

**AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 1735
OFFERED BY MR. SHERMAN OF CALIFORNIA**

Page 851, line 2, strike “section” and insert “sections”.

Page 851, strike line 3 and all that follows through page 852, line 9, and insert the following new subsections:

1 “f.(1) In accordance with paragraph (2), the Sec-
2 retary may not make an authorization under subsection
3 b.(2) with respect to a covered foreign country with a nu-
4 clear naval propulsion program unless—

5 “(A) the Director of National Intelligence and
6 the Chief of Naval Operations jointly submit to the
7 appropriate congressional committees an assessment
8 of the risks of diversion, and the likely consequences
9 of such diversion, of the technology and material
10 covered by such authorization;

11 “(B) following the date on which such assess-
12 ment is submitted, and, to the extent practicable,
13 concurrently during the process under which the
14 Secretary evaluates such authorization, the Adminis-

1 trator for Nuclear Security certifies to the appro-
2 priate congressional committees that—

3 “(i) there is sufficient diversion control as
4 part of the transfer under such authorization;
5 and

6 “(ii) such transfer presents a minimal risk
7 of diversion of such technology to a military
8 program that would degrade the technical ad-
9 vantage of the United States; and

10 “(C) a period of 14 days has elapsed following
11 the date of such certification.

12 “(2) The limitation in paragraph (1) shall apply as
13 follows:

14 “(A) During the period preceding the date on
15 which the Chief of Naval Operations first makes a
16 determination under paragraph (3), with respect to
17 technology and material covered by an authorization
18 under subsection b.(2).

19 “(B) During the period beginning on the date
20 on which the Chief first makes such determination,
21 with respect to the critical civil nuclear technologies
22 of the United States covered by a determination
23 made under paragraph (3).

24 “(3) Not later than June 1, 2016, and quinquennially
25 thereafter, the Chief of Naval Operations shall determine

1 the critical civil nuclear technologies of the United States
2 that should be protected from diversion to a military pro-
3 gram of a covered foreign country, including with respect
4 to naval propulsion and weapons. The Chief shall notify
5 the appropriate congressional committees of each such de-
6 termination.

7 “(4) Not later than 30 days after the date on which
8 the Director of National Intelligence determines that there
9 is evidence to believe that critical civil nuclear technology
10 of the United States has been diverted to a foreign country
11 not covered by an authorization made pursuant to sub-
12 section b., including an agreement for cooperation made
13 pursuant to section 123, the Director shall notify the ap-
14 propriate congressional committees of such determination.

15 “(5) The Secretary shall annually notify the appro-
16 priate congressional committees that each covered foreign
17 country is in compliance with its obligations under any
18 authorization made pursuant to subsection b., including
19 an agreement for cooperation made pursuant to section
20 123.

21 “(6) In this subsection:

22 “(A) The term ‘appropriate congressional com-
23 mittees’ means—

1 “(i) the congressional defense committees
2 (as defined in section 101(a)(16) of title 10,
3 United States Code);

4 “(ii) the Select Committee on Intelligence
5 of the Senate and the Permanent Select Com-
6 mittee on Intelligence of the House of Rep-
7 resentatives; and

8 “(iii) the Committee on Foreign Relations
9 of the Senate and the Committee on Foreign
10 Affairs of the House of Representatives.

11 “(B) The term ‘covered foreign country’ means
12 a foreign country that is a nuclear-weapon state, as
13 defined by Article IX (3) of the Treaty on the Non-
14 Proliferation of Nuclear Weapons, signed at Wash-
15 ington, London, and Moscow on July 1, 1968, but
16 does not include the United Kingdom or France.

17 “g.(1) The Secretary may not make an authorization
18 under subsection b.(2) with respect to a covered foreign
19 country if a foreign person of the covered foreign country
20 has been sanctioned under the Iran, North Korea, and
21 Syria Nonproliferation Act (Public Law 106-178; 50
22 U.S.C. 1701 note) during the five-year period preceding
23 the date of the transfer being sought unless the President
24 certifies to the appropriate congressional committees that
25 the covered foreign country is taking adequate measures

1 to prevent, or is making significant progress in preventing,
2 transfers or acquisitions covered by section 2(a) of the
3 Iran, North Korea, and Syria Nonproliferation Act.

4 “(2) The terms ‘appropriate congressional commit-
5 tees’ and ‘covered foreign country’ have the meanings
6 given those terms in subsection f.(6).”.

