

AMENDMENT TO RULES COMM. PRINT 119–33

OFFERED BY MRS. KIM OF CALIFORNIA

At the end of title XVII, insert the following:

1 **Subtitle C—Producing Returns and**
2 **Opportunity for Investment and**
3 **Trade**

4 **SEC. 1731. DEFINITIONS.**

5 In this Act:

6 (1) APPROPRIATE CONGRESSIONAL COMMIT-
7 TEES.—The term “appropriate congressional com-
8 mittees” means—

9 (A) the Committee on Foreign Affairs and
10 the Committee on Appropriations of the House
11 of Representatives; and

12 (B) the Committee on Foreign Relations
13 and the Committee on Appropriations of the
14 Senate.

15 (2) DEPARTMENT; SECRETARY.—The terms
16 “Department” and “Secretary” mean the Depart-
17 ment of State and the Secretary of State, respec-
18 tively.

1 **SEC. 1732. UNDER SECRETARY OF STATE FOR ECONOMIC**
2 **GROWTH, ENERGY, AND THE ENVIRONMENT.**

3 Section 1(b) of the State Department Basic Authori-
4 ties Act of 1956 (22 U.S.C. 2651a(b)) is amended by—

5 (1) redesignating paragraphs (2) through (6) as
6 paragraphs (3) through (7) respectively; and

7 (2) by inserting after paragraph (1) the fol-
8 lowing:

9 “(2) UNDER SECRETARY OF STATE FOR ECO-
10 NOMIC GROWTH, ENERGY, AND THE ENVIRON-
11 MENT.—

12 “(A) ESTABLISHMENT.—There shall be in
13 the Department an Under Secretary of State
14 for Economic Growth, Energy, and the Envi-
15 ronment who shall be responsible to the Sec-
16 retary.

17 “(B) RESPONSIBILITIES.—The Under Sec-
18 retary of State for Economic Growth, Energy,
19 and the Environment shall maintain continuous
20 observation and coordination of all matters per-
21 taining to economic and business affairs in the
22 conduct of foreign policy, including, as appro-
23 priate, the following:

24 “(i) Preparing an annual strategic
25 plan for expanding opportunities for
26 United States private sector companies in

1 international markets, coordinating the use
2 of sanctions to achieve national security
3 objectives, promoting international trade
4 and investment, developing international
5 policies around new and emerging tech-
6 nologies, ensuring United States leadership
7 in science and technology, protecting nat-
8 ural resources, and promoting United
9 States energy interests.

10 “(ii) Developing policies for consider-
11 ation by the Secretary to promote eco-
12 nomic growth, facilitate market access, cre-
13 ate business enabling environments abroad,
14 expand trade and investment opportunities
15 for United States companies, promote
16 United States energy exports and energy
17 security, conserve and manage economi-
18 cally important ecosystems and resources,
19 expand access to critical minerals abroad,
20 support United States civil and commercial
21 space governance, promote international
22 standards, policies, and best practices for
23 emerging technology that facilitate United
24 States economic growth, and safeguard the

1 preeminence of the United States dollar in
2 international markets.

3 “(iii) Promoting United States inter-
4 national economic interests to be addressed
5 in the Biannual National Economic Secu-
6 rity Strategy Report, coordinated by the
7 Office of the Chief Economist.

8 “(iv) Attending and participating in
9 meetings of the National Security Council,
10 and National Space Council, when applica-
11 ble, at the direction of the Secretary, for
12 matters related to economic growth, en-
13 ergy, and commercial expansion, commer-
14 cial outer space affairs, oceans, science and
15 technology developments, natural resource
16 protection, and fulfill the role of Foreign
17 Affairs Sous Sherpa relating to the activi-
18 ties of the Group of Seven Industrial Na-
19 tions (G-7).

20 “(v) Providing guidance to Depart-
21 ment personnel in the United States and
22 overseas who conduct or implement poli-
23 cies, programs, and activities related to
24 economic growth, energy, and commercial
25 expansion, science and technology affairs,

1 natural resource conservation, and civil
2 and commercial activities in outer space.

3 “(vi) Coordinating activities related to
4 promoting economic growth, facilitating
5 market access, creating business enabling
6 environments abroad, expanding trade and
7 investment opportunities, promoting of en-
8 ergy exports, conserving and managing
9 economically important ecosystems and re-
10 sources, expanding access to critical min-
11 erals, maintaining United States leadership
12 in science, technology, and outer space,
13 and safeguarding the preeminence of the
14 United States dollar in international mar-
15 kets.

16 “(vii) As directed by the Secretary,
17 representing the Department at inter-
18 departmental meetings including the Na-
19 tional Economic Council, Homeland Secu-
20 rity Council, Council on Environmental
21 Quality, and in providing policy advice to
22 the Secretary on matters under consider-
23 ation by these groups.”.

24 (3) redesignating paragraphs (2) through (6) as
25 paragraphs (3) through (7);

1 **SEC. 1733. ADMINISTRATION OF THE INTERNATIONAL**
2 **TECHNOLOGY SECURITY AND INNOVATION**
3 **FUND.**

4 Section 102(c) of the CHIPS Act of 2022 (Public
5 Law 117–167; 136 Stat. 1375) is amended—

6 (1) in paragraph (1)—

7 (A) by inserting “, acting through the
8 Under Secretary of State for Economic Growth,
9 Energy, and the Environment” after “Secretary
10 of State”; and

11 (B) by adding at the end the following:
12 “Within the Department of State, the Fund
13 shall be overseen and administered by the
14 Under Secretary of State for Economic Growth,
15 Energy, and the Environment.”.

16 (2) in paragraph (2)(B), by inserting “, acting
17 through the Under Secretary of State for Economic
18 Growth, Energy, and the Environment” after “Sec-
19 retary of State”.

20 **SEC. 1734. ASSISTANT SECRETARY FOR SANCTIONS POLICY.**

21 Section 1 of the State Department Basic Authorities
22 Act of 1956 (22 U.S.C. 2651a) is amended by striking
23 subsection (l) and inserting the following new subsection:

24 “(l) ASSISTANT SECRETARY AND BUREAU FOR SANC-
25 TIONS POLICY.—

1 “(1) ESTABLISHMENT.—There is authorized to
2 be in the Department an Assistant Secretary for
3 Sanctions Policy, who shall be responsible to the
4 Under Secretary of State for Economic Growth, En-
5 ergy, and the Environment for matters pertaining to
6 the development of policies governing the imposition
7 of sanctions, in consultation with the Under Sec-
8 retary of State for International Security Affairs
9 and the Assistant Secretary for Arms Control and
10 Nonproliferation as appropriate, and such other re-
11 lated duties as the Secretary may from time to time
12 designate.

13 “(2) RESPONSIBILITIES.—In addition to the re-
14 sponsibilities described under paragraph (1), the As-
15 sistant Secretary for Sanctions Policy shall maintain
16 continuous observation and coordination of all mat-
17 ters pertaining to the development and implementa-
18 tion of sanctions policies as part of United States
19 diplomatic strategies in the conduct of foreign policy,
20 including, as appropriate, the following:

21 “(A) Developing the foreign policy strategy
22 of United States sanctions programs, including
23 consideration of the use of sanctions in com-
24 bination with other United States foreign policy

1 tools and the political and economic implica-
2 tions of sanction policies.

3 “(B) Coordinating the effective implemen-
4 tation and enforcement of sanctions, including
5 all activities, policies, and programs pertaining
6 to sanctions within the Department.

7 “(C) Coordinating sanctions policy with
8 foreign partners and allies to ensure the max-
9 imum effectiveness of sanctions imposed by the
10 United States and such allies and partners.

11 “(D) Consulting regularly with a broad
12 range of stakeholders on the implications of
13 United States sanctions policy for United
14 States economic interests.

15 “(E) Contributing to the reports to Con-
16 gress produced by the Chief Economist.

17 “(F) Leading the Department’s efforts to
18 identify and designate individuals for visa sanc-
19 tions related to human rights violations.

20 “(G) Developing policies and programs, in
21 coordination with the Department of the Treas-
22 ury and other Federal departments and agen-
23 cies as necessary and with foreign partners, to
24 combat money laundering, terrorist financing,
25 cybercrimes, and other illicit financial activities.

1 “(H) Representing the Department in all
2 interagency groups or organizations within the
3 executive branch that plan, assess, analyze, or
4 review United States sanctions policies, such as
5 interagency groups organized under the aus-
6 pices of the Department of Treasury, the De-
7 partment of Commerce, and the Department of
8 Homeland Security.

9 “(I) Performing such other duties as the
10 Under Secretary of State for Economic Growth,
11 Energy, and the Environment may from time to
12 time designate.

13 “(3) REDELEGATION OF AUTHORITY.—The
14 Secretary may delegate, or authorize successive re-
15 delegation of, authority to the Assistant Secretary
16 for Sanctions Policy to act and to render decisions,
17 with respect to all sanctions policies administered by
18 the Department. Within the limitations of such dele-
19 gations, redelegations, or assignments, all official
20 acts and decisions by the Assistant Secretary for
21 Sanctions Policy shall have the same force and effect
22 as though performed or rendered by the Secretary.

23 “(4) FIRST APPOINTMENT.—On the date of the
24 enactment of this Act, the individual serving before
25 such date of enactment as the Coordinator for Sanc-

1 tions shall be the Assistant Secretary for Sanctions
2 Policy. Any subsequent appointment of an individual
3 to the position of Assistant Secretary for Sanctions
4 Policy shall be subject to the advice and consent of
5 the Senate.

6 “(5) ESTABLISHMENT.—The Secretary shall es-
7 tablish a Bureau of Sanctions Policy, which shall
8 perform such functions related to the development of
9 policies governing the imposition of sanctions and
10 sanctions strategies, as the Under Secretary of State
11 for Economic Growth, Energy, and the Environment
12 may prescribe.

13 “(6) ASSISTANT SECRETARY.—The Assistant
14 Secretary for Sanctions Policy shall be the head of
15 the Bureau of Sanctions Policy.”

16 **SEC. 1735. CHIEF ECONOMIST.**

17 Section 1 of the State Department Basic Authorities
18 Act of 1956 (22 U.S.C. 2651a), as amended by section
19 1734, is further amended—

20 (1) by redesignating subsections (j) through (q)
21 as subsections (l) through (r), respectively; and

22 (2) by inserting after subsection (i) the fol-
23 lowing new subsection:

1 “(j) OFFICE OF THE CHIEF ECONOMIST WITHIN THE
2 DEPARTMENT OF STATE; CHIEF ECONOMIST AS HEAD OF
3 THE OFFICE; PERSONNEL WITHIN THE OFFICE.—

4 “(1) ESTABLISHMENT.—There is authorized to
5 be in the Department a Chief Economist who shall
6 be responsible to the Under Secretary of State for
7 Economic Growth, Energy, and the Environment for
8 matters pertaining to analyzing and forecasting the
9 impact of economic trends on diplomatic functions
10 and national security priorities, and such other re-
11 lated duties as the Secretary may from time to time
12 designate.

13 “(2) RESPONSIBILITIES.—In addition to the re-
14 sponsibilities described under paragraph (1), the
15 Chief Economist shall provide research and analysis
16 to inform the Department’s strategy for deploying
17 international economic policy to strengthen alliances,
18 deter malign foreign actors, and reduce dependencies
19 on strategic rivals in the conduct of foreign policy,
20 including, as appropriate, the following:

21 “(A) Providing research and analysis to in-
22 form the development of the Department’s
23 strategy for deploying foreign policy to ensure
24 supply chain resilience, secure access to raw

1 materials and critical minerals, and maximize
2 international market access.

3 “(B) Providing analysis of complex, emerg-
4 ing geoeconomic issues and offer advice to De-
5 partment leadership on economic diplomacy
6 challenges.

7 “(C) Conducting research and rigorous,
8 data-driven analysis of high priority issues at
9 the intersection of economics and foreign policy
10 to inform decision-making and diplomatic en-
11 gagements by senior Department officials.

12 “(D) Maintaining analytical products for
13 the Department on international economic
14 issues, including on sanctions evasion and the
15 vulnerabilities of the United States and its
16 partners to economic coercion, as well as the
17 economic opportunities for United States busi-
18 nesses.

19 “(E) Contributing to the expansion of the
20 economic expertise of the Department through
21 collaboration with the Foreign Service Institute,
22 the academic community, international organi-
23 zations, and other Federal departments and
24 agencies the Chief Economist determines nec-
25 essary.

1 “(F) Serving as a liaison to technical ex-
2 perts in economics and related fields in partner
3 governments, international institutions, and
4 elsewhere in the United States government and
5 academic community.

6 “(G) Performing such other duties as the
7 Under Secretary of State for Economic Growth,
8 Energy, and the Environment may from time to
9 time designate.

10 “(3) REPORT.—Not later than 1 year after the
11 date of the enactment of this subsection, and every
12 2 years for the subsequent four years, the Chief
13 Economist shall transmit to Congress a report on
14 the international economic strategy of the United
15 States and its analytical basis. In preparing the re-
16 port, the Chief Economist shall coordinate input and
17 analysis from other bureaus within the Under Sec-
18 retary of State for Economic Growth, Energy, and
19 the Environment .

20 “(4) OFFICE.—The Secretary shall establish an
21 Office of the Chief Economist, which shall perform
22 such functions related to the provision of expert eco-
23 nomic advice and analysis, as the Under Secretary
24 of State for Economic Growth, Energy, and the En-
25 vironment may prescribe.

1 “(5) CHIEF ECONOMIST.—The Chief Economist
2 shall be the head of the Office of the Chief Econo-
3 mist.

4 “(6) PERSONNEL OF THE OFFICE OF THE
5 CHIEF ECONOMIST.—

6 “(A) IN GENERAL.—The Office of the
7 Chief Economist shall include—

8 “(i) the Chief Economist, shall be a
9 member of the Senior Executive Service or
10 its equivalent, should have a doctorate in
11 Economics, and at least 5 years of experi-
12 ence working at the intersection of policy
13 and international economics in the private
14 or public sectors;

15 “(ii) not fewer than 6 and not more
16 than 12 full-time Civil Service officers, not-
17 withstanding the limitations provided
18 under section 501 of the Foreign Service
19 Act of 1980 (22 U.S.C. 3981), at the GS-
20 15 level or below;

21 “(iii) one full-time Foreign Service
22 Officer, notwithstanding such limitations,
23 at the FS-01 level or below; and

24 “(iv) time-limited detailees from other
25 offices of the Department or of other Fed-

1 eral departments or agencies, on a mutu-
2 ally agreeable, non-reimbursable basis.

3 “(B) CONTRACTORS.—The Office of the
4 Chief Economist shall have maximum con-
5 tracting flexibility, including—

6 “(i) personal services contracting au-
7 thority authorized under section 2 of the
8 State Department Basic Authorities Act of
9 1956 (22 U.S.C. 2669), for domestic posi-
10 tions; and

11 “(ii) other transaction authority au-
12 thorized under section 701 of the Foreign
13 Service Act of 1980 (22 U.S.C. 4021), to
14 adopt innovative technology and data ana-
15 lytics in its research.”.

16 **SEC. 1736. ASSISTANT SECRETARY FOR ECONOMIC AND**
17 **BUSINESS AFFAIRS.**

18 Section 1(c) of the State Department Basic Authori-
19 ties Act of 1956 (22 U.S.C. 2651a(c)) is amended by
20 striking paragraph (4) and inserting the following new
21 paragraph:

22 “(4) ASSISTANT SECRETARY AND BUREAU FOR
23 ECONOMIC AND BUSINESS AFFAIRS.—

24 “(A) ESTABLISHMENT.—There is author-
25 ized to be in the Department an Assistant Sec-

1 retary for Economic and Business Affairs who
2 shall be responsible to the Under Secretary of
3 State for Economic Growth, Energy, and the
4 Environment for matters pertaining to the
5 trade and investment promotion and policy,
6 international finance and development, trans-
7 portation affairs, and such other related duties
8 as the Secretary may from time to time des-
9 ignate.

10 “(B) RESPONSIBILITIES.—In addition to
11 the responsibilities described under subpara-
12 graph (A), the Assistant Secretary for Eco-
13 nomic and Business Affairs shall be responsible
14 for leading Department policies and programs,
15 and coordinating with other United States
16 agencies as appropriate, for all matters per-
17 taining to the following:

18 “(i) Trade and investment promotion,
19 such as—

20 “(I) assisting and advocating for
21 United States businesses and commer-
22 cial interests overseas;

23 “(II) identifying foreign market
24 opportunities for United States busi-
25 nesses and helping United States

1 firms overcome challenges in foreign
2 business climates;

3 “(III) helping United States com-
4 panies compete for and win contracts
5 in foreign markets;

6 “(IV) attracting foreign invest-
7 ment into the United States by identi-
8 fying high potential businesses in for-
9 eign countries;

10 “(V) ensuring United States pri-
11 vate sector concerns are integrated
12 into United States foreign policy and
13 economic policy; and

14 “(VI) promoting international
15 commercial projects that advance the
16 national security interests of the
17 United States, regardless of domestic
18 content thresholds.

19 “(ii) International trade policy, in-
20 cluding negotiating and implementing
21 trade agreements, resolving trade disputes,
22 bolstering supply chain resilience, and pro-
23 tecting intellectual property rights.

24 “(iii) International investment policy,
25 including monitoring international invest-

1 ment climates, negotiating and imple-
2 menting investment agreements, rep-
3 resenting the Department in the Com-
4 mittee on Foreign Investment in the
5 United States, and assisting United States
6 companies involved in investment disputes
7 with foreign governments.

8 “(iv) Development finance, including
9 the mobilization of private, bilateral, and
10 multilateral development finance for devel-
11 oping countries, particularly investments
12 focused on infrastructure projects.

13 “(v) The negotiation and extension of
14 debt relief and sovereign loan guarantees
15 for United States allies and partners.

16 “(vi) The promotion of sound, trans-
17 parent, and stable economic policies over-
18 seas.

19 “(vii) Perform such other duties as
20 the Under Secretary of State for Economic
21 Growth, Energy, and the Environment
22 may from time to time designate.”.

23 **SEC. 1737. ENHANCING SUBNATIONAL DIPLOMACY.**

24 Section 1 of the State Department Basic Authorities
25 Act of 1956 (22 U.S.C. 2651a), as amended by section

1 1735, is further amended by inserting the after subsection
2 (j) following new subsection:

3 “(k) OFFICE OF SUBNATIONAL DIPLOMACY WITHIN
4 THE DEPARTMENT OF STATE; COORDINATOR AS HEAD
5 OF THE OFFICE; LOCATION OF THE OFFICE.—

6 “(1) ESTABLISHMENT.—There shall be estab-
7 lished in the Department an Office of Subnational
8 Diplomacy. The Office shall enable the Department’s
9 work with subnational governments (State, county,
10 city, and municipal) within the United States to im-
11 prove the ability of subnational governments to at-
12 tract foreign investment, counter foreign malign in-
13 fluence within the United States, and contribute to
14 the foreign policy priorities of the United States.

15 “(2) COORDINATOR.—The head of the Office
16 shall be the Coordinator for Subnational Diplomacy.
17 The head of the office shall report through the As-
18 sistant Secretary for Economic and Business Affairs
19 to the Under Secretary of State for Economic
20 Growth, Energy, and the Environment.

21 “(3) RESPONSIBILITIES.—In addition to the re-
22 sponsibilities described under paragraph (1), the Co-
23 ordinator for Subnational Diplomacy shall maintain
24 continuous observation and coordination of all mat-
25 ters pertaining to subnational diplomacy and De-

1 partment engagements with subnational govern-
2 ments in the conduct of foreign policy, including the
3 following:

4 “(A) Advising the Under Secretary of
5 State for Economic Growth, Energy, and the
6 Environment on subnational engagements with-
7 in the United States and serve as the principal
8 official on such matters within the Department.

9 “(B) Coordinating the Department’s sup-
10 port for local and municipal governments’ en-
11 gagements with foreign governments.

12 “(C) Advising subnational government offi-
13 cials on the potential risks of engagements with
14 countries of concern and share best practices to
15 build resilience against foreign political inter-
16 ference and malign influence.

17 “(D) Assisting subnational governments in
18 the following areas:

19 “(i) Attracting or bidding to host
20 major international events.

21 “(ii) Tracking foreign direct invest-
22 ment at the county and municipal levels to
23 highlight trends and opportunities.

1 “(iii) Attracting foreign direct invest-
2 ment and other forms of economic coopera-
3 tion.

4 “(iv) Building the capacity and knowl-
5 edge of subnational government staff who
6 have responsibility for engaging with for-
7 eign countries.

8 “(v) Advancing sports diplomacy with
9 foreign countries and entities.

10 “(vi) Implementing programs to co-
11 operate with foreign governments and enti-
12 ties on policy priorities or managing shared
13 resources.

14 “(vii) Understanding the local impli-
15 cations of foreign policy developments or
16 policy changes.

17 “(E) Supporting the economic interests of
18 the United States through subnational engage-
19 ments, in consultation and coordination with
20 other relevant agencies.

21 “(F) Advising and informing local officials
22 as they negotiate agreements and memoranda
23 of understanding with foreign governments re-
24 lated to subnational engagements and priorities.

1 “(G) Coordinating subnational engage-
2 ments with associations of subnational elected
3 leaders, including the United States Conference
4 of Mayors, National Governors Association, Na-
5 tional League of Cities and similar associations.

6 “(H) Performing other such duties as the
7 Assistant Secretary for Economic and Business
8 Affairs and the Under Secretary of State for
9 Economic Growth, Energy, and the Environ-
10 ment may from time to time designate.

11 “(4) LOCATION.—The Office of Subnational Di-
12 plomacy shall be co-located with the Office of For-
13 eign Missions—Los Angeles, authorized under sec-
14 tion 203(4) of the State Department Basic Authori-
15 ties Act of 1956 (22 U.S.C. 4303(4)).”.

16 **SEC. 1738. ENERGY SECURITY AND DIPLOMACY.**

17 Section 1(c) of the State Department Basic Authori-
18 ties Act of 1956 (22 U.S.C. 2651a(c)), as amended by
19 section 1736, is further amended—

20 (1) by redesignating paragraphs (8) through
21 (17) as (9) through (18), respectively; and

22 (2) by inserting after paragraph (7) the fol-
23 lowing:

24 “(8) ASSISTANT SECRETARY AND BUREAU FOR
25 ENERGY SECURITY AND DIPLOMACY.—

1 “(A) ESTABLISHMENT.—There is author-
2 ized to be in the Department an Assistant Sec-
3 retary for Energy Security and Diplomacy who
4 shall be responsible to the Under Secretary of
5 State for Economic Growth, Energy, and the
6 Environment for all matters pertaining to the
7 formulation and implementation of inter-
8 national energy, energy technology, critical min-
9 erals, and relevant supply chain policies in the
10 conduct of foreign policy by the Department,
11 including, as appropriate, to protect United
12 States energy security interests, lead the coordi-
13 nation of energy programs carried out by
14 United States Government agencies abroad, and
15 such other related duties as the Secretary may
16 from time to time designate.

17 “(B) RESPONSIBILITIES.—In addition to
18 the responsibilities described under subpara-
19 graph (A), the Assistant Secretary for Energy
20 Security and Diplomacy shall maintain contin-
21 uous observation and coordination of all mat-
22 ters pertaining to the development of policies to
23 secure access to international energy markets
24 and diversify critical mineral supply chains in

1 the conduct of foreign policy, including, as ap-
2 propriate, the following:

3 “(i) Representing the Secretary in
4 interagency efforts to develop the inter-
5 national energy policy of the United
6 States.

7 “(ii) Leading the analysis, formula-
8 tion, and implementation of international
9 policies aimed at protecting and advancing
10 United States energy interests.

11 “(iii) Effectively managing United
12 States bilateral and multilateral relations
13 and, as directed by the Secretary, rep-
14 resenting the Secretary in relevant inter-
15 national fora and organizations, including
16 the International Energy Agency, to bol-
17 ster global energy security and advance the
18 interests of the United States.

19 “(iv) Ensuring that analyses of the
20 national security and economic security im-
21 plications of global energy developments
22 are reflected in the decision-making proc-
23 esses within the Department.

1 “(v) Incorporating energy and critical
2 mineral security priorities into the activi-
3 ties of the Department.

4 “(vi) Coordinating energy activities of
5 the Department with relevant Federal de-
6 partments and agencies, including the De-
7 partments of Energy, Commerce, Defense,
8 and Interior, and the Development Finance
9 Corporation to promote United States en-
10 ergy security and energy development to
11 support United States national security
12 readiness.

13 “(vii) Coordinating with the Bureau
14 of Sanctions Policy on economic sanctions
15 pertaining to the international energy sec-
16 tor.

17 “(viii) Coordinating energy security
18 and other relevant functions within the De-
19 partment currently undertaken by—

20 “(I) the Bureau of Economic and
21 Business Affairs;

22 “(II) the Bureau of Water, Envi-
23 ronment, and Space Affairs;

24 “(III) the Bureau of Arms Con-
25 trol and Nonproliferation; and

1 “(IV) other bureaus and offices
2 within the Department.

3 “(ix) Working internationally to—

4 “(I) support the development of
5 energy technologies, natural resources,
6 critical minerals, and supply chains
7 for the benefit of the United States
8 and United States allies and trading
9 partners for their energy security and
10 economic development needs;

11 “(II) promote secure and diversi-
12 fied energy and critical minerals sup-
13 ply chains, and a well-functioning
14 global market for energy resources,
15 energy technologies, critical minerals;

16 “(III) resolve international dis-
17 putes regarding the exploration, devel-
18 opment, production, or distribution of
19 energy and critical minerals resources
20 where the United States strategic in-
21 terests are present;

22 “(IV) support the economic and
23 commercial interests of United States
24 persons operating in the energy mar-
25 kets of foreign countries; and

1 “(V) support and coordinate
2 international efforts to alleviate en-
3 ergy poverty, enhance energy access
4 and energy efficiency to promote
5 United States strategic interests and
6 offer alternatives to adversary initia-
7 tives for United States allies and part-
8 ners.

9 “(x) Conducting public diplomacy with
10 regard to United States international en-
11 ergy policy to strengthen transparency and
12 governance.

13 “(xi) Performing such other duties as
14 the Under Secretary of State for Economic
15 Growth, Energy, and the Environment
16 may from time to time designate.

17 “(C) ANNUAL REPORT.—Not later than 1
18 year after the date of the enactment of this
19 paragraph, and annually thereafter for three
20 years, the Assistant Secretary for Energy Secu-
21 rity and Diplomacy shall submit to Congress a
22 report on the United States international en-
23 ergy strategy.

24 “(D) BUREAU.—The Secretary shall estab-
25 lish a Bureau of Energy Security and Diplo-

1 macy, which shall perform such functions re-
2 lated to the formulation and implementation of
3 international energy, energy technology, critical
4 minerals, and relevant supply chain policies, as
5 the Under Secretary of State for Economic
6 Growth, Energy, and the Environment may pre-
7 scribe.

8 “(E) ASSISTANT SECRETARY.—The Assist-
9 ant Secretary for Energy Security and Diplo-
10 macy shall be the head of the Bureau of Energy
11 Security and Diplomacy.”.

12 **SEC. 1739. ASSISTANT SECRETARY FOR WATER, ENVIRON-**
13 **MENT, AND SPACE AFFAIRS.**

14 Section 1(c) of the State Department Basic Authori-
15 ties Act of 1956 (22 U.S.C. 2651a(c)), as amended by
16 section 1738, is further amended by adding at the end
17 the following:

18 “(19) BUREAU OF WATER, ENVIRONMENT, AND
19 SPACE AFFAIRS WITHIN DEPARTMENT OF STATE; AS-
20 SISTANT SECRETARY OF STATE AS HEAD OF BU-
21 REAU.—

22 “(A) ESTABLISHMENT.—There is author-
23 ized to be in the Department an Assistant Sec-
24 retary for Water, Environment, and Space Af-
25 fairs who shall be responsible to the Under Sec-

1 retary of State for Economic Growth, Energy,
2 and the Environment for matters pertaining to
3 space, oceans, polar affairs, environmental qual-
4 ity, freshwater, fisheries, wildlife and wildlife
5 trafficking, conservation, and such other related
6 duties as the Secretary may from time to time
7 designate.

8 “(B) RESPONSIBILITIES.—In addition to
9 the responsibilities described under subsection
10 (a), the Assistant Secretary for Water, Environ-
11 ment, and Space Affairs shall maintain contin-
12 uous observation and coordination of all mat-
13 ters pertaining to oceans, fisheries, natural re-
14 source conservation, and outer space in the con-
15 duct of foreign policy, including, as appropriate,
16 the following:

17 “(i) Developing United States policy
18 on global environmental security issues
19 with respect to oceans, fisheries, Antarctic
20 region, waste and global pollution, and nat-
21 ural resource management and conserva-
22 tion, including water.

23 “(ii) Representing the Department in
24 bilateral and multilateral negotiations in-
25 volving the law of the sea, including free-

1 dom of navigation and overflight and other
2 lawful uses of the ocean; maritime security;
3 United States maritime zones, including
4 the United States extended continental
5 shelf; marine science; sustainable manage-
6 ment and protection of marine habitats
7 and resources; marine pollution; and mari-
8 time claims and boundaries.

9 “(iii) Leading United States engage-
10 ment on Antarctica and in international
11 oceans agreements and conventions with
12 foreign governments and international or-
13 ganizations to promote solutions that ad-
14 vance United States national security, eco-
15 nomic, and environmental interests.

16 “(iv) Coordinating the development of
17 policies and programs to conserve and
18 manage economically important eco-
19 systems, including, forests, wetlands,
20 drylands, and coral reefs.

21 “(v) Developing policies and programs
22 to address international threats to natural
23 resources including but not limited to illicit
24 trade; illegal, unreported and unregulated

1 fishing; wildlife trafficking; and illegal log-
2 ging and associated trade.

3 “(vi) Developing and implementing
4 United States foreign policy related to air,
5 water and soil pollution and risks to
6 human health and the environment caused
7 by the transboundary movement of haz-
8 ardous chemicals and waste and other
9 forms of pollution to promote environ-
10 mental security with trade partners and in
11 multilateral institutions.

12 “(vii) Representing the Department in
13 bilateral and multilateral engagements in-
14 cluding organizations, institutions, and ne-
15 gotiation of international agreements on
16 related issues.

17 “(viii) Developing policies and pro-
18 grams, in coordination with the National
19 Aeronautics and Space Administration, the
20 Department of Commerce, and other rel-
21 evant Federal departments and agencies,
22 as appropriate, to support partnerships be-
23 tween the United States and international
24 and private industry partners in the devel-
25 opment of infrastructure and policies that

1 expand economic growth in outer space, in-
2 cluding—

3 “(I) countering malign efforts by
4 foreign adversaries and other actors
5 that threaten United States interests
6 in civil and commercial space;

7 “(II) expanding access to foreign
8 markets for United States commercial
9 industry, including by encouraging re-
10 forms that reduce barriers to trade
11 and cooperation with United States
12 civil and commercial space actors; and

13 “(III) providing assistance to for-
14 eign governments and organizations,
15 including national, regional, and inter-
16 national institutions, on such terms
17 and conditions as the Secretary may
18 determine.

19 “(ix) Leading bilateral and multilat-
20 eral engagements related to civil and com-
21 mercial space activities, resilient space
22 services, burden sharing, and other mat-
23 ters related to international space law and
24 diplomacy and other United States inter-
25 national obligations and commitments.

1 “(x) In accordance with the National
2 Space Policy, leading United States Gov-
3 ernment engagement with international
4 Global Navigation Satellite Systems pro-
5 viders to ensure compatibility and encour-
6 age interoperability of civil global naviga-
7 tion satellite services based on United
8 States-based global positioning systems, in-
9 cluding through the International Com-
10 mittee on Global Navigation Satellite Sys-
11 tems.

12 “(xi) Leading Department efforts to
13 implement international arrangements and
14 promote cooperation on Earth observation
15 satellite systems.

16 “(xii) Leading Department engage-
17 ment in multilateral and bilateral forums
18 on international space policy, space law,
19 and commercial and civil treaties or agree-
20 ments.

21 “(xiii) Leading Department efforts on
22 transparency in space by maintaining the
23 official United States space object registry
24 and promoting best practices for safe oper-
25 ations in space, preservation of the space

1 environment, space traffic coordination,
2 and space situational awareness.

3 “(xiv) Leading Department efforts to
4 align foreign space law, regulatory, and
5 policy frameworks with United States-en-
6 dored models, approaches, and best prac-
7 tices.

8 “(xv) Performing such other duties as
9 the Under Secretary of State for Economic
10 Growth, Energy, and the Environment
11 may from time to time designate.

12 “(C) FIRST APPOINTMENT.—On the date
13 of the enactment of this Act, the individual
14 serving as the Assistant Secretary for Oceans
15 and International Environmental and Scientific
16 Affairs on the day before such date of enact-
17 ment shall be the Assistant Secretary for
18 Water, Environment, and Space Affairs. Any
19 subsequent appointment of an individual to the
20 position of Assistant Secretary for Water, Envi-
21 ronment, and Space Affairs shall be subject to
22 the advice and consent of the Senate.

23 “(D) BUREAU.—The Secretary shall estab-
24 lish a Bureau of Water, Environment, and
25 Space Affairs, which shall perform such func-

1 tions related to space, oceans, environmental
2 quality, fisheries, wildlife, and wildlife traf-
3 ficking, and conservation affairs, as the Under
4 Secretary of State for Economic Growth, En-
5 ergy, and the Environment may prescribe.

6 “(E) ASSISTANT SECRETARY.—The Assist-
7 ant Secretary for Water, Environment, and
8 Space Affairs shall be the head of the Bureau
9 of Water, Environment, and Space Affairs.”.

10 **SEC. 1740. STRENGTHENING ECONOMIC EXPERTISE AT THE**
11 **DEPARTMENT OF STATE.**

12 (a) OFFICE DIRECTORS AND DEPUTY DIRECTORS.—
13 Notwithstanding the requirements of section 501 of the
14 Foreign Service Act of 1980 (22 U.S.C. 3981), the posi-
15 tions of Office Director and Deputy Office Director, as
16 well as special assistant positions, under the purview of
17 the Under Secretary of State for Economic Growth, En-
18 ergy, and the Environment, shall generally be filled by civil
19 service officers.

20 (b) IMPLEMENTATION.—The Secretary is authorized
21 to take such steps as may be necessary to phase-in the
22 requirement under subsection (a) over the 5-year period
23 beginning on the date of the enactment of this Act.

24 (c) EXCEPTIONS.—The Under Secretary of State for
25 Economic Growth, Energy, and the Environment may ap-

1 prove the appointment of a Foreign Service officer to an
2 Office Director or a Deputy Office Director position if—

3 (1) the individual has the requisite expertise, as
4 determined by the Under Secretary of State for Eco-
5 nomic Growth, Energy, and the Environment; and

6 (2) in the 5-year period following the date of
7 the enactment of this Act, not more than one-third
8 of all Office Director and Deputy Office Director po-
9 sitions under the purview of the Under Secretary of
10 State for Economic Growth, Energy, and the Envi-
11 ronment are filled by Foreign Service officers.

12 (d) DIRECT HIRE AUTHORITY.—

13 (1) IN GENERAL.—The Under Secretary of
14 State for Economic Growth, Energy, and the Envi-
15 ronment may appoint, without regard to the provi-
16 sions of sections 3309 through 3318 of title 5,
17 United States Code, candidates directly to positions
18 in the competitive service, as defined in section 2102
19 of that title.

20 (2) TERMINATION.—Except with respect to the
21 Office of the Chief Economist, the authority pro-
22 vided under paragraph (1) shall terminate on the
23 date that is 4 years after the date of the enactment
24 of this Act.

1 (e) REPORT.—Not later than 180 days after the date
2 of the enactment of this Act, the Under Secretary of State
3 for Economic Growth, Energy, and the Environment shall
4 submit to the appropriate committees of Congress a report
5 that contains plans to attract and retain economic, policy,
6 legal, and technical expertise for civil service officers in
7 the Under Secretary of State for Economic Growth, En-
8 ergy, and the Environment, including career promotion
9 tracks to supervisory and non-supervisory GS-15 posi-
10 tions.

11 **SEC. 1741. REFERENCES.**

12 Any reference in any statute, reorganization plan,
13 Executive order, regulation, agreement, determination, or
14 other official document or proceeding to—

15 (1) the Assistant Secretary for Oceans and
16 International Environmental and Scientific Affairs
17 shall be deemed to refer to the Assistant Secretary
18 for Water, Environment, and Space Affairs;

19 (2) the Bureau for Oceans and International
20 Environmental and Scientific Affairs shall be
21 deemed to refer to the Bureau for Water, Environ-
22 ment, and Space Affairs;

23 (3) the Sanctions Coordinator shall be deemed
24 to refer to the Assistant Secretary for Sanctions Pol-
25 icy; and

