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:

“f.(1) In accordance with paragraph (2), the Secretary may not make an authorization under subsection b.(2) with respect to a covered foreign country with a nuclear naval propulsion program unless—

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

“(B) following the date on which such assessment is submitted, and, to the extent practicable, concurrently during the process under which the Secretary evaluates such authorization, the Adminis-
trator for Nuclear Security certifies to the appropriate congressional committees that—

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

“(ii) such transfer presents a minimal risk of diversion of such technology to a military program that would degrade the technical advantage of the United States; and

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

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

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

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

“(3) Not later than June 1, 2016, and quinquennially thereafter, the Chief of Naval Operations shall determine
the critical civil nuclear technologies of the United States
that should be protected from diversion to a military pro-
gram of a covered foreign country, including with respect
to naval propulsion and weapons. The Chief shall notify
the appropriate congressional committees of each such de-
termination.

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

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

“(6) In this subsection:

“(A) The term ‘appropriate congressional com-
mittees’ means—
“(i) the congressional defense committees
(as defined in section 101(a)(16) of title 10,
United States Code);
“(ii) the Select Committee on Intelligence
of the Senate and the Permanent Select Com-
mittee on Intelligence of the House of Rep-
resentatives; and
“(iii) the Committee on Foreign Relations
of the Senate and the Committee on Foreign
Affairs of the House of Representatives.
“(B) The term ‘covered foreign country’ means
a foreign country that is a nuclear-weapon state, as
defined by Article IX (3) of the Treaty on the Non-
Proliferation of Nuclear Weapons, signed at Wash-
ington, London, and Moscow on July 1, 1968, but
does not include the United Kingdom or France.
“g.(1) The Secretary may not make an authorization
under subsection b.(2) with respect to a covered foreign
country if a foreign person of the covered foreign country
has been sanctioned under the Iran, North Korea, and
Syria Nonproliferation Act (Public Law 106-178; 50
U.S.C. 1701 note) during the five-year period preceding
the date of the transfer being sought unless the President
certifies to the appropriate congressional committees that
the covered foreign country is taking adequate measures
to prevent, or is making significant progress in preventing, transfers or acquisitions covered by section 2(a) of the Iran, North Korea, and Syria Nonproliferation Act.

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