24 tion 38 of the Arms Export Control Act (22 U.S.C.  
25 2778) pursuant to an exemption established under

1 the International Traffic in Arms Regulations, other  
2 than defense articles exported in furtherance of a  
3 letter of offer and acceptance under the Foreign  
4 Military Sales program or a technical assistance or  
5 manufacturing license agreement, including the spe-  
6 cific exemption provision in the regulation under  
7 which the export was made.”.

8 **SEC. 4. REPORT ON VALUE OF MAJOR DEFENSE EQUIP-**  
9 **MENT AND DEFENSE ARTICLES EXPORTED**  
10 **UNDER SECTION 38 OF THE ARMS EXPORT**  
11 **CONTROL ACT.**

12 Section 38 of the Arms Export Control Act (22  
13 U.S.C. 2778) is amended by adding at the end the fol-  
14 lowing:

15 “(k) REPORT.—

16 “(1) IN GENERAL.—The President shall trans-  
17 mit to the Committee on Foreign Affairs of the  
18 House of Representatives and the Committee on  
19 Foreign Relations of the Senate a report that con-  
20 tains a detailed listing, by country and by inter-  
21 national organization, of the total dollar value of  
22 major defense equipment and defense articles ex-  
23 ported pursuant to licenses authorized under this  
24 section for the previous fiscal year.

1           “(2) INCLUSION IN ANNUAL BUDGET.—The re-  
2           port required by this subsection shall be included in  
3           the supporting information of the annual budget of  
4           the United States Government required to be sub-  
5           mitted to Congress under section 1105 of title 31,  
6           United States Code.”.

7   **SEC. 5. AUTHORITY TO REMOVE SATELLITES AND RELATED**  
8                           **COMPONENTS FROM THE UNITED STATES**  
9                           **MUNITIONS LIST.**

10          (a) AUTHORITY.—Except as provided in subsection  
11          (b) and subject to subsection (d), the President is author-  
12          ized to remove satellites and related components from the  
13          United States Munitions List, consistent with the proce-  
14          dures in section 38(f) of the Arms Export Control Act (22  
15          U.S.C. 2778(f)).

16          (b) EXCEPTION.—The authority of subsection (a)  
17          may not be exercised with respect to any satellite or re-  
18          lated component that may, directly or indirectly, be trans-  
19          ferred to, or launched into outer space by, the People’s  
20          Republic of China.

21          (c) UNITED STATES MUNITIONS LIST.—In this sec-  
22          tion, the term “United States Munitions List” means the  
23          list referred to in section 38(a)(1) of the Arms Export  
24          Control Act (22 U.S.C. 2778(a)(1)).

1 (d) EFFECTIVE DATE.—The President may not exer-  
2 cise the authority provided in this section before the date  
3 that is 90 days after the date of the enactment of this  
4 Act.

5 **SEC. 6. REVIEW AND REPORT OF INVESTIGATIONS OF VIO-**  
6 **LATIONS OF SECTION 3 OF THE ARMS EX-**  
7 **PORT CONTROL ACT.**

8 (a) REVIEW.—The Inspector General of the Depart-  
9 ment of State shall conduct a review of investigations by  
10 the Department of State during each of fiscal years 2012  
11 through 2016 of any and all possible violations of section  
12 3 of the Arms Export Control Act (22 U.S.C. 2753) with  
13 respect to misuse of United States-origin defense items to  
14 determine whether the Department of State has fully com-  
15 plied with the requirements of such section, as well as its  
16 own internal procedures (and whether such procedures are  
17 adequate), for reporting to Congress any information re-  
18 garding the unlawful use or transfer of United States-ori-  
19 gin defense articles, defense services, and technology by  
20 foreign countries, as required by such section.

21 (b) REPORT.—The Inspector General of the Depart-  
22 ment of State shall submit to the Committee on Foreign  
23 Affairs of the House of Representatives and the Com-  
24 mittee on Foreign Relations of the Senate for each of fis-  
25 cal years 2012 through 2016 a report that contains the

1 findings and results of the review conducted under sub-  
2 section (a). The report shall be submitted in unclassified  
3 form to the maximum extent possible, but may include a  
4 classified annex.

5 **SEC. 7. REPORT ON SELF-FINANCING OPTIONS FOR EX-**  
6 **PORT LICENSING FUNCTIONS OF DDTC OF**  
7 **THE DEPARTMENT OF STATE.**

8 Not later than 90 days after the date of the enact-  
9 ment of this Act, the Secretary of State shall submit to  
10 the Committee on Foreign Affairs of the House of Rep-  
11 resentatives and the Committee on Foreign Relations of  
12 the Senate a report on possible mechanisms to place the  
13 export licensing functions of the Directorate of Defense  
14 Trade Controls of the Department of State on a 100 per-  
15 cent self-financing basis.

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