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[H.A.S.C. No. 98-17]

DEPOSITORY

**FULL COMMITTEE CONSIDERATION**

OF

**H.R. 3231**

**TO AMEND THE AUTHORITIES CONTAINED IN THE  
EXPORT ADMINISTRATION ACT OF 1979,  
AND FOR OTHER PURPOSES**

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**H E A R I N G S**

BEFORE THE

**COMMITTEE ON ARMED SERVICES**

**HOUSE OF REPRESENTATIVES**

**NINETY-EIGHTH CONGRESS**

**FIRST SESSION**

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**JULY 19 AND 20, 1983**



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WASHINGTON 1984

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NINETY-EIGHTH CONGRESS, FIRST SESSION

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## H.R. 3231—EXPORT ADMINISTRATION AMENDMENTS ACT OF 1983

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ARMED SERVICES,  
*Washington, D.C., Tuesday, July 19, 1983.*

The committee met, pursuant to call, at 11:38 a.m., in room 2118, Rayburn House Office Building, Hon. Melvin Price (chairman of the committee) presiding

### OPENING STATEMENT OF HON. MELVIN PRICE, A REPRESENTATIVE FROM ILLINOIS, CHAIRMAN, HOUSE COMMITTEE ON ARMED SERVICES

The CHAIRMAN The next order of business before the committee is the consideration of H.R. 3231, to amend the authorities contained in the Export Administration Act of 1979. H.R. 3231 was reported by the Foreign Affairs Committee and sequentially referred to the Committee on Armed Services for a period ending not later than July 22 for consideration of such portions of section 109 of the bill as fall within our jurisdiction.

The Panel on Technology Transfer was appointed earlier this year. This panel of the full committee was directed to examine the present state of the transfer of U.S. technology to foreign nations, particularly the Soviet Union and other Warsaw Pact nations, and to determine the impact of such transfer on the security of the United States.

Now, at this time the committee will receive a report from the Technology Transfer Panel regarding their recommendation before acting on the bill.

[The complete text of Chairman Price's prepared statement, and H.R. 3231, follow:]

#### PREPARED STATEMENT OF HON. MELVIN PRICE

The next order of business before the committee is the consideration of H.R. 3231, to amend the authorities contained in the Export Administration Act of 1979. H.R. 3231 was reported by the Foreign Affairs Committee and sequentially referred to the Committee on Armed Services for a period ending not later than July 22 for consideration of such portions of section 109 of the bill as fall within our jurisdiction.

The Panel on Technology Transfer was appointed earlier this year. This panel of the full committee was directed to examine the present state of the transfer of U.S. technology to foreign nations, particularly the Soviet Union and other Warsaw Pact nations, and to determine the impact of such transfer on the security of the United States. The panel was also directed to examine the progress of the Department of Defense in delineating a list of militarily critical technologies and the effectiveness of existing laws, including the Export Administration Act, in ensuring against the compromise of technologies that significantly improve the defense capabilities of our adversaries.

The panel has conducted an extensive series of hearings on this matter

Because of the depth of the panel's work, because of the short period of time provided for the committee to act on the sequential referral, and because of the limited scope of the referral, without objection the Subcommittee on Research and Development is discharged from further consideration of the bill. At this time, the committee will receive the report from the Technology Transfer Panel regarding their recommendations before acting on the bill.

98TH CONGRESS  
1ST SESSION **H. R. 3231**

[Report No. 98-257, Part I]

To amend the authorities contained in the Export Administration Act of 1979,  
and for other purposes

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IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 1983

Mr BONKER (for himself, Mr ZABLOCKI, Mr FASCELL, Mr HAMILTON, Mr SOLARZ, Mr MICA, Mr BARNES, Mr WOLPE, Mr CROCKETT, Mr GEJDENSON, Mr DYMALLY, Mr LANTOS, Mr KOSTMAYER, Mr TORRICELLI, Mr BERMAN, Mr LEVINE of California, Mr FEIGHAN, Mr WEISS, Mr GARCIA, Mr WINN, Mr PRITCHARD, Mr LEACH of Iowa, Mr BEREUTEK, and Mr ZSCHAU) introduced the following bill, which was referred to the Committee on Foreign Affairs

JUNE 22, 1983

Additional sponsors Mr CHANDLER, Mr PATTERSON, and Mr McNULTY

JUNE 22, 1983

Referred to the following committees for a period ending not later than July 22, 1983 to the Committee on Armed Services, for consideration of such portions of section 109 of the bill as fall within its jurisdiction pursuant to clause 1(c) of rule X, to the Committee on Banking, Finance and Urban Affairs for consideration of such portions of title III of the bill as fall within its jurisdiction pursuant to clause 1(d) of rule X, and referred to the Committee on the Judiciary for consideration of such portions of section 103 of the bill as fall within its jurisdiction pursuant to clause 1(m) of rule X

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**A BILL**

To amend the authorities contained in the Export  
Administration Act of 1979, 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 **SHORT TITLE**

4 **SECTION 1.** Titles I and II of this Act may be cited as  
5 the “Export Administration Amendments Act of 1983”.

6 **TITLE I—AMENDMENTS TO EXPORT**  
7 **ADMINISTRATION ACT OF 1979**

8 **REFERENCE TO THE ACT**

9 **SEC. 101.** For purposes of this title, the Export Admin-  
10 istration Act of 1979 shall be referred to as “the Act”.

11 **VIOLATIONS**

12 **SEC. 102.** (a) Section 11(b) of the Act (50 U.S.C. App.  
13 2410(b)) is amended by inserting after paragraph (2) the fol-  
14 lowing new paragraphs:

15 “(3) Any person who conspires or attempts to export  
16 anything contrary to any provision of this Act or any regula-  
17 tion, order, or license issued under this Act shall be subject to  
18 the penalties set forth in subsection (a), except that in the  
19 case of a violation of an export control imposed under section  
20 5 of this Act, such person shall be subject to the penalties set  
21 forth in paragraph (1) of this subsection.

22 “(4) Any person who possesses any goods or tech-  
23 nology—

24 “(A) with the intent to export such goods or tech-  
25 nology in violation of an export control imposed under

1 section 5 or 6 of this Act or any regulation, order, or  
2 license issued with respect to such control; or

3 “(B) knowing or having reason to believe that the  
4 goods or technology would be so exported;

5 shall, in the case of a violation of an export control imposed  
6 under section 5, be subject to the penalties set forth in para-  
7 graph (1) of this subsection and shall, in the case of a viola-  
8 tion of an export control imposed under section 6, be subject  
9 to the penalties set forth in subsection (a).

10 “(5) Any person who takes any action with the intent to  
11 evade the provisions of this Act or any regulation, order, or  
12 license issued under this Act shall be subject to the penalties  
13 set forth in subsection (a), except that in the case of an eva-  
14 sion of a foreign policy or national security control, such  
15 person shall be subject to the penalties set forth in paragraph  
16 (1) of this subsection.”

17 (b) Section 11(c) of the Act is amended by adding at the  
18 end thereof the following new paragraph:

19 “(3) An exception to any order issued under this Act  
20 which revokes the authority of a United States person to  
21 export goods or technology may not be made unless the  
22 Committee on Foreign Affairs of the House of Representa-  
23 tives and the Committee on Banking, Housing, and Urban  
24 Affairs of the Senate are first consulted concerning the ex-  
25 ception.”

1 (c) Section 11(e) of the Act is amended by inserting “or  
2 any property interest or proceeds forfeited pursuant to sub-  
3 section (f)” after “subsection (c)”

4 (d) Section 11 of the Act is amended—

5 (1) by redesignating subsections (f) and (g) as sub-  
6 sections (g) and (h), respectively; and

7 (2) by inserting after subsection (e) the following  
8 new subsection:

9 “(f) FORFEITURE OF PROPERTY INTEREST AND PRO-  
10 CEEDS.—Any person who is convicted of a violation of an  
11 export control imposed under section 5 of this Act shall, in  
12 addition to any other penalty, forfeit to the United States (A)  
13 any property interest that person has in the goods or technol-  
14 ogy that were the subject of the violation or that were used  
15 to facilitate the commission of the violation, and (B) any pro-  
16 ceeds derived directly or indirectly by that person from the  
17 transaction from which the violation arose ”

18 (e) Section 11(h) of the Act, as redesignated by subsec-  
19 tion (d) of this section, is amended by striking out “or (f)” and  
20 inserting in lieu thereof “(f), or (g)”.

21 ENFORCEMENT AUTHORITY

22 SEC. 103. Section 12(a) of the Act (50 U.S.C. App  
23 2411(a)) is amended—

24 (1) by inserting “(1)” immediately before the first  
25 sentence; and

1           (2) by adding at the end thereof the following new  
2 paragraphs:

3           “(2) The Secretary may designate any officer or em-  
4 ployee of the Department of Commerce to do the following in  
5 carrying out enforcement authorities under this Act:

6           “(A) Execute any warrant or other process issued  
7 by a court or officer of competent jurisdiction with re-  
8 spect to the enforcement of the provisions of this Act.

9           “(B) Make arrests without warrant for any viola-  
10 tion of this Act committed in his or her presence or  
11 view, or if the officer or employee has probable cause  
12 to believe that the person to be arrested has committed  
13 or is committing such a violation.

14           “(C) Search without warrant or process any  
15 person, place, or vehicle on which, and any baggage in  
16 which, the officer or employee has probable cause to  
17 believe there are goods or technology being exported  
18 or about to be exported in violation of this Act.

19           “(D) Seize without warrant or process any goods  
20 or technology which the officer or employee has prob-  
21 able cause to believe have been, are being, or are  
22 about to be exported in violation of this Act.

23           “(E) Carry firearms in carrying out any activity  
24 described in subparagraphs (A) through (D).

1           “(3)(A) Notwithstanding any other provision of law, the  
2 authority of customs officers with respect to violations of this  
3 Act shall be limited to (i) inspection of or other search for and  
4 detention and seizure of goods or technology at those places  
5 in which such officers are authorized by law to conduct such  
6 searches, detentions, and seizures, and (ii) any investigation  
7 conducted prior to such inspection, search, detention, or seiz-  
8 ure. Upon seizure by any customs officer of any goods or  
9 technology in the enforcement of this Act, the matter shall be  
10 referred to the Department of Commerce for further investi-  
11 gation and other appropriate action under this Act.

12           “(B) In conducting inspections of goods and technology  
13 in the enforcement of this Act, the United States Customs  
14 Service shall limit those inspections to goods and technology  
15 with respect to which the Customs Service has received spe-  
16 cific information of possible violations of this Act, and shall  
17 not conduct random inspections which would result in the  
18 detainment of shipments of goods or technology that are in  
19 full compliance with this Act.

20           “(C) Notwithstanding any other provision of law, not  
21 more than \$14,000,000 may be expended by the United  
22 States Customs Service in any fiscal year in the enforcement  
23 of export controls

24           “(4) All provisions of law relating to the seizure, forfeit-  
25 ure, and condemnation of articles for violations of the cus-

1 toms laws, the disposition of such articles or the proceeds  
2 from the sale thereof, and the remission or mitigation of such  
3 forfeitures, shall apply to the seizures and forfeitures in-  
4 curred, or alleged to have been incurred, under the provisions  
5 of this subsection or section 11(f) of this Act, insofar as such  
6 provisions of law are applicable and not inconsistent with the  
7 provisions of this subsection or section 11(f) of this Act,  
8 except that all powers, rights, and duties conferred or im-  
9 posed by the customs laws upon any officer or employee of  
10 the Department of the Treasury shall, for the purposes of this  
11 subsection and section 11(f) of this Act, be exercised or per-  
12 formed by the Secretary or by such persons as the Secretary  
13 may designate.”.

14 **FINDINGS; DECLARATION OF POLICY**

15 **SEC. 104.** (a)(1) Section 2 of the Act (50 U S C. App.  
16 2401) is amended in paragraph (3) by striking out “which  
17 would strengthen the Nation’s economy” and inserting in lieu  
18 thereof “consistent with the economic, security, and foreign  
19 policy objectives of the United States”.

20 (2) Section 2 of the Act is further amended by adding at  
21 the end thereof the following:

22 “(10) It is important that the administration of  
23 export controls imposed for foreign policy purposes  
24 give special emphasis to the need to control exports of  
25 goods and substances hazardous to the public health

1 and the environment that are banned or severely re-  
2 stricted for use in the United States, which exports  
3 could affect the international reputation of the United  
4 States as a responsible trading partner.”

5 (b) Section 3 of the Act (50 U.S.C. App. 2402) is  
6 amended by adding at the end thereof the following:

7 “(12) It is the policy of the United States to sus-  
8 tain vigorous scientific enterprise. To do so requires  
9 protecting the ability of scientists and other scholars  
10 freely to communicate their research findings by means  
11 of publication, teaching, conferences, and other forms  
12 of scholarly exchange.

13 “(13) It is the policy of the United States to con-  
14 trol the export of goods and substances banned or se-  
15 verely restricted for use in the United States in order  
16 to foster public health and safety and to prevent injury  
17 to the foreign policy of the United States as well as  
18 the credibility of the United States as a responsible  
19 trading partner.”.

20 **TYPES OF LICENSES**

21 **SEC. 105.** Section 4(a)(2) of the Act (50 U.S.C. App.  
22 2403(a)(2)) is amended to read as follows:

23 “(2) Licenses authorizing multiple exports, issued  
24 pursuant to an application by the exporter, in lieu of a

1 validated license for each such export, including but  
2 not limited to the following:

3 “(A) A qualified general license, authorizing  
4 exports of goods for approved end uses.

5 “(B) A distribution license, authorizing ex-  
6 ports of goods to approved distributors or users of  
7 the goods.

8 “(C) A project license, authorizing exports of  
9 goods or technology for a specified activity.

10 “(D) A service supply license, authorizing  
11 exports of spare or replacement parts for goods  
12 previously exported.

13 “(E) A comprehensive operations license,  
14 authorizing exports of goods or technology be-  
15 tween and among a domestic concern and foreign  
16 subsidiaries, affiliates, vendors, joint ventures, and  
17 licensees of that concern which are approved by  
18 the Secretary.”.

19 NATIONAL SECURITY CONTROLS

20 SEC. 106. (a) Section 5(a)(1) of the Act (50 U S C. App.  
21 2404(a)(1)) is amended by inserting after the first sentence  
22 the following new sentence: “The authority contained in this  
23 subsection includes the authority to prohibit or curtail the  
24 transfer of goods or technology within the United States to

1 embassies and affiliates of countries to which exports of such  
2 goods or technology are controlled under this section.”

3 (b) Section 5(b) of the Act is amended by adding at the  
4 end thereof the following new sentence: “No authority or  
5 permission to export may be required under this section  
6 before goods or technology are exported in the case of ex-  
7 ports to a country which maintains export controls on such  
8 goods or technology cooperatively with the United States,  
9 except that the Secretary may require an export license for  
10 the export of such goods or technology to such end users as  
11 the Secretary may specify by regulation. The Secretary may  
12 also by regulation require any person exporting any such  
13 goods or technology otherwise subject to export controls  
14 under this section to notify the Department of Commerce of  
15 those exports.”.

16 (c) Section 5(e) of the Act is amended by adding at the  
17 end thereof the following:

18 “(5) The export of technology and related goods subject  
19 to export controls under this section, including items on the  
20 list of militarily critical technologies developed pursuant to  
21 subsection (d) of this section, shall be eligible for a compre-  
22 hensive operations license which would authorize, over a  
23 period of years and to countries other than those described in  
24 section 620(f) of the Foreign Assistance Act of 1961, multi-  
25 ple exports and reexports between and among a domestic

1 concern and foreign subsidiaries, affiliates, vendors, joint ven-  
2 turers, and licensees of that concern which are approved by  
3 the Secretary

4 “(6) The export to countries other than those described  
5 in section 620(f) of the Foreign Assistance Act of 1961 of  
6 goods and technology subject to export controls under this  
7 section shall be eligible for a distribution license or other li-  
8 censes authorizing multiple exports. The Secretary shall peri-  
9 odically monitor exports made pursuant to such licenses in  
10 order to insure compliance with the provisions of this Act.”

11 (d) Section 5(g) of the Act is amended—

12 (1) in the second sentence by striking out “by the  
13 latest such increase” and inserting in lieu thereof “by  
14 the regulations”; and

15 (2) by inserting after the first sentence the follow-  
16 ing: “The regulations issued by the Secretary shall es-  
17 tablish as one criterion for the removal of goods or  
18 technology from such license requirements the antici-  
19 pated needs of the military of countries to which ex-  
20 ports are controlled for national security purposes ”

21 (e) Section 5(k) of the Act is amended—

22 (1) by inserting “, including those countries not  
23 participating in the group known as the Coordinating  
24 Committee,” after “other countries”, and

1           (2) by striking out “section 3(9)” and inserting in  
2           lieu thereof “paragraphs (9) and (10) of section 3”.

3           (f) Section 5 of the Act is amended by adding at the end  
4           thereof the following new subsections:

5           “(m) REMOVAL OF CERTAIN CONTROLS.—(1) In any  
6           case in which, during any 1-year period in which export li-  
7           cense applications have been filed for the export of a good  
8           subject to an export control under this section, all such li-  
9           cense applications have been approved to a country group,  
10          the Secretary shall, at the end of that 1-year period, remove  
11          the export control on exports of that good to that country  
12          group, except that the Secretary may require an export li-  
13          cense for the export of that good to such end users in that  
14          country group as the Secretary may specify by regulation.

15          “(2) This subsection shall not apply to export controls  
16          which the United States maintains cooperatively with any  
17          other country.

18          “(n) GOODS CONTAINING MICROPROCESSORS.—  
19          Export controls may not be imposed under this section on a  
20          good solely on the basis that the good contains an embedded  
21          microprocessor, if such microprocessor cannot be used or al-  
22          tered to perform functions other than those it performs in the  
23          good in which it is embedded. An export control may be im-  
24          posed under this section on a good containing such a micro-  
25          processor only on the basis that the functions of the good

1 itself are such that the good, if exported, would make a sig-  
 2 nificant contribution to the military potential of any other  
 3 country or combination of countries which would prove detri-  
 4 mental to the national security of the United States.”

5 **COORDINATING COMMITTEE**

6 **SEC. 107.** Section 5(i) of the Act (50 U.S.C. App  
 7 2404(i)) is amended by adding at the end thereof the  
 8 following:

9 “(5) Agreement to improve the International Con-  
 10 trol List and minimize the approval of exceptions to  
 11 that list, strengthen enforcement and cooperation in en-  
 12 forcement efforts, provide sufficient funding for the  
 13 Committee, and improve the structure and function of  
 14 the Secretariat of the Committee by upgrading profes-  
 15 sional staff, translation services, data base mainte-  
 16 nance, communications, and facilities.

17 “(6) Agreement to strengthen the Committee so  
 18 that it functions effectively in controlling export trade  
 19 in a manner that better protects the national security  
 20 of each participant to the benefit of all participants.”

21 **FOREIGN AVAILABILITY**

22 **SEC. 108.** (a) Section 5(f)(4) of the Act (50 U.S.C. App  
 23 2404(f)(4)) is amended by striking out the first sentence and  
 24 inserting in lieu thereof the following “In any case in which  
 25 export controls are maintained under this section notwith-

1 standing foreign availability, on account of a determination  
2 by the President that the absence of the controls would prove  
3 detrimental to the national security of the United States, the  
4 President shall take the necessary steps to conduct negotia-  
5 tions with the governments of the appropriate foreign coun-  
6 tries for the purpose of eliminating such availability. If,  
7 within 6 months after the President's determination, the for-  
8 eign availability has not been eliminated, the Secretary may  
9 not, after the end of that 6-month period, require a validated  
10 license for the export of the goods or technology involved."

11 (b) Section 5(f)(3) of the Act is amended to read as fol-  
12 lows:

13 "(3) With respect to export controls imposed under this  
14 section, in making any determination of foreign availability,  
15 the Secretary shall accept the representations of applicants  
16 unless such representations are contradicted by reliable evi-  
17 dence, including scientific or physical examination, expert  
18 opinion based upon adequate factual information, and intel-  
19 ligence information."

20 (c)(1) Section 5(f)(5) of the Act is amended to read as  
21 follows:

22 "(5) The Secretary shall establish in the Department of  
23 Commerce an Office of Foreign Availability which shall be  
24 under the direction of the Assistant Secretary of Commerce  
25 for Trade Administration. The Office shall be responsible for

1 gathering and analyzing all the necessary information in  
2 order for the Secretary to make determinations of foreign  
3 availability under this Act. The Secretary shall make availa-  
4 ble to the Committee on Foreign Affairs of the House of  
5 Representatives and the Committee on Banking, Housing,  
6 and Urban Affairs of the Senate at the end of each 6-month  
7 period during a fiscal year information on the operations of  
8 the Office during that 6-month period. Such information shall  
9 include a description of every determination made under this  
10 Act during that 6-month period that foreign availability did  
11 not exist, together with an explanation of that determina-  
12 tion ”.

13 (2) Section 5(f)(6) of the Act is amended by striking out  
14 “Office of Export Administration” and inserting in lieu there-  
15 of “Office of Foreign Availability”.

16 (d) Section 5(f) of the Act is amended by adding at the  
17 end thereof the following new paragraph:

18 “(7) The Secretary shall issue regulations with respect  
19 to determinations of foreign availability under this Act not  
20 later than 6 months after the date of the enactment of the  
21 Export Administration Amendments Act of 1983 ”

22 (e) Section 5(h)(6) of the Act is amended by striking out  
23 “and provides adequate documentation” and all that follows  
24 through the end of the paragraph and inserting in lieu thereof  
25 the following: “the technical advisory committee shall submit

1 that certification to the Congress at the same time the certifi-  
2 cation is made to the Secretary, together with the documen-  
3 tation for the certification, in accordance with the procedures  
4 established pursuant to subsection (f)(1) of this section. The  
5 Secretary shall investigate the foreign availability so certified  
6 and, not later than 90 days after the certification is made,  
7 shall submit a report to the technical advisory committee and  
8 the Congress stating that (A) the Secretary has removed the  
9 requirement of a validated license for the export of the goods  
10 or technology, on account of the foreign availability, (B) the  
11 Secretary has recommended to the President that negotia-  
12 tions be conducted to eliminate the foreign availability, or (C)  
13 the Secretary has determined on the basis of the investigation  
14 that the foreign availability does not exist. To the extent nec-  
15 essary, the report may be submitted on a classified basis. In  
16 any case in which the Secretary has recommended to the  
17 President that negotiations be conducted to eliminate the for-  
18 eign availability, the President shall take the necessary steps  
19 to conduct such negotiations with the governments of the ap-  
20 propriate foreign countries. If, within 6 months after the Sec-  
21 retary submits such report to the Congress, the foreign avail-  
22 ability has not been eliminated, the Secretary may not, after  
23 the end of that 6-month period, require a validated license for  
24 the export of the goods or technology involved.”.

## 1                   MILITARILY CRITICAL TECHNOLOGIES

2           SEC. 109. Section 5(d) of the Act (50 U.S.C. App.  
3 2404(d)) is amended by striking out paragraphs (4) through  
4 (6) and inserting in lieu thereof the following:

5           “(4)(A) The Secretary and the Secretary of Defense  
6 shall complete the integration of the list of militarily critical  
7 technologies into the commodity control list not later than  
8 April 1, 1985. The integration of the list of militarily critical  
9 technologies into the commodity control list shall be complet-  
10 ed with all deliberate speed, and the Secretary and the Sec-  
11 retary of Defense shall report to the appropriate committees  
12 of the Congress, before April 1, 1985, any circumstances  
13 which would preclude the completion of the integrated list by  
14 that date. Such integrated list shall include only a good or  
15 technology with respect to which the Secretary finds that  
16 countries to which exports are controlled under this section  
17 do not possess that good or technology, or a similar good or  
18 technology, and the good or technology or similar good or  
19 technology is not available in fact to such a country from  
20 sources outside the United States in sufficient quantity and of  
21 sufficient quality so that the requirement of a validated li-  
22 cense for the export of such good or technology is or would  
23 be ineffective in achieving the purpose set forth in subsection  
24 (a) of this section, except in the case of a determination of the  
25 President with respect to goods or technology under subsec-

1 tion (f)(1) of this section. The Secretary and the Secretary of  
2 Defense shall jointly submit a report to the Congress, not  
3 later than April 1, 1985, on actions taken to carry out this  
4 subparagraph. In any case in which it is determined that a  
5 good or technology should be included on the commodity con-  
6 trol list completed pursuant to this subparagraph notwith-  
7 standing foreign availability, the report to Congress shall  
8 specify why inclusion of that good or technology would sig-  
9 nificantly benefit United States military or national security.

10       “(B) The General Accounting Office shall evaluate the  
11 efforts of the Secretary and the Secretary of Defense to inte-  
12 grate the list of militarily critical technologies into the com-  
13 modity control list, and the feasibility of such integration. In  
14 conducting such evaluation, the General Accounting Office  
15 shall determine whether foreign availability was used as a  
16 criterion in developing the commodity control list pursuant to  
17 subparagraph (A) and whether the completed list reflected  
18 the intent of the Congress in enacting this subsection. In con-  
19 ducting such evaluation, the General Accounting Office shall  
20 have access to all information relating to the list of militarily  
21 critical technologies, and representatives of the General Ac-  
22 counting Office designated by the Comptroller General may  
23 attend any meetings held in the executive branch with re-  
24 spect to such list. The appropriate officers or employees shall  
25 notify the General Accounting Office of when and where any

1 such meeting will be held. Not later than April 1, 1985, the  
2 General Accounting Office shall submit a detailed report to  
3 the Congress on the results of the evaluation conducted pur-  
4 suant to this subparagraph.

5       “(C) The Secretary and the Secretary of Defense, in  
6 completing the commodity control list pursuant to subpara-  
7 graph (A), and the General Accounting Office, in conducting  
8 the evaluation pursuant to subparagraph (B), shall consider  
9 mechanisms to reduce significantly the list of militarily criti-  
10 cal technologies, including evaluating for possible removal  
11 from the list those goods or technology which are in one or  
12 more of the following categories:

13               “(i) Goods and technology the transfer of which  
14 would not lead to a significant near-term improvement  
15 in the defense capability of a country to which exports  
16 are controlled under this section

17               “(ii) A technology that is evolving slowly

18               “(iii) Technology that is not process-oriented

19               “(iv) Components used in militarily sensitive de-  
20 vices that in themselves are not sensitive.

21       “(D) The reports submitted pursuant to subparagraphs  
22 (A) and (B) shall each include the results of the evaluation of  
23 the goods and technology set forth in subparagraph (C) and  
24 an evaluation of the feasibility of effectively imposing export

1 controls on technologies as opposed to goods which are the  
2 products of those technologies.”.

3 CRITERIA FOR FOREIGN POLICY CONTROLS; CONSULTA-  
4 TION WITH OTHER COUNTRIES; REPORT TO CON-  
5 GRESS

6 SEC. 110 (a) Section 6(b) of the Act (50 U.S.C App.  
7 2405(b)) is amended to read as follows:

8 “(b) CRITERIA —When imposing, expanding, or ex-  
9 tending export controls on goods or technology under this  
10 section, the President shall consider whether—

11 “(1) the intended foreign policy purposes of the  
12 proposed controls can be achieved through negotiations  
13 or other alternative means;

14 “(2) the proposed controls are compatible with the  
15 foreign policy objectives of the United States and with  
16 overall United States policy toward the country to  
17 which exports are to be subject to the proposed con-  
18 trols;

19 “(3) the proposed controls will have an adverse  
20 effect on the economic or political relations of the  
21 United States with other friendly countries;

22 “(4) the proposed controls will have a substantial  
23 adverse effect on the export performance of the United  
24 States, on the competitive position of the United States  
25 in the international economy, on the international repu-

1 tation of the United States as a reliable supplier of  
2 goods and technology, or on the economic well-being of  
3 individual United States industries, companies, and  
4 their employees and communities;

5 “(5) the United States has the ability to enforce  
6 the proposed controls effectively;

7 “(6) the proposed controls are likely to achieve  
8 the intended foreign policy purpose; and

9 “(7)(A) the good or technology, or a similar good  
10 or technology, is available in sufficient quantity from  
11 sources outside the United States to the country to  
12 which exports are to be subject to the proposed con-  
13 trols, or (B) negotiations have been successfully con-  
14 cluded with the appropriate foreign governments to  
15 ensure the cooperation of such governments in control-  
16 ling the export of such good or technology to the coun-  
17 try to which exports are to be subject to the proposed  
18 controls, except that the preceding provisions of this  
19 paragraph shall not apply if the President determines  
20 that the proposed controls are necessary to further ef-  
21 forts by the United States to counter international ter-  
22 rorism or to promote observance of internationally rec-  
23 ognized human rights.”.

24 (b) Section 6 of the Act is amended—

1 (1) by redesignating subsections (d) through (k) as  
2 subsections (e) through (l), respectively; and

3 (2) by inserting after subsection (c) the following  
4 new subsection:

5 “(d) CONSULTATION WITH OTHER COUNTRIES.—

6 Before export controls are imposed under this section, the  
7 President should consult with the countries with which the  
8 United States maintains export controls cooperatively, and  
9 with such other countries as the President considers appro-  
10 priate, with respect to the criteria set forth in subsection (b)  
11 and such other matters as the President considers appropri-  
12 ate.”.

13 (c) Section 6(f) of the Act, as redesignated by subsection  
14 (b)(1) of this section, is amended to read as follows.

15 “(f) CONSULTATION WITH THE CONGRESS.—(1) The  
16 President may impose, expand, or extend export controls  
17 under this section only after consultation with the Committee  
18 on Foreign Affairs of the House of Representatives and the  
19 Committee on Banking, Housing, and Urban Affairs of the  
20 Senate.

21 “(2) Following consultation with the Congress in ac-  
22 cordance with paragraph (1) and before imposing, expanding,  
23 or extending export controls under this section, the President  
24 shall submit to the Congress a report—

1           “(A) indicating how the proposed export controls  
2 will further, significantly, the foreign policy of the  
3 United States or will further its declared international  
4 obligations,

5           “(B) specifying the conclusions of the President  
6 with respect to each of the criteria set forth in subsec-  
7 tion (b), and any possible adverse foreign policy conse-  
8 quences;

9           “(C) describing the nature, the subjects, and the  
10 results of the consultation with industry pursuant to  
11 subsection (c) and with other countries pursuant to sub-  
12 section (d);

13           “(D) specifying the nature and results of any al-  
14 ternative means attempted under subsection (e), or the  
15 reasons for imposing, expanding, or extending the con-  
16 trols without attempting any such alternative means;  
17 and

18           “(E) describing the availability from other coun-  
19 tries of goods or technology comparable to the goods  
20 or technology subject to the proposed export controls,  
21 and describing the nature and results of the efforts  
22 made pursuant to subsection (h) to secure the coopera-  
23 tion of foreign governments in controlling the foreign  
24 availability of such comparable goods or technology

1 The concerns expressed by Members of Congress during the  
2 consultations required by this subsection shall be specifically  
3 addressed in each report submitted pursuant to this para-  
4 graph.

5 “(3) To the extent necessary to further the effectiveness  
6 of the export controls, portions of a report required by para-  
7 graph (2) may be submitted to the Congress on a classified  
8 basis, and shall be subject to the provisions of section 12(c) of  
9 this Act.

10 “(4) In the case of export controls under this section  
11 which prohibit or curtail the export of any agricultural com-  
12 modity, a report submitted pursuant to paragraph (2) shall be  
13 deemed to be the report required by section 7(g)(3) of this  
14 Act.”

15 (d) Section 6(i) of the Act, as redesignated by subsection  
16 (b)(1) of this section, is amended by striking out “(f), and (g)”  
17 and inserting in lieu thereof “(e), (g), and (h)”.

18 EFFECT OF CONTROLS ON EXISTING CONTRACTS AND  
19 LICENSES

20 SEC. 111. (a) Section 6 of the Act (50 U.S.C. App.  
21 2405), as amended by section 110 of this Act, is further  
22 amended by adding at the end thereof the following new sub-  
23 section:

24 “(m) EFFECT OF CONTROLS ON EXISTING CON-  
25 TRACTS AND LICENSES.—Any export controls imposed

1 under this section shall not affect any contract to export en-  
2 tered into before the date on which such controls are imposed  
3 or any export license issued under this Act before such date.  
4 The preceding sentence shall not apply in a case in which the  
5 export controls imposed relate directly, immediately, and sig-  
6 nificantly to actual or imminent acts of aggression or of inter-  
7 national terrorism, to actual or imminent gross violations of  
8 internationally recognized human rights, or to actual or im-  
9 minent nuclear weapons tests, in which case the President  
10 shall promptly notify the Congress of the circumstances to  
11 which the export controls relate and of the contracts or li-  
12 censes affected by the controls. Any export controls described  
13 in the preceding sentence shall affect existing contracts and  
14 licenses only so long as the acts of aggression or terrorism,  
15 violations of human rights, or nuclear weapons tests continue  
16 or remain imminent. For purposes of this subsection, the  
17 term 'contract to export' includes, but is not limited to, an  
18 export sales agreement and an agreement to invest in an en-  
19 terprise which involves the export of goods or technology.'".

20 (b) Section 7 of the Act (50 App 2406) is amended by  
21 adding at the end thereof the following new subsection

22 "(k) EFFECT OF CONTROLS ON EXISTING CON-  
23 TRACTS —Any export controls imposed under this section  
24 shall not affect any contract to export entered into before the  
25 date on which such controls are imposed, including any con-

1 tract to harvest unprocessed western red cedar (as defined in  
 2 subsection (i)(4) of this section) from State lands, the perform-  
 3 ance of which contract would make the red cedar available  
 4 for export. For purposes of this subsection, the term ‘contract  
 5 to export’ includes, but is not limited to, an export sales  
 6 agreement and an agreement to invest in an enterprise which  
 7 involves the export of goods or technology.”

8 (c) The amendment made by subsection (a) shall not  
 9 apply to export controls imposed before the date of the enact-  
 10 ment of this Act. The amendment made by subsection (b)  
 11 shall apply to export controls in effect on the date of the  
 12 enactment of this Act and export controls imposed after such  
 13 date.

14 EXEMPTION FROM FOREIGN POLICY CONTROLS

15 SEC 112. Section 6(g) of the Act (50 U S C App.  
 16 2405(g)), as redesignated by section 110(b)(1) of this Act, is  
 17 amended—

18 (1) by inserting after the first sentence the follow-  
 19 ing: “This section also does not authorize export con-  
 20 trols on donations of goods, such as food and clothing,  
 21 intended to be used to relieve human suffering”, and

22 (2) by adding at the end thereof the following  
 23 “The President may impose export controls under this  
 24 section on medicine, medical supplies, food, and dona-  
 25 tions of goods without regard to the other provisions of

1 this subsection in order to carry out the policy set forth  
2 in paragraph (13) of section 3 of this Act ”.

3 FOREIGN POLICY CONTROLS AUTHORITY

4 SEC. 113. (a) The first sentence of section 6(a)(1) of the  
5 Act (50 U.S.C. App 2405(a)(1)) is amended to read as fol-  
6 lows: “In order to carry out the policy set forth in paragraph  
7 (2)(B), (7), (8), or (13) of section 3 of this Act, the President  
8 may prohibit or curtail the exportation from the United  
9 States of any goods, technology, or other information pro-  
10 duced in the United States, to the extent necessary to further  
11 significantly the foreign policy of the United States or to ful-  
12 fill its declared international obligations ”

13 (b) Section 6(a) of the Act is further amended by redес-  
14 ignating paragraphs (2) through (4) as paragraphs (3) through  
15 (5), respectively, and by inserting after paragraph (1) the fol-  
16 lowing new paragraph.

17 “(2) Any export control imposed under this section shall  
18 apply to any transaction or activity undertaken with the  
19 intent to evade that export control, even if that export con-  
20 trol would not otherwise apply to that transaction or  
21 activity ”

22 (c) Section 6 of the Act, as amended by sections 110  
23 and 111 of this Act, is further amended by adding at the end  
24 thereof the following new subsection

1       “(n) EXPANDED AUTHORITY TO IMPOSE CON-  
2 TROLS —(1) In any case in which the President determines  
3 that it is necessary to impose controls under this section—  
4           “(A) with respect to goods, technology, other in-  
5 formation, or persons other than that authorized by  
6 subsection (a)(1) of this section; or  
7           “(B) without any limitation contained in subsec-  
8 tion (c), (d), (e), (g), (h), or (m) of this section,  
9 the President may impose those controls only if the President  
10 submits that determination to the Congress, together with a  
11 report pursuant to subsection (f) of this section with respect  
12 to the proposed controls, and only if a law is enacted author-  
13 izing the imposition of those controls. If a joint resolution  
14 authorizing the imposition of those controls is introduced in  
15 either House of Congress within 30 days of continuous ses-  
16 sion after the Congress receives the determination and report  
17 of the President, that joint resolution shall immediately be  
18 referred to the Committee on Banking, Housing, and Urban  
19 Affairs of the Senate and the Committee on Foreign Affairs  
20 of the House of Representatives. If either such committee  
21 has not reported the joint resolution at the end of 30 days of  
22 continuous session after its referral, such committee shall be  
23 deemed to be discharged from further consideration of the  
24 resolution.

1       “(2) For purposes of this subsection, the term ‘joint res-  
2 olution’ means a joint resolution the matter after the resolv-  
3 ing clause of which is as follows. ‘That the Congress, having  
4 received on                      a determination of the President  
5 under section 6(n)(1) of the Export Administration Act of  
6 1979 with respect to the export controls which are set forth  
7 in the report submitted to the Congress with that determina-  
8 tion, authorizes the President to impose those export con-  
9 trols.’, with the date of the receipt of the determination and  
10 report inserted in the blank.

11       “(3) For purposes of this subsection—

12               “(A) continuity of session is broken only by an ad-  
13 journment of the Congress sine die, and

14               “(B) the days on which either House is not in ses-  
15 sion because of an adjournment of more than 3 days to  
16 a day certain are excluded in the computation of any  
17 period of time in which Congress is in continuous  
18 session.”.

19       (d) The amendments made by subsections (a), (b), and (c)  
20 of this section shall not apply to export controls imposed  
21 under section 6 of the Act before the date of the enactment of  
22 this Act which are extended in accordance with such section  
23 6 on or after such date of enactment

## 1 CRIME CONTROL INSTRUMENTS

2 SEC. 114. (a) Section 6(k)(1) of the Act (50 U.S.C. App.  
3 2405(k)(1)), as redesignated by section 110(b)(1) of this Act,  
4 is amended by adding at the end thereof the following new  
5 sentence "Notwithstanding any other provision of this Act,  
6 any determination of the Secretary—

7 "(A) of what goods or technology shall be includ-  
8 ed on the list established pursuant to subsection (l) of  
9 this section as a result of the export restrictions im-  
10 posed by this subsection shall be made with the con-  
11 currence of the Secretary of State, or

12 "(B) to approve or deny an export license applica-  
13 tion to export crime control or detection instruments or  
14 equipment shall be made in concurrence with the rec-  
15 ommendations of the Secretary of State submitted to  
16 the Secretary with respect to the application pursuant  
17 to section 10(e) of this Act,

18 except that if the Secretary does not agree with the Secre-  
19 tary of State with respect to any such determination, the  
20 matter shall be referred to the President for resolution."

21 (b) The amendment made by subsection (a) shall apply  
22 to determinations of the Secretary of Commerce which are  
23 made on or after the date of the enactment of this Act.

## 1 REIMPOSITION OF EXPORT CONTROLS

2 SEC. 115. (a) Section 6 of this Act, as amended by sec-  
3 tions 110, 111, and 113 of this Act, is further amended by  
4 adding at the end thereof the following new subsection:

5 “(o) EXTENSION OF CERTAIN CONTROLS.—Those  
6 export controls imposed under this section which were in  
7 effect on February 28, 1982, and ceased to be effective on  
8 March 1, 1982, September 15, 1982, or January 20, 1983  
9 (except those controls with respect to the 1980 summer  
10 Olympic games), shall become effective on the date of the  
11 enactment of this subsection, and shall remain in effect until  
12 1 year after such date of enactment. At the end of that 1-  
13 year period, any of those controls made effective by this sub-  
14 section may be extended by the President in accordance with  
15 subsections (b) and (f) of this section.”

16 (b) Section 6(j) of this Act, as redesignated by section  
17 110(b)(1) of this Act, is amended by adding at the end thereof  
18 the following new sentence: “Any such determination which  
19 has been made with respect to a country may not be rescind-  
20 ed unless the President first submits to the Congress a report  
21 justifying the rescission and certifying that the country con-  
22 cerned has not provided support for international terrorism,  
23 including support for groups engaged in such terrorism, for  
24 the preceding 12-month period.”

1 (c) The amendment made by subsection (b) shall apply  
2 with respect to any export control made effective by the  
3 amendment made by subsection (a)

4 PETITIONS FOR SHORT SUPPLY CONTROLS

5 SEC. 116. (a) Section 7(c)(1)(A) of the Act (50 U.S.C.  
6 App. 2406(c)(1)(A)) is amended to read as follows.

7 “(c) PETITIONS FOR MONITORING OR CONTROLS.—  
8 (1)(A) Any entity, including a trade association, firm, or certi-  
9 fied or recognized union or group of workers, which is repre-  
10 sentative of an industry or a substantial segment of an indus-  
11 try which processes metallic materials capable of being recy-  
12 cled (i) with respect to which an increase in domestic prices  
13 or a domestic shortage, either of which results from increased  
14 exports, is or may be a substantial cause of adverse effect on  
15 the national economy or any sector thereof or on a domestic  
16 industry, and (ii) with respect to which a significant increase  
17 in exports is or may be a substantial cause of adverse effect  
18 on the national economy or any sector thereof or on a domes-  
19 tic industry, may transmit a written petition to the Secretary  
20 requesting the monitoring of exports or the imposition of  
21 export controls, or both, with respect to such material, in  
22 order to carry out the policy set forth in section 3(2)(C) of  
23 this Act.”.

24 (b) Section 7(c)(1)(B) of the Act is amended—

1           (1) in clause (i) by striking out “and” after  
2           “supply,”; and

3           (2) by striking out the period at the end thereof  
4           and inserting in lieu thereof “, and (iii) that the criteria  
5           set forth in paragraph (3)(A) of this subsection are sat-  
6           isfied.”

7           (c) Section 7(c)(1) of the Act is further amended by  
8           adding at the end thereof the following:

9           “(C)(i) For purposes of this subsection, the term ‘sub-  
10           stantial cause’ means a cause which is important and not less  
11           than any other cause

12           “(ii) Before March 1, 1984, the Secretary shall issue  
13           regulations, in accordance with section 553 of title 5, United  
14           States Code, which define the operative terms contained in  
15           section 3(2)(C) of this Act and in this subsection, including  
16           but not limited to the following. ‘excessive drain’, ‘scarce ma-  
17           terials’, ‘serious inflationary impact of foreign demand’, ‘do-  
18           mestic shortage’, ‘increase in domestic prices’ and ‘increase  
19           in the domestic price’, ‘representative of an industry or a  
20           substantial segment of an industry’, ‘domestic industry’, ‘spe-  
21           cific period of time’, ‘national economy or any sector thereof’,  
22           ‘significant increase in exports’, and ‘adverse effect’.”

23           (d) Section 7(c)(3) of the Act is amended to read as  
24           follows:

1       “(3)(A) Within 45 days after the end of the 30-day or  
2 45-day period described in paragraph (2), as the case may be,  
3 the Secretary shall determine whether to impose monitoring  
4 or controls, or both, on the export of the material which is  
5 the subject of the petition, in order to carry out the policy set  
6 forth in section 3(2)(C) of this Act. In making such determi-  
7 nation, the Secretary shall determine whether—

8               “(i) there has been a significant increase, in rela-  
9 tion to a specific period of time, in exports of such  
10 material,

11               “(ii) there has been a significant increase in the  
12 domestic price of such material or a domestic shortage  
13 of such material and exports are a substantial cause of  
14 such domestic price increase or domestic shortage,

15               “(iii) exports of such material are or may be a  
16 substantial cause of adverse effect on the national  
17 economy or any sector thereof or on a domestic indus-  
18 try; and

19               “(iv) monitoring or controls or both are necessary  
20 in order to carry out the policy set forth in section  
21 3(2)(C) of this Act.

22       “(B) The Secretary shall publish in the Federal Register  
23 a detailed statement of the reasons for the Secretary’s deter-  
24 mination pursuant to subparagraph (A) of whether to impose

1 monitoring or controls, or both, including the findings of fact  
2 in support of that determination.”.

3 (e) Section 7(c)(6) of the Act is amended to read as  
4 follows:

5 “(6) If a petition with respect to a particular material or  
6 group of materials has been considered in accordance with all  
7 the procedures prescribed in this subsection, the Secretary  
8 shall not consider any other petition with respect to the same  
9 material or group of materials which is filed within 6 months  
10 after final action on the prior petition has been completed.”.

11 (f) Section 7(c) of the Act is further amended—

12 (1) by striking out paragraph (8) and redesignating  
13 paragraphs (9) and (10) as paragraphs (8) and (9), re-  
14 spectively,

15 (2) by amending paragraph (8), as redesignated by  
16 paragraph (1) of this subsection, to read as follows:

17 “(8) The authority under this subsection shall not be  
18 construed to affect the authority of the Secretary under any  
19 provision of this Act other than this section.”, and

20 (3) by adding at the end thereof the following:

21 “(10) Notwithstanding subsection (a) or (b) of this sec-  
22 tion, no action in response to an informal or formal request  
23 by any entity described in paragraph (1)(A) of this subsection  
24 to impose controls on or monitor the export of metallic mate-  
25 rials capable of being recycled shall be taken under this sec-

1 tion except pursuant to this subsection. The Secretary, in any  
 2 other case, may not impose controls on or monitor the export  
 3 of metallic materials capable of being recycled unless the  
 4 Secretary makes the determination required by paragraph  
 5 (3)(A) of this subsection with respect to such controls or mon-  
 6 itoring and complies with paragraph (3)(B) with respect to  
 7 that determination ”

8 (g) Section 13(a) of the Act is amended by striking out  
 9 “section 11(c)(2)” and inserting in lieu thereof “sections  
 10 7(c)(1)(C)(ii) and 11(c)(2)”

11 **DOMESTICALLY PRODUCED CRUDE OIL**

12 **SEC 117.** Section 7(d) of the Act (50 U S C. 2406(d)) is  
 13 amended by adding at the end thereof the following

14 “(4) Notwithstanding the provisions of section 20 of this  
 15 Act, the provisions of this subsection shall expire on Septem-  
 16 ber 30, 1987.”

17 **REFINED PETROLEUM PRODUCTS**

18 **SEC 118.** Section 7(e)(1) of the Act (50 U S C App.  
 19 2406(e)(1)) is amended in the first sentence by striking out  
 20 “No” and inserting in lieu thereof “In any case in which the  
 21 President determines that it is necessary to impose export  
 22 controls on refined petroleum products in order to carry out  
 23 the policy set forth in section 3(2)(C) of this Act, the Presi-  
 24 dent shall notify the Congress of that determination The  
 25 President shall also notify the Congress if and when he deter-

1 mines that such export controls are no longer necessary.  
 2 During any period in which a determination that such export  
 3 controls are necessary is in effect, no”.

4                                   **AGRICULTURAL EXPORTS**

5           **SEC. 119.** (a) Section 7(g)(3) of the Act (50 U.S.C. App.  
 6 2406(g)(3)) is amended by amending the second sentence to  
 7 read as follows: “If the Congress, within 60 days after the  
 8 date of its receipt of such report, does not adopt a joint reso-  
 9 lution approving such prohibition or curtailment, then such  
 10 prohibition or curtailment shall cease to be effective at the  
 11 end of that 60-day period”.

12           (b) The third sentence of section 7(g)(3) of the Act is  
 13 amended by striking out “30-day” and inserting in lieu there-  
 14 of “60-day”.

15                                   **LICENSING PROCEDURES**

16           **SEC. 120.** (a) Section 10(c) of the Act (50 U.S.C. App.  
 17 2409(c)) is amended by striking out “90” and inserting in  
 18 lieu thereof “60”.

19           (b) Section 10(f)(2) of the Act is amended—

20                   (1) by inserting “in writing” after “inform the ap-  
 21 plicant”, and

22                   (2) by striking out “, and shall accord” and all  
 23 that follows through the end of the paragraph and in-  
 24 serting in lieu thereof a period and the following:

1 “Before a final determination with respect to the application  
2 is made, the applicant shall be entitled—

3           “(A) to respond in writing to such questions, con-  
4 siderations, or recommendations within 30 days after  
5 receipt of such information from the Secretary; and

6           “(B) upon the filing of a written request with the  
7 Secretary within 15 days after the receipt of such in-  
8 formation, to respond in person to the department or  
9 agency raising such questions, considerations, or rec-  
10 ommendations.”.

11 (c) Section 10(f)(3) of the Act is amended—

12           (1) in the first sentence—

13                   (A) by inserting “the proposed” before  
14 “denial” the first two places it appears; and

15                   (B) by striking out “denial” the third place it  
16 appears and inserting in lieu thereof “determina-  
17 tion to deny the application”, and

18           (2) by inserting after the first sentence the follow-  
19 ing new sentence “The Secretary shall allow the ap-  
20 plicant at least 30 days to respond to the Secretary’s  
21 determination before the license application is denied.”.

22 (d) Section 10 of the Act is amended—

23           (1) in the section heading by adding “, other in-  
24 quiries” after “applications”; and



1 (1) by redesignating paragraphs (11) through (20)  
 2 as paragraphs (12) through (21), respectively; and  
 3 (2) by inserting after paragraph (10) the following  
 4 new paragraph:  
 5 “(11) the removal of export controls on goods  
 6 pursuant to section 5(m);”

7 TECHNICAL AMENDMENTS

8 SEC. 122. (a) Section 7(i)(1) of the Act (50 U.S.C. App  
 9 2406(i)(1)) is amended in the last sentence by inserting “har-  
 10 vested from State or Federal lands” after “red cedar logs”

11 (b) Section 17(a) of the Act (50 U.S.C. App 2416(a)) is  
 12 amended by striking out “Nothing” and inserting in lieu  
 13 thereof “Except as otherwise provided in this Act, nothing”

14 (c) Section 38(e) of the Arms Export Control Act (22  
 15 U.S.C. 2778(e)) is amended by striking out “(f)” and insert-  
 16 ing in lieu thereof “(g)”.

17 AUTHORIZATION OF APPROPRIATIONS

18 SEC. 123. (a) Section 18 of the Act (50 U.S.C. App  
 19 2417) is amended to read as follows

20 “AUTHORIZATION OF APPROPRIATIONS

21 “SEC 18. (a) REQUIREMENT OF AUTHORIZING LEGIS-  
 22 LATION.—(1) Notwithstanding any other provision of law,  
 23 money appropriated to the Department of Commerce for ex-  
 24 penses to carry out the purposes of this Act may be obligated  
 25 or expended only if—

1           “(A) the appropriation thereof has been previously  
2           authorized by law enacted on or after the date of the  
3           enactment of the Export Administration Amendments  
4           Act of 1983; or

5           “(B) the amount of all such obligations and ex-  
6           penditures does not exceed an amount previously pre-  
7           scribed by law enacted on or after such date.

8           “(2) To the extent that legislation enacted after the  
9           making of an appropriation to carry out the purposes of this  
10          Act authorizes the obligation or expenditure thereof, the limi-  
11          tation contained in paragraph (1) shall have no effect.

12          “(3) The provisions of this subsection shall not be super-  
13          seded except by a provision of law enacted after the date of  
14          the enactment of the Export Administration Amendments  
15          Act of 1983 which specifically repeals, modifies, or super-  
16          sedes the provisions of this subsection

17          “(b) AUTHORIZATION —There are authorized to be ap-  
18          propriated to the Department of Commerce to carry out the  
19          purposes of this Act—

20                 “(1) \$24,600,000 for each of the fiscal years  
21                 1984 and 1985, of which for each such fiscal year  
22                 \$15,000,000 shall be available only for enforcement,  
23                 \$2,100,000 shall be available only for foreign availabil-  
24                 ity assessments under subsections (f) and (h)(6) of sec-

1 tion 5 of this Act, and \$7,500,000 shall be available  
2 for all other activities under this Act, and

3 “(2) such additional amounts for each such fiscal  
4 year as may be necessary for increases in salary, pay,  
5 retirement, other employee benefits authorized by law,  
6 and other nondiscretionary costs.”

7 (b) The amendment made by subsection (a) shall take  
8 effect on October 1, 1983

9 TERMINATION OF AUTHORITY

10 SEC. 124. Section 20 of the Act (50 U S C App. 2419)  
11 is amended to read as follows:

12 “TERMINATION DATE

13 “SEC. 20. The authority granted by this Act terminates  
14 on September 30, 1985 ”

15 HOURS OF OFFICE OF EXPORT ADMINISTRATION

16 SEC. 125. The Secretary shall modify the office hours of  
17 the Office of Export Administration of the Department of  
18 Commerce on at least four days of each workweek so as to  
19 accommodate communications to the Office by exporters  
20 throughout the continental United States during the normal  
21 business hours of those exporters.

22 TITLE II—EXPORT PROMOTION PROGRAMS

23 REQUIREMENT OF PRIOR AUTHORIZATION

24 SEC 201. (a) Notwithstanding any other provision of  
25 law, money appropriated to the Department of Commerce for

1 expenses to carry out any export promotion program may be  
2 obligated or expended only if—

3 (1) the appropriation thereof has been previously  
4 authorized by law enacted on or after the date of the  
5 enactment of this Act; or

6 (2) the amount of all such obligations and expend-  
7 itures does not exceed an amount previously prescribed  
8 by law enacted on or after such date.

9 (b) To the extent that legislation enacted after the  
10 making of an appropriation to carry out any export promotion  
11 program authorizes the obligation or expenditure thereof, the  
12 limitation contained in subsection (a) shall have no effect.

13 (c) The provisions of this section shall not be superseded  
14 except by a provision of law enacted after the date of the  
15 enactment of this Act which specifically repeals, modifies, or  
16 supersedes the provisions of this section

17 (d) For purposes of this title, the term “export pro-  
18 motion program” means any activity of the Department of  
19 Commerce designed to stimulate or assist United States busi-  
20 nesses in marketing their goods and services abroad competi-  
21 tively with businesses from other countries, including but not  
22 limited to—

23 (1) trade development (except for the trade adjust-  
24 ment assistance program) and dissemination of foreign  
25 marketing opportunities and other marketing informa-

1 tion to United States producers of goods and services,  
2 including the expansion of foreign markets for United  
3 States textiles and apparel and any other United States  
4 products,

5 (2) the development of regional and multilateral  
6 economic policies which enhance United States trade  
7 and investment interests, and the provision of market-  
8 ing services with respect to foreign countries and  
9 regions;

10 (3) the exhibition of United States goods in other  
11 countries, and

12 (4) the operations of the United States Commer-  
13 cial Service and the Foreign Commercial Service, or  
14 any successor agency

15 AUTHORIZATION OF APPROPRIATIONS

16 SEC. 202. There is authorized to be appropriated for  
17 each of the fiscal years 1984 and 1985 to the Department of  
18 Commerce to carry out export promotion programs  
19 \$100,458,000

20 BARTER ARRANGEMENTS

21 SEC. 203 (a) The President shall, not later than 180  
22 days after the date of the enactment of this Act, submit to the  
23 Congress a contingency plan for the promotion of exports of  
24 agricultural commodities through the bartering of surplus ag-  
25 ricultural commodities produced in the United States for pe-

1 troleum and petroleum products, and for other materials vital  
2 to the national interest, which are produced abroad, and  
3 make recommendations as to the feasibility of implementing  
4 such bartering

5 (b) Notwithstanding any other provision of law, the Presi-  
6 dent is authorized—

7 (1) to barter stocks of agricultural commodities ac-  
8 quired by the Government for petroleum and petroleum  
9 products, and for other materials vital to the national  
10 interest, which are produced abroad, in situations in  
11 which sales would otherwise not occur; and

12 (2) to purchase petroleum and petroleum products,  
13 and other materials vital to the national interest, which  
14 are produced abroad and acquired by persons in the  
15 United States through barter for agricultural commod-  
16 ities produced in and exported from the United States  
17 through normal commercial trade channels.

18 (c) The President shall take steps to insure that any  
19 barter described in subsections (a) and (b)(1) and any pur-  
20 chases authorized by subsection (b)(2) safeguard existing  
21 export markets for agricultural commodities operating on  
22 conventional business terms from displacement by barter de-  
23 scribed in subsections (a), (b)(1), and (b)(2)

## 1 TITLE III—SOUTH AFRICA

## 2 SHORT TITLE

3 SEC. 301. This title may be cited as the “United States  
4 Policy Toward South Africa Act of 1983”.

## 5 Subtitle 1—Labor Standards

## 6 ENDORSEMENT AND IMPLEMENTATION OF FAIR

## 7 EMPLOYMENT PRINCIPLES

8 SEC. 311. Any United States person who—

9 (A) has a branch or office in South Africa, or

10 (B) controls a corporation, partnership, or other  
11 enterprise in South Africa,

12 in which more than 20 people are employed shall take the  
13 necessary steps to insure that, in operating such branch,  
14 office, corporation, partnership, or enterprise, those principles  
15 relating to employment practices set forth in section 312 of  
16 this Act are implemented.

## 17 STATEMENT OF PRINCIPLES

18 SEC. 312. (a) The principles referred to in section 311  
19 of this Act are as follows:

20 (1) Desegregating the races in each employment  
21 facility, including—

22 (A) removing all race designation signs;

23 (B) desegregating all eating, rest, and work  
24 facilities; and

1 (C) terminating all regulations which are  
2 based on racial discrimination.

3 (2) Providing equal employment for all employees,  
4 including—

5 (A) assuring that any health, accident, or  
6 death benefit plans that are established are non-  
7 discriminatory and open to all employees, whether  
8 they are paid a salary or are compensated on an  
9 hourly basis; and

10 (B) implementing equal and nondiscrimina-  
11 tory terms and conditions of employment for all  
12 employees, and abolishing job reservations, job  
13 fragmentation, apprenticeship restrictions for  
14 blacks and other nonwhites, and differential em-  
15 ployment criteria, which discriminate on the basis  
16 of race or ethnic origin.

17 (3) Establishing equal pay for all employees doing  
18 equal or comparable work, including—

19 (A) establishing and implementing, as soon  
20 as possible, a wage and salary structure which is  
21 applied equally to all employees, regardless of  
22 race, who are engaged in equal or comparable  
23 work,

24 (B) reviewing the distinction between hourly  
25 and salaried job classifications, and establishing

1           and implementing an equitable and unified system  
2           of job classifications which takes into account such  
3           review; and

4           (C) eliminating inequities in seniority and in-  
5           grade benefits so that all employees, regardless of  
6           race, who perform similar jobs are eligible for the  
7           same seniority and in-grade benefits

8           (4) Establishing a minimum wage and salary  
9           structure based on a cost-of-living index which takes  
10          into account the needs of employees and their families.

11          (5) Increasing, by appropriate means, the number  
12          of blacks and other nonwhites in managerial, supervi-  
13          sory, administrative, clerical, and technical jobs for the  
14          purpose of significantly increasing the representation of  
15          blacks and other nonwhites in such jobs, including—

16                (A) developing training programs that will  
17                prepare substantial numbers of blacks and other  
18                nonwhites for such jobs as soon as possible, in-  
19                cluding—

20                   (i) expanding existing programs and  
21                   forming new programs to train, upgrade, and  
22                   improve the skills of all categories of em-  
23                   ployees, and

24                   (ii) creating on-the-job training pro-  
25                   grams and facilities to assist employees to

1 advance to higher paying jobs requiring  
2 greater skills;

3 (B) establishing procedures to assess, identi-  
4 fy, and actively recruit employees with potential  
5 for further advancement;

6 (C) identifying blacks and other nonwhites  
7 with high management potential and enrolling  
8 them in accelerated management programs;

9 (D) establishing and expanding programs to  
10 enable employees to further their education and  
11 skills at recognized education facilities; and

12 (E) establishing timetables to carry out this  
13 paragraph.

14 (6) Taking reasonable steps to improve the quality  
15 of employees' lives outside the work environment with  
16 respect to housing, transportation, schooling, recrea-  
17 tion, and health, including—

18 (A) providing assistance to black and other  
19 nonwhite employees for housing, health care,  
20 transportation, and recreation either through the  
21 provision of facilities or services or providing fi-  
22 nancial assistance to employees for such purposes,  
23 including the expansion or creation of in-house  
24 medical facilities or other medical programs to im-

1           prove medical care for black and other nonwhite  
2           employees and their dependents; and

3                   (B) participating in the development of pro-  
4           grams that address the education needs of em-  
5           ployees, their dependents, and the local communi-  
6           ty.

7           (7) Recognizing labor unions and implementing  
8           fair labor practices, including—

9                   (A) recognizing the right of all employees,  
10           regardless of racial or other distinctions, to self-  
11           organization and to form, join, or assist labor or-  
12           ganizations, freely and without penalty or reprisal,  
13           and recognizing the right to refrain from any such  
14           activity;

15                   (B) refraining from—

16                           (i) interfering with, restraining, or co-  
17                           ercing employees in the exercise of their  
18                           rights of self-organization under this para-  
19                           graph,

20                           (ii) dominating or interfering with the  
21                           formation or administration of any labor or-  
22                           ganization, or sponsoring, controlling, or con-  
23                           tributing financial or other assistance to it,

24                           (iii) encouraging or discouraging mem-  
25                           bership in any labor organization by discrimi-

1 nation in regard to hiring, tenure, promotion,  
2 or other condition of employment,

3 (iv) discharging or otherwise disciplining  
4 or discriminating against any employee who  
5 has exercised any rights of self-organization  
6 under this paragraph, and

7 (v) refusing to bargain collectively with  
8 any organization freely chosen by employees  
9 under this paragraph.

10 (C) allowing employees to exercise rights of  
11 self-organization, including solicitation of fellow  
12 employees during nonworking hours, allowing dis-  
13 tribution and posting of union literature by em-  
14 ployees during nonworking hours in nonworking  
15 areas, and allowing reasonable access to labor or-  
16 ganization representatives to communicate with  
17 employees on employer premises at reasonable  
18 times.

19 (D) allowing employee representatives to  
20 meet with employer representatives during work-  
21 ing hours without loss of pay for purposes of col-  
22 lective bargaining, negotiation of agreements, and  
23 representation of employee grievances;

24 (E) regularly informing employees that it is  
25 company policy to consult and bargain collectively

1 with organizations which are freely elected by the  
2 employees to represent them; and

3 (F) utilizing impartial persons mutually  
4 agreed upon by employer and employee repre-  
5 sentatives to resolve disputes concerning election  
6 of representatives, negotiation of agreements or  
7 grievances arising thereunder, or any other mat-  
8 ters arising under this paragraph.

9 (b) The Secretary may issue guidelines and criteria to  
10 assist persons who are or may be subject to this subtitle in  
11 complying with the principles set forth in subsection (a) of  
12 this section. The Secretary may, upon request, give an advi-  
13 sory opinion to any person who is or may be subject to this  
14 subtitle as to whether that person is subject to this subtitle or  
15 would be considered to be in compliance with the principles  
16 set forth in subsection (a).

17 ADVISORY COUNCILS

18 SEC. 313 (a) The Secretary shall establish in South  
19 Africa an Advisory Council (1) to advise the Secretary with  
20 respect to the implementation of those principles set forth in  
21 section 312(a), and (2) to review periodically the reports sub-  
22 mitted pursuant to section 314(a) and, where necessary, to  
23 supplement the information contained in such reports The  
24 Advisory Council shall be composed of ten members appoint-  
25 ed by the Secretary from among persons representing trade

1 unions committed to nondiscriminatory policies, the United  
2 States Chamber of Commerce in South Africa, and the South  
3 African academic community, and from among South African  
4 community and church leaders who have demonstrated a con-  
5 cern for equal rights. In addition to the ten appointed mem-  
6 bers of the Advisory Council, the United States Ambassador  
7 to South Africa shall be a member of the Advisory Council,  
8 ex officio.

9 (b) The Secretary shall establish in the United States an  
10 American Advisory Council to make policy recommendations  
11 with respect to the labor practices of United States persons  
12 in South Africa and to review periodically the progress of  
13 such persons in carrying out the provisions of section 311 of  
14 this Act. The American Advisory Council shall be composed  
15 of 11 members appointed by the Secretary from among quali-  
16 fied persons, including officers and employees of the Depart-  
17 ment of State, the Department of Commerce, the Depart-  
18 ment of Labor, and the Equal Employment Opportunity  
19 Commission, and representatives of labor, business, civil  
20 rights, and religious organizations. The Secretary shall pub-  
21 lish in the Federal Register any recommendations made by  
22 the American Advisory Council under this subsection.

23 (c) Members of the Advisory Council in South Africa  
24 and of the American Advisory Council shall be appointed for  
25 3-year terms, except that of the members first appointed,

1 three on each Council shall be appointed for terms of two  
2 years, and three on each Council shall be appointed for terms  
3 of one year, as designated at the time of their appointment.  
4 Any member appointed to fill a vacancy occurring before the  
5 expiration of the term for which the predecessor of such  
6 member was appointed shall be appointed only for the re-  
7 mainder of such term.

8 (d) the United States Ambassador to South Africa shall  
9 provide to the Advisory Council in South Africa the neces-  
10 sary clerical and administrative assistance. The Secretary  
11 shall provide such assistance to the American Advisory  
12 Council.

13 (e) Members of the Advisory Council in South Africa  
14 and of the American Advisory Council shall serve without  
15 pay, except that, while away from their homes or regular  
16 places of business in the performance of services for the re-  
17 spective Councils, members of the Advisory Councils shall be  
18 allowed travel expenses, including per diem in lieu of subsist-  
19 ence, in the same manner as persons employed intermittently  
20 in the Government service are allowed expenses under sec-  
21 tion 5703 of title 5, United States Code

22 ENFORCEMENT; SANCTIONS

23 SEC. 314. (a) Each United States person referred to in  
24 section 311 of this Act shall submit to the Secretary (1) a  
25 detailed and fully documented annual report on the progress

1 of that person in complying with the provisions of this subti-  
2 tle, and (2) such other information as the Secretary deter-  
3 mines is necessary

4 (b) In order to insure compliance with this subtitle and  
5 any regulations issued to carry out this subtitle, the Secre-  
6 tary—

7 (1) shall establish mechanisms to monitor such  
8 compliance, including on-site monitoring with respect  
9 to each United States person referred to in section 311  
10 of this Act at least once in every 2-year period;

11 (2) shall make reasonable efforts within a reason-  
12 able period of time to secure such compliance by  
13 means of conference, conciliation, mediation, and per-  
14 suasion,

15 (3) shall, in any case in which the Secretary has  
16 reason to believe that any person has furnished the  
17 Secretary with false information relating to the provi-  
18 sions of this subtitle, recommend to the Attorney Gen-  
19 eral that criminal proceedings be brought against such  
20 person; and

21 (4) may conduct investigations, hold hearings, ad-  
22 minister oaths, examine witnesses, receive evidence,  
23 take depositions, and require by subpoena the attend-  
24 ance and testimony of witnesses and production of all

1 books, papers, and documents relating to any matter  
2 under investigation.

3 (c) The Secretary shall, within 90 days after giving  
4 notice and an opportunity for a hearing to each United States  
5 person referred to in section 311 of this Act, make a determi-  
6 nation with respect to the compliance of that United States  
7 person with the provisions of this subtitle and any regulations  
8 issued to carry out this subtitle

9 (d)(1) Any United States person with respect to whom  
10 the Secretary makes a determination under subsection (c) or  
11 (f) of this section either that the person is not in compliance  
12 with this subtitle or any regulations issued to carry out this  
13 subtitle, or that the compliance of the person with this subti-  
14 tle or those regulations cannot be established on account of a  
15 failure to provide information to the Secretary or on account  
16 of the provision of false information to the Secretary, may  
17 not—

18 (A) export any goods or technology directly or in-  
19 directly to South Africa; or

20 (B) use the services of the Export-Import Bank of  
21 the United States.

22 (2)(A) In addition to the penalties set forth in paragraph  
23 (1), the Secretary may impose upon any United States person  
24 subject to those penalties—

1 (i) if other than an individual, a fine of not more  
2 than \$1,000,000, or

3 (ii) if an individual, a fine of not more than  
4 \$50,000.

5 (B)(i) Any officer, director, or employee of a United  
6 States person subject to the penalties set forth in subpara-  
7 graph (A), or any individual in control of that United States  
8 person, who knowingly and willfully ordered, authorized, ac-  
9 quiesced in, or carried out the act or practice constituting the  
10 violation involved and (ii) any agent of such United States  
11 person who knowingly and willfully carried out such act or  
12 practice, shall be subject to a fine, imposed by the Secretary,  
13 of not more than \$10,000.

14 (C) A fine imposed under subparagraph (B) may not be  
15 paid, directly or indirectly, by the United States person com-  
16 mitting the violation involved.

17 (D) The payment of any fine imposed under this para-  
18 graph shall be deposited in the miscellaneous receipts of the  
19 Treasury. In the event of the failure of any person to pay a  
20 fine imposed under this paragraph, the fine may be recovered  
21 in a civil action in the name of the United States brought by  
22 the Secretary in an appropriate United States district court.

23 (3) Any United States person who violates the provi-  
24 sions of paragraph (1)(A) of this subsection shall, in addition  
25 to any other penalty specified in this subtitle, be fined, for

1 each such violation, not more than five times the value of the  
2 exports involved or \$50,000, whichever is greater, or impris-  
3 oned not more than five years, or both. For purposes of para-  
4 graph (1)(A) of this subsection, “goods” and “technology”  
5 have the same meanings as are given those terms in para-  
6 graphs (3) and (4) of section 16 of the Export Administration  
7 Act of 1979 (50 U.S.C. App. 2415).

8 (e) The Secretary shall issue an order carrying out any  
9 penalty imposed under paragraph (1) or (2) of subsection (d).

10 (f)(1) The Secretary shall, at least once in every 2-year  
11 period, review and, in accordance with subsection (c), make a  
12 redetermination with respect to the compliance of each  
13 United States person referred to in section 311 of this Act  
14 with the provisions of this subtitle and any regulations issued  
15 to carry out this subtitle.

16 (2) In the case of any United States person with respect  
17 to whom the Secretary makes a determination under subsec-  
18 tion (c) or paragraph (1) of this subsection either that the  
19 person is not in compliance with this subtitle or any regula-  
20 tions issued to carry out this subtitle, or that the compliance  
21 of the person with this subtitle or those regulations cannot be  
22 established on account of a failure to provide information to  
23 the Secretary or on account of the provision of false informa-  
24 tion to the Secretary, the Secretary shall, upon the request of  
25 that person and after giving that person an opportunity for a

1 hearing, review and redetermine that person's compliance  
2 within 60 days after that person files the first annual report  
3 pursuant to subsection (a) of this section after the negative  
4 determination is made.

5 (g) Any United States person aggrieved by a determina-  
6 tion of the Secretary under subsection (c) or (f) of this section  
7 may seek judicial review of that determination in accordance  
8 with the provisions of chapter 7 of title 5, United States  
9 Code.

10 (h) The Secretary shall submit an annual report to the  
11 Congress on the compliance of those United States persons  
12 referred to in section 311 of this Act with the provisions of  
13 this subtitle.

#### 14 REGULATIONS

15 SEC. 315. (a) The Secretary shall, after consulting with  
16 the Advisory Councils established pursuant to section 313 of  
17 this Act, issue such regulations as are necessary to carry out  
18 this subtitle. Such regulations shall be issued not later than  
19 180 days after the date of the enactment of this Act. The  
20 Secretary shall establish dates by which United States per-  
21 sons must comply with the different provisions of this subti-  
22 tle, except that the date for compliance with all the provi-  
23 sions of this subtitle shall not be later than one year after the  
24 date of the enactment of this Act.

•

1 (b) Before issuing final regulations pursuant to subsec-  
2 tion (a), the Secretary shall publish in the Federal Register  
3 the regulations proposed to be issued and shall give interest-  
4 ed persons at least 30 days to submit comments on the pro-  
5 posed regulations. The Secretary shall, in issuing the final  
6 regulations, take into account the comments so submitted.

7 WAIVER OR TERMINATION OF PROVISIONS

8 SEC 316. (a) In any case in which the President deter-  
9 mines that compliance by a United States person with the  
10 provisions of this subtitle would harm the national security of  
11 the United States, the President may waive those provisions  
12 with respect to that United States person. The President  
13 shall publish in the Federal Register each waiver granted  
14 under this subsection and shall submit to the Congress each  
15 such waiver and the justification for granting the waiver.  
16 Any such waiver shall become effective at the end of 30 days  
17 after the date on which the waiver is submitted to the Con-  
18 gress unless the Congress, within that 30-day period, adopts  
19 a concurrent resolution disapproving the waiver. In the com-  
20 putation of such 30-day period, there shall be excluded the  
21 days on which either House of Congress is not in session  
22 because of an adjournment of more than three days to a day  
23 certain or because of an adjournment of the Congress sine  
24 die.

1 (b) Upon a written determination by the President that  
2 the Government of South Africa has terminated its practice  
3 of systematic racial discrimination and allows all the people  
4 of South Africa, regardless of race or ethnic origin, to partici-  
5 pate fully in the social, political, and economic life in that  
6 country, the provisions of this subtitle and any regulations  
7 issued to carry out this subtitle shall cease to be effective.

8 Subtitle 2—Prohibition on Loans and Importation of Gold  
9 Coins

10 LOANS TO SOUTH AFRICA

11 SEC 321. (a) No bank operating under the laws of the  
12 United States may make any loan directly or through a for-  
13 eign subsidiary to the South African Government or to any  
14 corporation, partnership, or other organization which is  
15 owned or controlled by the South African Government, as  
16 determined under regulations issued by the Secretary. The  
17 prohibition contained in this subsection shall not apply to  
18 loans for educational, housing, or health facilities which are  
19 available to all persons on a totally nondiscriminatory basis  
20 and which are located in geographic areas accessible to all  
21 population groups without any legal or administrative restric-  
22 tion.

23 (b) The prohibition contained in subsection (a) of this  
24 section shall not apply to any loan or extension of credit for

1 which an agreement is entered into before the date of the  
2 enactment of this Act.

3 GOLD COINS

4 SEC. 322. No person, including any bank operating  
5 under the laws of the United States, may import into the  
6 United States any South African krugrand or any other gold  
7 coin minted in South Africa or offered for sale by the South  
8 African Government.

9 ENFORCEMENT; PENALTIES

10 SEC. 323. (a) The Secretary, in consultation with the  
11 Secretary of the Treasury and the Secretary of Commerce,  
12 shall take the necessary steps to insure compliance with the  
13 provisions of this subtitle, including—

14 (1) issuing such regulations as the Secretary con-  
15 siderers necessary to carry out this subtitle;

16 (2) establishing mechanisms to monitor compliance  
17 with the provisions of this subtitle and any regulations  
18 issued pursuant to paragraph (1) of this subsection;

19 (3) in any case in which the Secretary has reason  
20 to believe that a violation of subsection (a) has oc-  
21 curred or is about to occur, referring the matter to the  
22 Attorney General for appropriate action; and

23 (4) in any case in which the Secretary has reason  
24 to believe that any person has furnished the Secretary  
25 with false information relating to the provisions of this

1 subtitle, referring the matter to the Attorney General  
2 for appropriate action.

3 (b)(1) Any person, other than an individual, that violates  
4 section 321 or 322 of this Act shall be fined not more than  
5 \$1,000,000.

6 (2) Any individual who violates section 321 of this Act  
7 shall be fined not more than \$50,000, or imprisoned not more  
8 than five years, or both.

9 (3) Any individual who violates section 322 of this Act  
10 shall be fined not more than five times the value of the kru-  
11 gerrands or gold coins involved.

12 (c)(1) Whenever a person violates section 321 or 322 of  
13 this Act—

14 (A) any officer, director, or employee of such  
15 person, or any natural person in control of such person,  
16 who knowingly and willfully ordered, authorized, ac-  
17 quiesced in, or carried out the act or practice constitut-  
18 ing the violation, and

19 (B) any agent of such person who knowingly and  
20 willfully carried out such act or practice,  
21 shall, upon conviction, be fined not more than \$10,000, or  
22 imprisoned not more than five years, or both.

23 (2) A fine imposed under paragraph (1) on an individual  
24 for an act or practice constituting a violation may not be

1 paid, directly or indirectly, by the person committing the vio-  
2 lation itself.

3

## WAIVER BY PRESIDENT

4 SEC. 324. The President may waive the prohibitions  
5 contained in sections 321 and 322 of this Act for periods of  
6 not more than one year each if the President determines that  
7 the Government of South Africa has made substantial prog-  
8 ress toward the full participation of all the people of South  
9 Africa in the social, political, and economic life in that coun-  
10 try and toward an end to discrimination based on race or  
11 ethnic origin. The President shall submit any such determina-  
12 tion, and the basis therefor, to the Congress Each such  
13 waiver shall take effect at the end of 30 days after the date  
14 on which that determination is submitted to the Congress  
15 unless the Congress, within that 30-day period, adopts a con-  
16 current resolution disapproving that determination. In the  
17 computation of such 30-day period, there shall be excluded  
18 the days on which either House of Congress is not in session  
19 because of an adjournment of more than three days to a day  
20 certain or because of an adjournment of the Congress sine  
21 die.

22

## Subtitle 3—General Provisions

23

## COOPERATION OF OTHER DEPARTMENTS AND AGENCIES

24

25 SEC. 331. (a) Each department and agency of the  
United States shall cooperate with the Secretary in carrying

1 out the provisions of this title, including, upon the request of  
 2 the Secretary, taking steps to insure compliance with the  
 3 provisions of this title and any regulations issued to carry out  
 4 this title.

5 (b) The Secretary may secure directly from any depart-  
 6 ment or agency of the United States information necessary to  
 7 enable the Secretary to carry out the Secretary's functions  
 8 under this title.

#### 9 DEFINITIONS

10 SEC. 332 For purposes of this title—

11 (1) the term "United States person" means any  
 12 United States resident or national and any domestic  
 13 concern (including any permanent domestic establish-  
 14 ment of any foreign concern),

15 (2) the term "Secretary" means the Secretary of  
 16 State;

17 (3) the term "South Africa" includes the Republic  
 18 of South Africa, any territory under the administration,  
 19 legal or illegal, of South Africa, and the "bantustans"  
 20 or "homelands", to which South African blacks are as-  
 21 signed on the basis of ethnic origin, including the  
 22 Transkei, Bophuthatswana, and Venda, and

23 (4) a United States person shall be presumed to  
 24 control a corporation, partnership, or other enterprise  
 25 in South Africa if—

1 (A) the United States person beneficially  
2 owns or controls (whether directly or indirectly)  
3 more than 50 percent of the outstanding voting  
4 securities of the corporation, partnership, or enter-  
5 prise,

6 (B) the United States person beneficially  
7 owns or controls (whether directly or indirectly)  
8 25 percent or more of the voting securities of the  
9 corporation, partnership, or enterprise, if no other  
10 person owns or controls (whether directly or indi-  
11 rectly) an equal or larger percentage;

12 (C) the corporation, partnership, or enter-  
13 prise is operated by the United States person pur-  
14 suant to the provisions of an exclusive manage-  
15 ment contract;

16 (D) a majority of the members of the board  
17 of directors of the corporation, partnership, or en-  
18 terprise are also members of the comparable gov-  
19 erning body of the United States person;

20 (E) the United States person has authority to  
21 appoint a majority of the members of the board of  
22 directors of the corporation, partnership, or enter-  
23 prise; or

1 (F) the United States person has authority to  
2 appoint the chief operating officer of the corpora-  
3 tion, partnership, or enterprise.

4 APPLICABILITY TO EVASIONS OF TITLE

5 SEC. 333. (a) Subtitle 1 of this title shall apply to any  
6 United States person who undertakes or causes to be under-  
7 taken any transaction or activity with the intent to evade the  
8 provisions of subtitle 1 of this title or any regulations issued  
9 to carry out that subtitle.

10 (b) Subtitle 2 of this title shall apply to any bank operat-  
11 ing under the laws of the United States, or to any other  
12 person, who or which undertakes or causes to be undertaken  
13 any transaction or activity with the intent to evade the provi-  
14 sions of subtitle 2 of this title or any regulations issued to  
15 carry out that subtitle.

16 CONSTRUCTION OF TITLE; SEVERABILITY

17 SEC. 334. (a) Nothing in this title shall be construed as  
18 constituting any recognition by the United States of the  
19 homelands referred to in section 332(3) of this Act.

20 (b) If any provision of this title or the application of this  
21 title to any person or circumstance is held invalid, neither the  
22 remainder of this title nor the application of that provision to  
23 other persons or circumstances shall be affected thereby.

**STATEMENT OF HON. EARL HUTTO, A REPRESENTATIVE FROM  
FLORIDA, CHAIRMAN, TECHNOLOGY TRANSFER PANEL**

Mr. HUTTO Thank you, Mr Chairman I appreciate this opportunity to summarize the work, to date, of the Technology Transfer Panel and to offer our suggestions with regard to the sequential referral of H.R. 3231.

The bill, generally, amends and extends the Export Administration Act of 1979 which expires on September 30 this year. This act governs the export of a variety of commodities and technologies from the United States. Exports may be controlled under the act for national security, short supply, or foreign policy reasons

The transfer of strategic technology is controlled for national security reasons. A variety of agencies play a role in administering the Export Administration Act. Department of Commerce, Department of State, U.S Customs Service, and the Department of Defense.

We have heard in our hearings the term, hemorrhaging of our technology to the Soviets and to the Warsaw Pact nations

The Department of Defense is primarily responsible for developing a list of critical technologies that if transferred to the Soviets or the East bloc would significantly improve their military capabilities. The Department also reviews license applications for exports of controlled commodities or technologies to determine if export would be detrimental to national security.

Section 109, which is the only section referred to our committee, is related to the issue of militarily critical technologies. It would require the Secretary of Defense and the Secretary of Commerce to complete the integration of the items on the militarily critical technologies list prepared by the Department of Defense and referred to as the MCTL into the CCL, the commodity control list, gathered by the Department of Commerce and used to specify the items for which export licenses are required.

The integrated list is to contain only goods and technologies for which no alternative foreign source can provide sufficient quantity or quality unless the President determines that the absence of controls would be detrimental to the national security of the United States. The section would require a report from the Secretaries on the integration by April 1, 1985.

The section also contains criteria for excluding products from control in order to reduce the size of the list of militarily critical technologies. These criteria include goods and technology, the transfer of which would not lead to a significant near-term improvement in the defense capabilities of the country to which the exports are controlled, a slow evolving technology, a technology that is not process oriented, components used in militarily sensitive devices that in themselves are not sensitive.

Section 109 could also require the General Accounting Office to evaluate the integration process and report to the Congress on its evaluation by April 1, 1985.

The panel, based on its hearings, does not disagree with the primary intention of this section. We recommend that the committee

support the general concept in H.R. 3231 of integrating the militarily critical technologies list and the commodity control list and efforts to reduce the size of the list. However, a careful reading of section 109 leads us to recommend some modest changes in the language of that section.

So attached to my statement is a suggested amendment to section 109 of H.R. 3231 that would incorporate these recommendations. I would like to just briefly summarize the changes we recommend.

First, although we agree that the two lists should be integrated, the bill as it currently stands provides for no way to resolve disagreements between the Secretary of Defense and Secretary of Commerce regarding the items that should be incorporated in the commodity control list. Currently, agreement has been reached on the vast majority of the items. However, the complete integration of these two lists has not been accomplished in the past, in part because of such disagreements.

So we recommend that any disagreements between the Secretaries regarding whether goods or technologies on the militarily critical technologies list should be initially integrated into the commodity control list be resolved by the President by November 1, 1984, 6 months before the lists are to be fully integrated.

Second, because the militarily critical technologies list is a dynamically changing index, we recommend that a formal procedure be established by the Secretary of Defense for review of the contents of the list at least annually with a view toward reducing the number of items on the list or adding to the list items that are determined to be militarily critical.

As with the case of the initial integration of the militarily critical technologies list and the commodity control list, disagreements between the Secretaries regarding whether items added to or removed from the militarily critical technologies list should be added to or removed from the commodity control list should be resolved by the President within 3 months of the change to the militarily critical technologies list.

Third, we recommend that, in determination of foreign availability, equivalent goods and technologies be considered instead of similar goods and technologies. The determination of foreign availability results in items being decontrolled, and we believe that such decontrol should occur only if the same capabilities are available from some other source.

Fourth, we agree that the General Accounting Office should evaluate the efforts to integrate the list and be given access to all information relating to the list of militarily critical technologies.

However, section 109 of H.R. 3231 also directs GAO to be admitted to all meetings in the executive branch regarding the list. Well, this seems to be too much of an intrusion and unnecessary to conduct the evaluation and in fact it could be unconstitutional, and so we recommend that this particular authority not be granted.

Fifth, we support the general effort to find mechanisms for reducing significantly the militarily critical technologies list. However, the specific criteria suggested could imply that the Congress intends that certain militarily critical technologies be removed because they happen to possess one of the characteristics listed as cri-

teria for possible removal. We believe that the criteria would best be left to the determination of the Secretaries of the Departments.

Finally, during our consideration of the issue of transfer of strategic technology, we became concerned with the inability of the Department of Defense to assess the effect on the military capabilities of proscribed countries if they received items from the militarily critical technologies list. So we recommend that the Secretary of Defense report by April 1, 1985, on efforts to make such assessments.

The panel intends to continue to evaluate the other issues raised by this bill. These issues were not referred to the committee by the Speaker. However, the panel plans to complete its deliberations and to make its recommendations in this area to the committee before H.R. 3231 is considered on the floor.

Mr. Chairman, I greatly appreciate the opportunity to provide the panel's views with regard to the issues contained in section 109 of H.R. 3231 and hope that they are helpful to the committee.

Also, I want to thank the staff, Mr. Emmerichs and Mr. Chase, as well as Denise Hollidge and Betsy Spina, and the members of our committee who have been present at the hearings. We have had some excellent hearings. I appreciate very much the work that they have done. Mr. Courter is the ranking minority member of the panel. I understand that he has changes to be made.

[The prepared statement of Mr. Hutto follows:]

#### PREPARED STATEMENT OF HON EARL HUTTO

Mr Chairman, I appreciate the opportunity to summarize the work, to date, of the Technology Transfer Panel and to offer our suggestions with regard to the sequential referral of H R 3231

The bill, generally, amends and extends the Export Administration Act of 1979 which expires on September 30, 1983 This Act governs the export of a variety of commodities and technologies from the United States Exports may be controlled under the Act for national security, short supply or foreign policy reasons The transfer of strategic technology is controlled for national security reasons A variety of agencies play a role in administering the Export Administration Act Department of Commerce, Department of State, U S Customs Service, and the Department of Defense

The Department of Defense is primarily responsible for developing a list of critical technologies that if transferred to the Soviet Union or the East Bloc would significantly improve their military capabilities The department also reviews license applications for exports of controlled commodities or technologies to determine if export would be detrimental to national security

Section 109 of the referred bill is related to the issue of militarily critical technologies It would require the Secretary of Defense and the Secretary of Commerce to complete the integration of the items on the Militarily Critical Technologies List (prepared by the Department of Defense) into the Commodity Control List (prepared by the Department of Commerce and used to specify the items for which export licenses are required) The integrated list is to contain only goods and technologies for which no alternative foreign source can provide sufficient quantity or quality unless the President determines that the absence of controls would be detrimental to the national security of the United States The section would require a report from the secretaries on the integration by April 1, 1985

The section also contains criteria for excluding products from control in order to reduce the size of the list of militarily critical technologies

These criteria include goods and technology the transfer of which would not lead to a significant near-term improvement in the defense capabilities of the country to which the exports are controlled, a slow evolving technology, a technology that is not process-oriented, and components used in militarily sensitive devices that in themselves are not sensitive

Section 109 would also require the General Accounting Office to evaluate the integration process and report to the Congress on its evaluation by April 1, 1985.

The panel, based on its hearings, does not disagree with the primary intent of this section. We recommend that the committee support the general concept in H R 3231 of integrating the Militarily Critical Technologies List and the Commodity Control List and efforts to reduce the size of the list. However, a careful reading of section 109 leads us to recommend some modest changes in the language of that section.

Attached to my statement is a suggested amendment to section 109 of H R 3231 that would incorporate these recommendations. I would like to just briefly summarize the changes we recommend.

First, although we agree that the two lists should be integrated, the bill as it currently stands provides for no way to resolve disagreements between the Secretary of Defense and the Secretary of Commerce regarding the items that should be incorporated in the Commodity Control List. Currently, agreement has been reached on the vast majority of items. However, the complete integration of these two lists has not been accomplished in the past, in part, because of such disagreements. We recommend that any disagreements between the secretaries regarding whether goods or technologies on the Militarily Critical Technologies List should be initially integrated into the Commodity Control List be resolved by the President by November 1, 1984—six months before the lists are to be fully integrated.

Second, because the Militarily Critical Technologies List is a dynamically changing index, we recommend that a formal procedure be established by the Secretary of Defense for review of the contents of the list at least annually with a view toward reducing the number of items on the list or adding to the list items that are determined to be militarily critical. As with the case of the initial integration of the Militarily Critical Technologies List and the Commodity Control List, disagreements between the secretaries regarding whether items added to or removed from the Militarily Critical Technologies List should be added to or removed from the Commodity Control List should be resolved by the President within three months of the change to the Militarily Critical Technologies List.

Third, we recommend that, in determination of foreign availability, "equivalent" goods and technologies be considered instead of "similar" goods and technologies. The determination of foreign availability results in items being decontrolled, and we believe that such decontrol should occur only if the same capabilities are available from some other source.

Fourth, we agree that the General Accounting Office should evaluate the efforts to integrate the lists and be given access to all information relating to the list of militarily critical technologies. However, section 109 of H R 3231 also directs that the General Accounting Office be admitted to all meetings in the Executive Branch regarding the list. This seems to be too much of an intrusion and unnecessary to conduct the evaluation, and we recommend that such authority not be granted.

Fifth, we support the general effort to find mechanisms for reducing significantly the Militarily Critical Technologies List. However, the specific criteria suggested could imply that the Congress intends that certain militarily critical technologies be removed because they happen to possess one of the characteristics listed as criteria for possible removal. We believe that the criteria would best be left to the determination of the secretaries of the departments.

Finally, during our consideration of the issue of transfer of strategic technology, we became concerned with the inability of the Department of Defense to assess the effect on the military capabilities of proscribed countries if they received items from the Militarily Critical Technology List. We recommend that the Secretary of Defense report by April 1, 1985, on efforts to make such assessments.

The panel intends to continue to evaluate the other issues raised by H R 3231. These issues were not referred to the committee by the Speaker. However, the panel plans to complete its deliberations and to make its recommendations in this area to the committee before H R 3231 is considered on the Floor.

Mr. Chairman, I greatly appreciate the opportunity to provide the panel's views with regard to the issues contained in section 109 of H R 3231 and hope they are helpful to the committee.

AMENDMENT TO H.R. 3231, AS REPORTED BY THE COMMITTEE ON  
FOREIGN AFFAIRS

Page 17, strike out line 1 and all that follows through  
page 20, line 2, and insert in lieu thereof the following

1                   MILITARILY CRITICAL TECHNOLOGIES  
2       SEC 109. Section 5(d) of the Act (50 U.S C App  
3 2404(d)) is amended by striking out paragraphs (4) through  
4 (6) and inserting in lieu thereof the following  
5       "(4)(A) The Secretary and the Secretary of Defense  
6 shall complete the integration of the list of militarily  
7 critical technologies into the commodity control list not  
8 later than April 1, 1985. The integration of the list of  
9 militarily critical technologies into the commodity control  
10 list shall be completed with all deliberate speed, and the  
11 Secretary and the Secretary of Defense shall report to the  
12 appropriate committees of the Congress, before April 1,  
13 1985, any circumstances which would preclude the completion  
14 of the integrated list by that date. Any disagreement  
15 between the Secretary and the Secretary of Defense as to  
16 whether a good or technology on the list of militarily  
17 critical technologies should be integrated into the  
18 commodity control list shall be resolved by the President  
19 not later than November 1, 1984. Such integrated list shall  
20 include only a good or technology with respect to which the  
21 Secretary finds that countries to which exports are

1 controlled under this section do not possess that good or  
2 technology, or an equivalent good or technology, and the  
3 good or technology or equivalent good or technology is not  
4 available in fact to such a country from sources outside the  
5 United States in sufficient quantity and of sufficient  
6 quality so that the requirement of a validated license for  
7 the export of such good or technology is or would be  
8 ineffective in achieving the purpose set forth in subsection  
9 (a) of this section, except in the case of a determination  
10 of the President with respect to goods or technology under  
11 subsection (f)(1) of this section. The Secretary and the  
12 Secretary of Defense shall jointly submit a report to the  
13 Congress, not later than April 1, 1985, on actions taken to  
14 carry out this subparagraph. In any case in which it is  
15 determined that a good or technology should be included on  
16 the commodity control list completed pursuant to this  
17 subparagraph notwithstanding foreign availability, the  
18 report to Congress shall specify why inclusion of that good  
19 or technology would significantly benefit United States  
20 military or national security.

21 '(B) The General Accounting Office shall evaluate the  
22 efforts of the Secretary and the Secretary of Defense to  
23 integrate the list of militarily critical technologies into  
24 the commodity control list, and the feasibility of such  
25 integration. In conducting such evaluation, the General

1 Accounting Office shall determine whether foreign  
2 availability was used as a criterion in developing the  
3 commodity control list pursuant to subparagraph (A) and  
4 whether the completed list reflected the intent of the  
5 Congress in enacting this subsection. In conducting such  
6 evaluation, the General Accounting Office shall have access  
7 to all information relating to the list of militarily  
8 critical technologies. Not later than April 1, 1985, the  
9 General Accounting Office shall submit a detailed report to  
10 the Congress on the results of the evaluation conducted  
11 pursuant to this subparagraph.

12 '(C) The Secretary and the Secretary of Defense, in  
13 integrating the list of militarily critical technologies  
14 into the commodity control list pursuant to subparagraph  
15 (A), shall consider mechanisms to reduce significantly the  
16 list of militarily critical technologies

17 '(5) The Secretary of Defense shall establish a  
18 procedure for reviewing the goods and technology on the list  
19 of militarily critical technologies at least annually after  
20 the integrated list is completed pursuant to paragraph  
21 (4)(A), for the purpose of removing from the list of  
22 militarily critical technologies any goods or technology  
23 that are no longer militarily critical. The Secretary of  
24 Defense may, after the integrated list is so completed, add  
25 to the list of militarily critical technologies any good or

1 technology that the Secretary of Defense determines is  
2 militarily critical. If the Secretary and the Secretary of  
3 Defense disagree as to whether any change in the list of  
4 militarily critical technologies by the addition or removal  
5 of a good or technology should also be made in the commodity  
6 control list, the President shall resolve the disagreement  
7 not later than three months after the change is made in the  
8 list of militarily critical technologies.

9       ''(6) The Secretary of Defense shall, not later than  
10 April 1, 1985, report to the appropriate committees of the  
11 Congress on efforts by the Department of Defense to assess  
12 the impact that the transfer of goods or technology on the  
13 list of militarily critical technologies to countries to  
14 which exports are controlled under this section has had or  
15 will have on the military capabilities of those  
16 countries ''.

The CHAIRMAN. Mr. Courter, would you like to be heard on that?

**STATEMENT OF HON. JIM COURTER, A REPRESENTATIVE FROM  
NEW JERSEY, RANKING MINORITY MEMBER, TECHNOLOGY  
TRANSFER PANEL. ---**

Mr. COURTER. I would like to be heard if the gentleman from Florida has completed his statement. I first, Mr. Chairman, want to congratulate the gentleman for his work on the special panel. There is no doubt about the fact that the chairman made the right choice so far as I am concerned in designating who should be the chairman of this special panel on the majority side.

I want to say that Mr. Hutto worked very carefully and closely with the minority in this matter, and I think we have come up with some improvements on the legislation.

Regrettably just a narrow section of the bill was sequentially referred to us. During the hearings—I think we had about six hearings—there were areas of the Export Administration Act of 1979 that members of the panel felt very, very significant for the defense of this country but which, nevertheless, were not sequentially referred to us.

We probably at a later time will come back to the full committee and if not, certainly perhaps some of us as individuals will go to the floor of the House with recommended changes in different sections of the bill which we are considering today; that is, H.R. 3231.

I will reiterate the comments that Mr. Hutto made relative to the suggested changes. I think his prepared remarks did a good job in explaining why he felt that certain sections of this particular section, 109, as now written in the proposed legislation, No. 1, need to be changed and some, No. 2, need to be deleted.

I don't think it is necessary for me to elaborate on the suggestions in his prepared remarks. I think they very adequately lay them out.

I would just like to add one word, however, and that is on page 2—or actually I guess it would be his change of the word “similar” to the word “equivalent” I think is, although just a change of one word, changes to a good deal the thrust of what we are trying to get out. We want to make sure that this technology is not available even though there might be similar technology in different countries. We want to upgrade that to equivalent, because certainly I think one could make the argument that an F-4 and an F-15 are similar or a Ford and a Cadillac are similar but they are certainly not equivalent. Therefore, I think upgrading the word “similar” to the word “equivalent” was very, very significant and important.

Beyond that, Mr. Chairman, what I would like to do at this particular time is to move two amendments that I have to the amendment that the panel has. This doesn't mean that I am not totally in favor of the amendments as proposed—or the large amendment as proposed by Mr. Hutto. That basically is being offered as an amendment by the panel it is my understanding. And the panel does agree with it.

All members of the panel I think recognize the importance of that particular initiative. I have two further changes that I would like to propose. They are very possibly not part of the original

amendment by Mr. Hutto simply because I did not have a chance to get together with him last week relative to these two additional concerns that I have and therefore make them as an amendment to the amendments of Mr. Hutto.

They have been passed out and I would like very quickly to explain them.

[The amendments of Mr. Courter follow:]

AMENDMENTS TO THE AMENDMENT TO H R 3231 OFFERED BY MR. COURTER

On page 2, line 5 Strike out "sufficient" the second place it appears and insert in lieu thereof, "comparable"

On page 2, line 14 Strike out "In any case in which it is" and all that follows through line 20

Mr. COURTER. First of all, on page 3, line 5, where the word "sufficient" is found in two areas, I have upgraded that word to indicate "comparable." Once again it is a similar upgrading of words as was done by Mr. Hutto, from "similar" to "equivalent"

The argument that I am making is the fact that we don't want to open up for export militarily critical technology by saying that the same is found in sufficient quantities in Third World or East countries that are non-COCOM countries.

The word "sufficient" in my mind is too flexible, it is very arbitrary, there is no clear measure as to what that word really means and we are not getting down to the nub of the concern. Therefore, I think the word "comparable" upgrades it. That is what we are concerned with. That is the area that we want to cover.

We want to make sure that we limit the export of critical technology if there is comparable technology in quantity and quality in other areas, not just sufficient. Because of the vagueness of that term, I have changed it to comparable, and I would request that—I urge my fellow members of the Armed Services Committee to vote in favor of that particular change

My second amendment to the amendment strikes out some language that is found from line 14 to 20 on page 2. I will read that language. The language that I am deleting is as follows:

In any case in which it is determined that a good or technology should be included on the commodity control list completed pursuant to this subparagraph, notwithstanding foreign availability, the report to Congress shall specify why inclusion of that good or technology would significantly benefit the United States military or national security

My concern there is that, if we require the President of the United States to articulate in writing why he feels certain goods and technologies must be part of the Commodity Control List irrespective of foreign availability, and we require him to include in that statement to the Congress why it has significant military benefits to the United States, we then are giving the same information to perhaps the whole world. We are very possibly telling the Soviet Union why technology is particularly militarily critical to this country and therefore why that technology could be used by the Soviet Union in improving and upgrading their department of defense.

I think it is much better that the President be able to make that overriding elimination of the exporting of militarily critical technology without explaining in detail how it would upgrade our de-

fense capabilities, because at the same time he would be explaining to the Soviet Union how it would in essence be upgrading their defense capabilities.

Therefore, I think it is best that that small section, that one sentence, be eliminated. I think very frankly that that sentence can be extremely mischievous. It can give to the Soviet Union a great deal of information as to how to apply technology.

Very often, we may export technology to COCOM countries. Indeed, that technology may end up in the hands of the other side, the Soviet Union. But they may not know why it is militarily critical. They may not know how to apply that science of that technology to improve their defense capability.

I think that it behooves us not to explain to the Soviet Union how they could improve their posture by utilizing this technology. Therefore, I think that that type of report would be very, very dangerous, and my amendment seeks to delete it.

I ask, therefore, that the committee not only approve the amendment of Mr. Hutto in all its facets which the panel agrees with, but also consider very seriously my two amendments to the amendment offered by the gentleman from Florida.

Mr. HUTTO. Would the gentleman yield?

Mr. COURTER. I would be happy to yield.

Mr. HUTTO. I think that the gentleman has made two excellent contributions to the amendment, and I have no problem with them at all. I feel like the panel has done a good job in following through with the philosophy that all of us believe in. That is that there is a problem with transferring technology to the Soviet Union and Warsaw Pact nations. There is no question about it.

But we know that in our open society, that we will not be able to stop it. But we do need to maintain our lead. And business and industry believe likewise in their testimony to us. Because they do not believe in just letting these people have our technology, because it costs us billions of dollars in research and development.

So I think that what we were trying to focus on was in some way to get rid of some of the bureaucracy and the long licensing time that our American industry is confronted with, but at the same time narrow down the tremendous list, so that we can loosen up on those technologies that are not indeed critical.

I think in our amendment to section 109 of H.R. 3231, that we have done a good job of doing just that. We support the integration of those two lists, and the reduction of it, and the measures to cut down on the licensing time. And at the same time, we provided a mechanism if there is a disagreement, that the President, the administration, can make that final decision.

We believe that in our system that that is where it should rightly be done. Some of the other members of the panel may have some comments on that.

The CHAIRMAN. Is there any discussion on the Courter amendment?

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Mr. Stratton.

Mr. STRATTON. Mr. Chairman, I think that it is obvious that I am one of the more hard line individuals when it comes to exporting

technology or being soft with respect to Communist countries. But I find myself troubled and baffled with this particular proposal.

I have in my congressional district the research and development center of the General Electric Co., one of the most advanced companies when it comes to technology. The director of that laboratory came to me some time ago and said that while he sympathized with this particular legislation, and not referring as far as I am aware to the section 109 which the gentleman from Florida would amend, said that he believed that there were some problems involved in this entire approach, and that what we could end up doing was to jeopardize the ability of American companies to sell abroad, which is certainly important for all of our major companies, and that is why we have the Export-Import Bank and other organizations.

Not being an expert in this field myself, I asked the director of the laboratory if he would send me a document that would explain some of the things that he would like to see changed in the legislation. I must confess, not being an expert in the field of international trade, that I simply do not understand what is being talked about.

In addition to that, I received yesterday from the staff of the committee a similar puzzling document, a memorandum to the Technology Transfer Panel, trying to explain what has happened. And I think that I am a reasonably literate individual, but I found it very difficult to digest the 20 or 30 pages that are included here.

I feel concerned. I certainly do not want to turn any technology over to the Soviet Union or to anybody else, but I also do not want to just simply fall in line and say, OK, let us pass this particular amendment without at least understanding what one of the leading American corporations has to say about it.

I am wondering if there is not some way, Mr. Chairman, that we could delay our action on this particular item at least long enough, so that we can get somebody to explain in words of one syllable to the members of the committee what this is really all about.

Mr. HUTTO. Would the gentleman yield?

Mr. STRATTON. Yes, sure.

Mr. HUTTO. I would think that this is one of the less complex amendments and issues that we have had before our committee. There is a copy of the bill, H.R. 3231, if you would turn to page 17 of the bill, H.R. 3231; and then if you would look at the amendment that we are proposing, it is only a three-page amendment.

Mr. STRATTON. But I do not even know what these lists are. You are talking about various lists of one kind or the other, and whether you are adding to the lists I do not know if that is good or bad. The gentleman is very knowledgeable in this field, and I am certainly not criticizing him.

But the statement put out by the staff is totally unintelligible, at least to somebody who is not knowledgeable in the field of international trade; and I am not knowledgeable in that particular field.

You have already suggested that you may offer amendments to other parts of the bill.

Is there some way in which we can delay our reporting of a specific amendment at least until some—maybe the other members all understand this, but somehow I do not have that capacity. I think

that it might be helpful. Maybe there are some other people who may share this difficulty.

When we are dealing with the top research and development director of one of the Nation's largest corporations who says that he is concerned about what we are doing, and it may be undercutting our ability to sell abroad and to continue the decline our our economy, I think that we should at least pause a little bit.

Mr. COURTER. Would the gentleman yield?

Mr. STRATTON. Yes.

Mr COURTER. Just two observations. I understand your concern. The subject matter, even though the amendment is a short one and clear to those who have followed this thing, I can imagine that it is somewhat befuddling to someone who has not really looked at it closely, and absolutely no disrespect on your acumen. It is a strange topic with sometimes words that are not used everyday as words of art.

Second, generally, however, what confuses me is apparently the letter that you received from the chairman or the chief executive officer of GE. What clearly we are trying to do, and someone may disagree with regard to what we are doing to the reauthorization of the Export Administration Act, but clearly the thrust of the reauthorization of the act and the bill as it comes out of the Foreign Affairs Committee is to massively liberalize the ability of U.S. companies to compete in the world.

So I do not really know what the concern of this individual is. Certainly, he would not argue that we should eliminate and strike all of the language.

Mr. STRATTON. That is exactly what he pointed out, that you could expect it coming out of the Foreign Affairs Committee. But he still had some concerns about some of the items that were being proposed by the panel.

Mr. COURTER. The other thing that I might add, and I know that Mr. Hutto will follow up on this, we are under time restraints here, and we have a couple of days.

Mr Hutto, why do you not explain what the time restraint is.

Mr HURTO. We have, Mr. Stratton, until July 22 on our referral before the committee. But the gentleman from New Jersey has adequately explained it. I think that what we are doing is really loosening up the process, but at the same time trying to make sure that high technology, critical technology, will have some kind of restriction on that, and some kind of look at it

What we are doing is merely saying that this committee should have an opportunity to have some input. Although much of the bill would certainly refer to this subject, we are restricted to section 109, which is a very short section of the bill, and which essentially integrates the two tremendous lists, 800 pages of the Commerce Department that they have jurisdiction over, and the Defense Department, their Militarily Critical Technology List, which is just as big.

What we are trying to do is narrow that. I do not have any problem of waiting, but I do not think that it would change anything. You are not going to have anybody to understand that MCTL or the CCL.

Now we have had the industry people in to testify before our panel. We have had the intelligence people. We have had Com-

merce. We have had all of these in, I think, over six hearings that we have had.

Mr. STRATTON. Let me just respond. All I am suggesting is that this is the first time that the amendment has been proposed. What I would like to do would be to simply have some time to run it by the head of General Electric research and development laboratory to see whether this to some extent meets his concerns.

You say that the deadline is the 22d?

Mr. HUTTO. Yes

Mr. STRATTON. We are going to be busy with trying to decide whether we want to continue covert operations in Nicaragua, and whether we want to get the MX approved, the gentleman from Florida, Mr. Bennett, to the contrary notwithstanding, and it is going to be a little bit tough.

These things get referred to various committees, and there are various deadlines. The deadlines come and go, as I know, in connection with what happened to our energy bill in the Energy and Commerce Committee.

Is it possible that we could just get a day or two that I could go into these matters beyond the 22d?

Mr. FORD. Well, no. Under the referral by the Speaker, the committee has to report back to the House by the 22d. We just had one narrow part of the bill referred to us. The committee, however, could take another day before finalizing its action. In other words, you could take 24 hours, and meet on this tomorrow morning.

It would be a little inconvenient, because you have a caucus, and go to the floor on the bill at noon. But that could be done, if the members so wish.

Mr. HUTTO. Mr. Chairman, that is agreeable to me.

Mr. STRATTON. That would be satisfactory to me. I apologize for adding this extra burden to the work of the committee. I know that the gentleman from Florida has done, I am sure, an outstanding job. But I just thought if there were some items in here that I could then assure myself that we were not jeopardizing our industrial opportunities abroad in the years ahead.

Mrs. BYRON. Mr. Chairman

The CHAIRMAN Mrs. Byron.

Mrs. BYRON. I have an amendment that I am not proposing at the moment, but I would like to have Mr Hutto look at it and the staff look at it. Mr. Stratton, as you look at the bill, you also look at it.

On page 3, line 15, the word "significantly." The line states, "shall consider mechanisms to reduce significantly the list of militarily critical technologies." I have a problem with "significantly" in there

As you will note, on lines 17 through 23, the Secretary of Defense is given authority to establish a procedure to remove from the list of militarily critical technologies any goods or technologies that no longer are militarily critical

This is the emphasis that should be paramount in reducing the integrated list. That they are no longer critical militarily. I think that by removing "significantly" would remove the possibility of misinterpretation that the reductions that do take place on the in-

tegrated technologies list are not for the sake of significant reductions, but for the fact that they are no longer militarily critical.

I think that this amendment does not change the need for the list to be reduced. I only want to clarify that the operating basis for reduction should be that technologies are no longer militarily critical.

The CHAIRMAN. Without objection, the amendment will be approved with the understanding that we go over it for final determination.

Mr FORD. Mr. Chairman, what you are saying is that the Courter amendment should be approved without objection?

The CHAIRMAN. That is right.

Mr. FORD. Then the final action on the whole recommendation of the panel will go over to 11 o'clock tomorrow morning.

Mrs BYRON. And I have an amendment.

Mr. HUTTO. Mrs. Byron also has one.

Mrs. BYRON I do not have copies for everybody now, which is why I did not offer it. But I can offer it right now without having copies for anyone.

Mr FORD. Is there any objection to that?

Mr. COURTER. I have a parliamentary inquiry

The CHAIRMAN. Is there any objection to the amendment?

Mr. COURTER. A parliamentary inquiry, Mr. Chairman.

I wonder if tomorrow we are under the 5-minute rule on the Department of Defense, which we may be?

Mr. FORD No, we said we would come in at 11 o'clock in committee tomorrow morning. The House goes in at noon tomorrow.

Mr. COURTER. Oh, it does, OK.

The CHAIRMAN. The committee is in recess then until 11 a.m. tomorrow morning.

[Whereupon, at 12:12 p.m., the committee recessed, to reconvene at 11 a.m., Wednesday, July 20, 1983.]

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ARMED SERVICES,  
*Washington, D.C., Wednesday, July 20, 1983.*

The committee met, pursuant to call, at 11:10 a m , in room 2118, Rayburn House Office Building, Hon Melvin Price (chairman) presiding.

The CHAIRMAN We delayed our final approval of our amendment to H R 3231 until today so that Mr Stratton would have a chance to check with some people in his district regarding the wording

I hope that today we can proceed and finish it up Mr. Hutto?

Mr. HUTTO As most of you know, we have referral to our committee of section 109 of H R 3231, which is the bill from Foreign Affairs relating to the Export Administration Act

Essentially, what section 109 does is to speak to the militarily critical technology list, and the Foreign Affairs Committee has in their bill provided for an integration of this list, the militarily critical technology list with the CCL, the Commodity Control List, which is handled by the Department of Commerce, and which is the list whereby in order to export products from the list, one would have to get a license.

The panel supports the integration of the list as proposed by the Foreign Affairs Committee; however, we did make some changes because we feel like that Defense probably should have a better voice In fact, we feel very strongly that Defense should have a voice and a say-so to make sure that we aren't allowing our technology to be transferred to the Soviet or Eastern Bloc nations.

Since you had my statement yesterday, I will not bother to go through the statement that is before you today Mr Stratton had some problems yesterday, and I don't know if we have them completely ironed out or not, but I would like to yield to him at this time

[The prepared statement of Mr Hutto follows ]

PREPARED STATEMENT OF HON EARL HUTTO

Mr Chairman, I would like to summarize some of the discussion from yesterday to refresh the memory of the members

The section of the bill we are dealing with—a very limited section within the context of the overall bill—addresses the list of militarily critical technologies This list is developed and maintained by the Secretary of Defense and consists of those goods and technologies that he considers would significantly improve the military capabilities of our adversaries

Related to this list—but within the jurisdiction of the Department of Commerce—is the Commodity Control List This list is used to administer the export licensing system that restricts export of goods and technologies for national security, short supply, or foreign policy reasons Only a portion of this list is related to items that are militarily critical and, therefore, controlled for national security reasons

The section of the bill that has been referred to the committee requires that the list of militarily critical technologies be integrated into the Commodity Control List This integration must be complete by April 1, 1985

As I indicated yesterday, the panel agrees with the requirement to integrate these two lists. In fact, one of the problems in integrating this list in the past has been disagreement between the Secretary of Commerce and the Secretary of Defense as to which items on the Militarily Critical Technologies List are appropriately included in the Commodity Control List. We have recommended that this problem be resolved by referring disagreements to the President.

From an overall perspective, the panel believes that the Foreign Affairs Committee has lessened the influence of the Secretary of Defense with regard to this list, first, by reducing the restrictions used to determine whether or not a good or technology is available from a foreign source and, thereby, automatically decontrolled and, second, by specifying certain criteria for removing items from the list.

The panel recommendations would move the section slightly back toward the present situation—but not all the way. The panel recommends that determination of foreign availability be based on the availability of goods and technologies that reflect the same capabilities or performance as the goods or technologies we are attempting to control. Mr. Courter expressed our concern well yesterday when he stated that the availability of a Ford and a Cadillac are different in terms of their capability. We may not want to export the Cadillac just because the foreign country has a Ford.

The panel also recommends deleting certain criteria incorporated in the Foreign Affairs bill that would lead to reductions in the list of militarily critical technologies. We support the idea of reducing the list in order to provide better controls over a smaller number of truly high-technology items. However, the fundamental criteria for reducing or adding items on the list should be whether or not the items are militarily critical.

As I indicated yesterday, I believe these changes are relatively modest given the broad, sweeping changes proposed in the remainder of the bill not subject to our jurisdiction under the referral. Attached to my statement is the language suggested by the panel, including Mr. Courter's amendment adopted yesterday.

AMENDMENT TO H R. 3231, AS REPORTED BY THE COMMITTEE ON  
FOREIGN AFFAIRS

Page 17, strike out line 1 and all that follows through  
page 20, line 2, and insert in lieu thereof the following.

1                   MILITARILY CRITICAL TECHNOLOGIES  
2       SEC. 109. Section 5(d) of the Act (50 U.S.C. App.  
3 2404(d)) is amended by striking out paragraphs (4) through  
4 (6) and inserting in lieu thereof the following:  
5       ''(4)(A) The Secretary and the Secretary of Defense  
6 shall complete the integration of the list of militarily  
7 critical technologies into the commodity control list not  
8 later than April 1, 1985. The integration of the list of  
9 militarily critical technologies into the commodity control  
10 list shall be completed with all deliberate speed, and the  
11 Secretary and the Secretary of Defense shall report to the  
12 appropriate committees of the Congress, before April 1,  
13 1985, any circumstances which would preclude the completion  
14 of the integrated list by that date. Any disagreement  
15 between the Secretary and the Secretary of Defense as to  
16 whether a good or technology on the list of militarily  
17 critical technologies should be integrated into the  
18 commodity control list shall be resolved by the President  
19 not later than November 1, 1984. Such integrated list shall  
20 include only a good or technology with respect to which the  
21 Secretary finds that countries to which exports are

1 controlled under this section do not possess that good or  
2 technology, or an equivalent good or technology, and the  
3 good or technology or equivalent good or technology is not  
4 available in fact to such a country from sources outside the  
5 United States in sufficient quantity and of comparable  
6 quality so that the requirement of a validated license for  
7 the export of such good or technology is or would be  
8 ineffective in achieving the purpose set forth in subsection  
9 (a) of this section, except in the case of a determination  
10 of the President with respect to goods or technology under  
11 subsection (f)(1) of this section. The Secretary and the  
12 Secretary of Defense shall jointly submit a report to the  
13 Congress, not later than April 1, 1985, on actions taken to  
14 carry out this subparagraph.

15       ''(B) The General Accounting Office shall evaluate the  
16 efforts of the Secretary and the Secretary of Defense to  
17 integrate the list of militarily critical technologies into  
18 the commodity control list, and the feasibility of such  
19 integration. In conducting such evaluation, the General  
20 Accounting Office shall determine whether foreign  
21 availability was used as a criterion in developing the  
22 commodity control list pursuant to subparagraph (A) and  
23 whether the completed list reflected the intent of the  
24 Congress in enacting this subsection. In conducting such  
25 evaluation, the General Accounting Office shall have access

1 to all information relating to the list of militarily  
2 critical technologies. Not later than April 1, 1985, the  
3 General Accounting Office shall submit a detailed report to  
4 the Congress on the results of the evaluation conducted  
5 pursuant to this subparagraph.

6       ''(C) The Secretary and the Secretary of Defense, in  
7 integrating the list of militarily critical technologies  
8 into the commodity control list pursuant to subparagraph  
9 (A), shall consider mechanisms to reduce significantly the  
10 list of militarily critical technologies.

11       ''(5) The Secretary of Defense shall establish a  
12 procedure for reviewing the goods and technology on the list  
13 of militarily critical technologies at least annually after  
14 the integrated list is completed pursuant to paragraph  
15 (4)(A), for the purpose of removing from the list of  
16 militarily critical technologies any goods or technology  
17 that are no longer militarily critical. The Secretary of  
18 Defense may, after the integrated list is so completed, add  
19 to the list of militarily critical technologies any good or  
20 technology that the Secretary of Defense determines is  
21 militarily critical. If the Secretary and the Secretary of  
22 Defense disagree as to whether any change in the list of  
23 militarily critical technologies by the addition or removal  
24 of a good or technology should also be made in the commodity  
25 control list, the President shall resolve the disagreement

1 not later than three months after the change is made in the  
2 list of militarily critical technologies.

3       ''(6) The Secretary of Defense shall, not later than  
4 April 1, 1985, report to the appropriate committees of the  
5 Congress on efforts by the Department of Defense to assess  
6 the impact that the transfer of goods or technology on the  
7 list of militarily critical technologies to countries to  
8 which exports are controlled under this section has had or  
9 will have on the military capabilities of those  
10 countries.''.  
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**STATEMENT OF HON. SAMUEL S. STRATTON, A REPRESENTATIVE  
FROM NEW YORK**

Mr. STRATTON. Thank you very much.

The amendment that I have wanted to offer, I think, is available to the staff, and I would appreciate it, if they would pass it out.

On page 2 of the bill itself, at lines 2 and 3, would be simply to insert the word "functionally" before the word "equivalent" in each of those lines, so that when we are talking about "equivalence" we are talking about the actual result or product of that particular technology

The gentleman from Florida raised the question as to whether, for example, you might have one computer that was capable of guiding reentry vehicles, and you might have another computer which was smaller, which was smaller in size, but the larger computer might have—both computers might have the same particular function, but one would not be small enough to get into a reentry vehicle.

I think the point with respect to that example that the gentleman from Florida raised was that the section 109 itself is referring to militarily critical technology, so that the word "functionally" would be understood to mean "with regard to its military function"

In other words, it couldn't if it was too big to get into a small reentry vehicle, then it could not be regarded as "functional" or "equivalent."

[The Stratton amendment follows:]

AMENDMENT TO THE AMENDMENT TO H R 3231 OFFERED BY MR STRATTON

On page 2, line 2 Strike out "an equivalent" and insert in lieu thereof "a functionally equivalent"

On page 2, line 3 Add "functionally" before "equivalent"

Mr HUTTO I agree with the gentleman that this does relate strictly to the militarily critical technologies list, and knowing his stance on defense, and his strong position, if he feels that it accomplishes this, I don't really have any problems.

Perhaps some of the other members might like to express themselves on it

Mr STRATTON. I appreciate the gentleman's statement, and, Mr Chairman, I would move the amendment to include the word "functionally" before "equivalent," in lines 2 and 3.

The CHAIRMAN. Does the gentleman accept that amendment?

Mr. HUTTO. Yes, sir.

The CHAIRMAN Without objection, the amendment is agreed to.

The question is on Mr. Hutto's proposal. Those in favor of Mr. Hutto's recommendation, will vote "aye."

[Chorus of ayes]

The CHAIRMAN. Those opposed, vote "no."

[No response.]

The CHAIRMAN. The ayes have it and the recommendations are agreed to

Anything else?

[No response.]

The CHAIRMAN No further business before the committee.

Mrs. BYRON. Mr. Chairman?

The CHAIRMAN Mrs. Byron

Mrs. BYRON. When we left yesterday, there were two amendments that had been offered by Mr. Courter, and one that I had mentioned.

Now, what was the status on those when we adjourned? We were going to discuss them again today, or we approved Mr. Courter's or we approved none of those?

Mr. STRATTON. Prior to—you say we approved Mr. Courter's amendments.

Mrs. BYRON. I had an amendment that I had brought up yesterday and said that we would discuss today.

The CHAIRMAN. Without objection, it is agreed to.

Mrs. BYRON. On line 3, and I have got copies of the amendment—on page 3, line 15, strike "significantly." I discussed it with Mr. Hutto and staff.

Mr. EMMERICHS. Mrs. Byron, it's on line 9 in the bill that is before the members today.

Mrs. BYRON. You changed the whole bill.

The CHAIRMAN. Talking about the same amendment?

Mrs. BYRON. The same amendment, but today it is on line 9.

Page 3, line 9, strike "significantly."

The intent of this amendment is to bring this section in line with the reduction process outlined in the next section.

The panel's amendment provides for integration of the militarily critical technologies list, with the commodity control list, which is then to be followed by reducing the list, by eliminating those technologies that are not militarily critical.

This amendment would remove the possible misinterpretation that the reductions that do take place on the integrated technology list are not done for the sake of significant reductions, but for the fact that they are no longer militarily critical.

The amendment does not change the need for the list to be reduced. This was to insure that the operative base for reduction should be that the technologies are no longer militarily critical, and I think that is the intent of this entire committee, to make sure the militarily critical technologies are retained and maintained on the list.

Mr. HUTTO. Will the gentlelady yield?

Mrs. BYRON. I'll be glad to.

Mr. HUTTO. In effect, what will the amendment do?

Mrs. BYRON. In effect, it strengthens the section following it, to make sure that the list is not significantly reduced for the sake of reducing the list, but those categories are taken off the list are no longer militarily critical.

Mr. HUTTO. The gentlelady doesn't have any problem with reducing a great number of the items on that list?

Mrs. BYRON. I have no problem with that, at all.

Mr. HUTTO. But you just want to make sure—

Mrs. BYRON. I want to make sure that when the list is reduced, it is reduced only in those items that are no longer militarily critical.

The CHAIRMAN. Mr. Hutto, do you accept the amendment?

Mr. HUTTO. Mr. Chairman, I have no problem with it. I accept it.

The CHAIRMAN. Without objection, the amendment is agreed to. Without objection, Mr. Hutto's amendment is agreed to.

Mr HUTTO. Mr Chairman, I ask unanimous consent that the staff might add any technical corrections that need to be made.

The CHAIRMAN. Without objection, the staff will have authority to correct any technical problems involved in writing the final draft.

Mr. STRATTON. Just so they don't take out those words that we just put in.

The CHAIRMAN. Without objection, the motion to reconsider is laid on the table.

Is there any further business before the committee this morning?

[No response.]

The CHAIRMAN. There being no further business, the committee stands adjourned

[Whereupon, at 11.22 a.m., the committee was adjourned ]