AMENDMENT TO RULES COMM. PRINT 118–10
OFFERED BY MR. McCaul OF TEXAS

At the end of subtitle C of title XVIII, add the following:


(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the enhanced trilateral security partnership between Australia, the United Kingdom, and the United States (in this section referred to as the “AUKUS partnership”) is intended to positively contribute to peace and stability in the Indo-Pacific region through enhanced deterrence;

(2) to this end, implementation of the AUKUS partnership will require a whole-of-government review of processes and procedures for Australia, the United Kingdom, and the United States to benefit from such partnership and, in particular, to support joint development of advanced capabilities;
(3) the Department of State plays a pivotal role in the administration of arms exports and sales programs under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) and the Arms Export Control Act (22 U.S.C. 2751 et seq.);

(4) the Department of State should work in coordination with the Department of Defense and other relevant United States Government agencies to seek to expeditiously implement the AUKUS partnership; and

(5) the Department of State, in coordination with the Department of Defense, should clearly communicate any United States requirements to address matters related to the technology security and export control measures of Australia and the United Kingdom.

(b) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in coordination with the Secretary of Defense, shall submit to the appropriate congressional committees a report on efforts of the Department of State to implement the advanced capabilities pillar of the AUKUS partnership.
(2) MATTERS TO BE INCLUDED.—The report required by paragraph (1) shall include the following:

(A) For each of the calendar years 2021 and 2022—

(i) the average and median times for the United States Government to review applications for licenses to export defense articles or defense services to persons, corporations, and the governments (including agencies and subdivisions of such governments, including official missions of such governments) of Australia or the United Kingdom;

(ii) the average and median times for the United States Government to review applications from Australia and the United Kingdom for foreign military sales beginning from the date Australia or the United Kingdom submitted a letter of request that resulted in a letter of acceptance with; and

(iii) the number of applications from Australia and the United Kingdom for licenses to export defense articles and de-
fense services that were denied or approved
with provisos, listed by year.

(B) For each of the fiscal years 2017,
2018, 2019, 2020, 2021, and 2022, the number
of voluntary disclosures resulting in a violation
of the International Traffic in Arms Regula-
tions (ITAR) enumerated under section 40 of
the Arms Export Control Act (22 U.S.C. 2780)
or involving proscribed countries listed in sec-
tion 126.1 of the ITAR, by persons, corpora-
tions, and the governments (including agencies
and subdivisions of such governments, including
official missions of such governments) of Aus-
tralia or the United Kingdom, including infor-
mation with respect to—

(i) any instance of unauthorized ac-
tccess to technical data or defense articles;

(ii) inadequate physical or cyber secu-
urity;

(iii) retransfers or re-exports without
authorization; and

(iv) employees of foreign companies
that are United States persons that pro-
vide defense services without authorization.
(C) The value of any civil penalties assessed from 2017 to 2022 for disclosures or violations described in subparagraph (B) on United States applicants that involved foreign persons, foreign corporations, and foreign governments in the United Kingdom or Australia.

(D) A list of relevant United States laws, regulations, and treaties and other international agreements to which the United States is a party that govern authorizations to export defense articles or defense services that are required to implement the AUKUS partnership.

(E) An assessment of key recommendations the United States Government has provided to the governments of Australia and the United Kingdom to revise laws, regulations, and policies of such countries that are required to implement the AUKUS partnership.

(F) An assessment of recommended improvements to export control laws and regulations of Australia, the United Kingdom, and the United States that such countries should make to implement the AUKUS partnership and to otherwise meet the requirements of section 38(j)(2) of the Arms Export Control Act (22
U.S.C. 2778(j)(2)), and the challenges Australia and the United Kingdom have conveyed in meeting these requirements including with respect to sensitive defense technology security controls.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

(1) the Committee on Foreign Affairs and the Committee on Armed Services of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Armed Services of the Senate.