

II

Calendar No. _____

115TH CONGRESS
2D SESSION

S. 2497

To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions and to authorize the appropriations of funds to Israel, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2018

Mr. RUBIO (for himself, Mr. COONS, Mr. CASEY, Mr. BLUMENTHAL, Ms. KLOBUČIKAR, Mr. CARDIN, Mr. ROBERTS, Mr. ROUNDS, Ms. MURKOWSKI, Mr. ISAKSON, Mr. WYDEN, Mr. CRUZ, Mr. HOEVEN, Mr. INHOFE, Mr. HATCH, Ms. CANTWELL, Mr. CRAPO, Mrs. CAPITO, Mr. KENNEDY, Mr. MARKEY, Mr. WICKER, Mr. SCOTT, Mr. DONNELLY, Mr. SULLIVAN, Ms. DUCKWORTH, Mr. NELSON, Mr. YOUNG, Ms. COLLINS, Ms. SMITH, Mr. CORNYN, Ms. HEITKAMP, Mr. HELLER, Ms. STABENOW, Mr. RISCH, Mrs. GULLIBRAND, Mr. KAINE, Mr. KING, Ms. BALDWIN, Mr. MORAN, Mr. BLUNT, Mr. VAN HOLLEN, Mr. WARNER, Mr. TESTER, Mr. PERDUE, Mr. BOOZMAN, Mr. GARDNER, Mr. BENNET, Mr. MURPHY, Mr. FLAKE, Mr. TOOMEY, Mr. HEINRICH, Mr. PETERS, Mr. BOOKER, Mrs. HYDE-SMITH, Mr. MANCHIN, Ms. WARREN, Mr. MENENDEZ, Mr. GRASSLEY, Mr. JONES, Mrs. ERNST, Mr. SASSE, Mr. WHITEHOUSE, Ms. CORTEZ MASTO, Mr. PORTMAN, Mr. LANFORD, Ms. HASSAN, Ms. HIRONO, Mr. LEE, Mr. DAINES, and Mrs. McCASKILL) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

_____ (legislative day, _____).

Reported by Mr. CORKER, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italics*]

A BILL

To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions and to authorize the appropriations of funds to Israel, 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 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
 5 “United States-Israel Security Assistance Authorization
 6 Act of 2018”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
 8 this Act is as follows:

~~Sec. 1. Short title, table of contents.~~

~~Sec. 2. Appropriate congressional committees defined.~~

TITLE I—SECURITY ASSISTANCE FOR ISRAEL

~~Sec. 101. Findings.~~

~~Sec. 102. Statement of policy regarding Israel's defense systems.~~

~~Sec. 103. Assistance for Israel.~~

~~Sec. 104. Extension of war reserves stockpile authority.~~

~~Sec. 105. Extension of arms guarantees to Israel.~~

~~Sec. 106. Joint assessment of quantity of precision guided munitions for use by
 Israel.~~

~~Sec. 107. Transfer of precision guided munitions to Israel.~~

~~Sec. 108. Modification of rapid acquisition and deployment procedures.~~

~~Sec. 109. Eligibility of Israel for the strategic trade authorization exception to
 certain export control licensing requirements.~~

TITLE II—ENHANCED UNITED STATES-ISRAEL COOPERATION

~~Sec. 201. United States-Israel space cooperation.~~

~~Sec. 202. United States Agency for International Development—Israel en-
 hanced cooperation.~~

~~Sec. 203. Authority to enter into a cooperative project agreement with Israel
 to counter unmanned aerial vehicles that threaten the United
 States or Israel.~~

TITLE III—ENSURING ISRAEL'S QUALITATIVE MILITARY EDGE

~~Sec. 301. Improved reporting on enhancing Israel's qualitative military edge and security posture.~~

~~Sec. 302. Statement of policy.~~

1 **SEC. 2. APPROPRIATE CONGRESSIONAL COMMITTEES DE-**
2 **FINED.**

3 In this Act, the term “appropriate congressional com-
4 mittees” means—

5 (1) the Committee on Foreign Relations and
6 the Committee on Armed Services of the Senate; and

7 (2) the Committee on Foreign Affairs and the
8 Committee on Armed Services of the House of Rep-
9 resentatives.

10 **TITLE I—SECURITY ASSISTANCE**
11 **FOR ISRAEL**

12 **SEC. 101. FINDINGS.**

13 Congress makes the following findings:

14 (1) In April 1998, the United States designated
15 Israel as a “major non-NATO ally”;

16 (2) On August 16, 2007, the United States and
17 Israel signed a 10-year Memorandum of Under-
18 standing on United States military assistance to
19 Israel. The total assistance over the course of this
20 understanding would equal \$30,000,000,000.

21 (3) On July 27, 2012, the United States-Israel
22 Enhanced Security Cooperation Act of 2012 (Public
23 Law 112–150, 22 U.S.C. 8601 et seq.) declared it
24 to be the policy of the United States “to help the

4

1 Government of Israel preserve its qualitative military
2 edge amid rapid and uncertain regional political
3 transformation” and “provide Israel defense articles
4 and services, to include air refueling tankers, missile
5 defense capabilities, and specialized munitions”.

6 (4) On December 19, 2014, President Barack
7 Obama signed into law the United States-Israel
8 Strategic Partnership Act of 2014 (Public Law 113-
9 296) which stated the sense of Congress that Israel
10 is a major strategic partner of the United States
11 and declared it to be the policy of the United States
12 “to continue to provide Israel with robust security
13 assistance, including for the procurement of the Iron
14 Dome Missile Defense System”.

15 (5) Section 1679 of the National Defense Au-
16 thorization Act for Fiscal Year 2016 (Public Law
17 114-92, 129 Stat. 1135) authorized funds to be ap-
18 propriated for Israeli cooperative missile defense
19 program codevelopment and coproduction, including
20 funds to be provided to the Government of Israel to
21 procure the David’s Sling weapon system as well as
22 the Arrow 3 Upper Tier Interceptor Program.

23 (6) On June 22, 2016, Senate Resolution 508
24 (114th Congress) was introduced in the United
25 States Senate, expressing support for the expeditious

1 consideration and finalization of a new, robust, and
2 long-term Memorandum of Understanding on mili-
3 tary assistance to Israel between the United States
4 Government and the Government of Israel.

5 (7) Senate Resolution 508 provides that the
6 Senate—

7 (A) “reaffirms that Israel is a major stra-
8 tegic partner of the United States”;

9 (B) “reaffirms that it is the policy and law
10 of the United States to ensure that Israel main-
11 tains its qualitative military edge and has the
12 capacity and capability to defend itself from all
13 credible military threats”;

14 (C) “reaffirms United States support of a
15 robust Israeli tiered missile defense program”;

16 (D) “supports continued discussions be-
17 tween the Government of the United States and
18 the Government of Israel for a robust and long-
19 term Memorandum of Understanding on United
20 States military assistance to Israel”;

21 (E) “urges the expeditious finalization of a
22 new Memorandum of Understanding between
23 the Government of the United States and the
24 Government of Israel”; and

1 (F) “supports a robust and long-term
2 Memorandum of Understanding negotiated be-
3 tween the United States and Israel regarding
4 military assistance which increases the amount
5 of aid from previous agreements and signifi-
6 cantly enhances Israel’s military capabilities”.

7 (8) On September 11, 2016, the United States
8 and Israel signed a 10-year Memorandum of Under-
9 standing reaffirming the importance of continuing
10 annual United States military assistance to Israel
11 and cooperative missile defense programs in a way
12 that enhances Israel’s security and strengthens the
13 bilateral relationship between the two countries.

14 (9) The 2016 Memorandum of Understanding
15 reflected United States support of Foreign Military
16 Financing (FMP) grant assistance to Israel over the
17 ten year period beginning in fiscal year 2019 and
18 ending in fiscal year 2028. FMP grant assistance
19 would be at a level of \$3,300,000,000 annually, to-
20 taling \$33,000,000,000, the largest United States
21 assistance package ever and a reiteration of the
22 seven-decade, unshakeable, bipartisan commitment
23 of the United States to Israel’s security.

24 (10) The Memorandum of Understanding also
25 reflected United States support for funding for coop-

1 (B) by striking subparagraphs (A) and
2 (B).

3 **SEC. 104. EXTENSION OF WAR RESERVES STOCKPILE AU-**
4 **THORITY.**

5 (a) DEPARTMENT OF DEFENSE APPROPRIATIONS
6 Act, 2005.—Section 12001(d) of the Department of De-
7 fense Appropriations Act, 2005 (Public Law 108–287;
8 118 Stat. 1011) is amended by striking “after September
9 30, 2018” and inserting “after September 30, 2023”.

10 (b) FOREIGN ASSISTANCE ACT OF 1961.—Section
11 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22
12 U.S.C. 2321h(b)(2)(A)) is amended by striking “2012,
13 2014, 2015, 2016, 2017, and 2018” and inserting “2018,
14 2019, 2020, 2021, 2022, and 2023”.

15 **SEC. 105. EXTENSION OF LOAN GUARANTEES TO ISRAEL.**

16 Chapter 5 of title I of the Emergency Wartime Sup-
17 plemental Appropriations Act, 2003 (Public Law 108–11;
18 117 Stat. 576) is amended under the heading “LOAN
19 GUARANTEES TO ISRAEL”—

20 (1) in the matter preceding the first proviso, by
21 striking “September 30, 2019” and inserting “Sep-
22 tember 30, 2023”; and

23 (2) in the second proviso, by striking “Sep-
24 tember 30, 2019” and inserting “September 30,
25 2023”.

1 **SEC. 106. JOINT ASSESSMENT OF QUANTITY OF PRECISION**
2 **GUIDED MUNITIONS FOR USE BY ISRAEL.**

3 (a) **IN GENERAL.**—The President, acting through the
4 Secretary of State and the Secretary of Defense, is author-
5 ized to conduct a joint assessment with the Government
6 of Israel with respect to the matters described in sub-
7 section (b).

8 (b) **MATTERS DESCRIBED.**—The matters described
9 in this subsection are the following:

10 (1) The quantity and type of precision guided
11 munitions that are necessary for Israel to combat
12 Hezbollah in the event of a sustained armed con-
13 frontation between Israel and Hezbollah.

14 (2) The quantity and type of precision guided
15 munitions that are necessary for Israel in the event
16 of a sustained armed confrontation with other armed
17 groups and terrorist organizations such as Hamas.

18 (3) The resources the Government of Israel can
19 plan to dedicate to acquire such precision guided
20 munitions.

21 (4) United States planning to assist Israel to
22 prepare for sustained armed confrontations de-
23 scribed in this subsection as well as the ability of the
24 United States to resupply Israel in the event of con-
25 frontations described in paragraphs (1) and (2), if
26 any.

1 (c) REPORT.—

2 (1) IN GENERAL.—Not later than 15 days after
3 the date on which the joint assessment authorized
4 under subsection (a) is completed, the President
5 shall submit to the appropriate congressional com-
6 mittees a report that contains the joint assessment.

7 (2) FORM.—The report required under para-
8 graph (1) shall be submitted in unclassified form,
9 but may contain a classified annex.

10 **SEC. 107. TRANSFER OF PRECISION GUIDED MUNITIONS TO**
11 **ISRAEL.**

12 (a) IN GENERAL.—Notwithstanding section 514 of
13 the Foreign Assistance Act of 1961 (22 U.S.C. 2321h),
14 the President is authorized—

15 (1) to utilize the Special Defense Acquisition
16 Fund to transfer precision guided munitions and re-
17 lated defense articles and services to reserve stocks
18 for Israel; and

19 (2) to transfer such quantities of precision
20 guided munitions from reserve stocks for Israel as
21 necessary for legitimate self-defense and otherwise
22 consistent with the purposes and conditions for such
23 transfers under the Arms Export Control Act (22
24 U.S.C. 2751 et seq.).

1 ~~(b) CERTIFICATIONS.—Except in case of emergency,~~
2 ~~not later than 5 days before making a transfer under this~~
3 ~~section, the President shall certify in an unclassified noti-~~
4 ~~fication to the appropriate congressional committees that~~
5 ~~the transfer of the precision guided munitions—~~

6 ~~(1) does not affect the ability of the United~~
7 ~~States to maintain a sufficient supply of precision~~
8 ~~guided munitions;~~

9 ~~(2) does not harm the combat readiness of the~~
10 ~~United States or the ability of the United States to~~
11 ~~meet its commitment to allies for the transfer of~~
12 ~~such munitions; and~~

13 ~~(3) is absolutely necessary for Israel to counter~~
14 ~~the threat of rockets in a timely fashion.~~

15 **SEC. 108. MODIFICATION OF RAPID ACQUISITION AND DE-**
16 **PLOYMENT PROCEDURES.**

17 ~~(a) REQUIREMENT TO ESTABLISH PROCEDURES.—~~

18 ~~(1) IN GENERAL.—Section 806(a) of the Bob~~
19 ~~Stump National Defense Authorization Act for Fis-~~
20 ~~cal Year 2002 (10 U.S.C. 2302 note; Public Law~~
21 ~~107-314) is amended—~~

22 ~~(A) in paragraph (1)(C), by striking “;~~
23 ~~and”;~~

24 ~~(B) in paragraph (2), by striking the pe-~~
25 ~~riod at the end and inserting “; and”;~~ and

1 ~~(C)~~ by adding at the end the following new
2 paragraph:

3 ~~“(B)~~ urgently needed to support production of
4 precision guided munitions—

5 ~~“(A)~~ for United States counterterrorism
6 missions; or

7 ~~“(B)~~ to assist an ally of the United States
8 under direct missile threat from—

9 ~~“(i)~~ an organization the Secretary of
10 State has designated as a foreign terrorist
11 organization pursuant to section 219 of the
12 Immigration and Nationality Act (~~8~~ U.S.C.
13 1189); or

14 ~~“(ii)~~ a country the government of
15 which the Secretary of State has deter-
16 mined, for purposes of section 6(j) of the
17 Export Administration Act of 1979 (~~50~~
18 U.S.C. 1605(j)) (as in effect pursuant to
19 the International Emergency Economic
20 Powers Act), section 620A of the Foreign
21 Assistance Act of 1961 (~~22~~ U.S.C. 2371),
22 section 10 of the Arms Export Control Act
23 (~~22~~ U.S.C. 2780), or any other provision
24 of law, is a government that has repeatedly

1 (1) Israel has adopted high standards in the
2 field of export controls.

3 (2) Israel has declared its unilateral adherence
4 to the Missile Technology Control Regime, the Aus-
5 tralia Group, and the Nuclear Suppliers Group.

6 (3) Israel is a party to—

7 (A) the Convention on Prohibitions or Re-
8 strictions on the Use of Certain Conventional
9 Weapons which may be Deemed to be Exces-
10 sively Injurious or to Have Indiscriminate Ef-
11 fects, signed at Geneva October 10, 1980;

12 (B) the Protocol for the Prohibition of the
13 Use in War of Asphyxiating, Poisonous or
14 Other Gases, and of Bacteriological Methods of
15 Warfare, signed at Geneva June 17, 1925; and

16 (C) the Convention on the Physical Protec-
17 tion of Nuclear Material, adopted at Vienna Oc-
18 tober 26, 1979.

19 (4) Section 6(b) of the United States-Israel
20 Strategic Partnership Act of 2014 (22 U.S.C. 8603
21 note) directs the President, consistent with the com-
22 mitments of the United States under international
23 agreements, to take steps so that Israel may be in-
24 cluded in the list of countries eligible for the stra-
25 tegic trade authorization exception under section

1 ~~740.20(e)(1) of title 15, Code of Federal Regula-~~
2 ~~tions, to the requirement for a license for the export,~~
3 ~~re-export, or in-country transfer of an item subject~~
4 ~~to controls under the Export Administration Regula-~~
5 ~~tions.~~

6 ~~(5) As of December 27, 2016, the last publica-~~
7 ~~tion of the license exceptions country list, Israel had~~
8 ~~not been included for the strategic trade authoriza-~~
9 ~~tion exception under section 740.20 (e) (1) of title~~
10 ~~15, Code of Federal Regulations.~~

11 ~~(b) REPORT ON ELIGIBILITY FOR STRATEGIC TRADE~~
12 ~~AUTHORIZATION EXCEPTION.—~~

13 ~~(1) IN GENERAL.—Not later than 120 days~~
14 ~~after the date of the enactment of this Act, the~~
15 ~~President shall submit to the appropriate congress-~~
16 ~~sional committees a report that—~~

17 ~~(A) describes the steps taken to include~~
18 ~~Israel in the list of countries eligible for the~~
19 ~~strategic trade authorization exception under~~
20 ~~section 740.20(e)(1) of title 15, Code of Federal~~
21 ~~Regulations, as required under 6(b) of the~~
22 ~~United States-Israel Strategic Partnership Act~~
23 ~~of 2014 (~~22 U.S.C. 8603 note; Public Law~~~~
24 ~~113–296); and~~

1 (B) includes the reasons as to why Israel
2 has not yet been included in such list of coun-
3 tries eligible for the strategic trade authoriza-
4 tion exception.

5 (2) FORM.—The report required under para-
6 graph (1) shall be submitted in unclassified form,
7 but may contain a classified annex.

8 **TITLE II—ENHANCED UNITED**
9 **STATES-ISRAEL COOPERATION**

10 **SEC. 201. UNITED STATES-ISRAEL SPACE COOPERATION.**

11 (a) FINDINGS.—Congress makes the following find-
12 ings:

13 (1) Authorized in 1958, the National Aero-
14 nautics and Space Administration (NASA) supports
15 and coordinates United States Government research
16 in aeronautics, human exploration and operations,
17 science, and space technology.

18 (2) Established in 1983, the Israel Space Agen-
19 cy (ISA) supports the growth of Israel's space indus-
20 try by supporting academic research, technological
21 innovation, and educational activities.

22 (3) The mutual interest of the United States
23 and Israel in space exploration affords both nations
24 an opportunity to leverage their unique abilities to
25 advance scientific discovery.

1 (4) In 1996, NASA and the ISA entered into
2 their first agreement outlining areas of mutual co-
3 operation, which remained in force until 2005.

4 (5) Since 1996, NASA and the ISA have suc-
5 cessfully cooperated on many space programs sup-
6 porting the Global Positioning System and research
7 related to the sun, earth science, and the environ-
8 ment.

9 (6) The bond between NASA and the ISA was
10 permanently forged on February 1, 2003, with the
11 loss of the crew of STS-107, including Israeli Astro-
12 naut Ilan Ramon.

13 (7) The United States-Israel Strategic Partner-
14 ship Act Of 2014 (Public Law 113-296) designated
15 Israel as a major strategic partner of the United
16 States.

17 (8) On October 13, 2015, the United States
18 and Israel signed the Framework Agreement be-
19 tween the National Aeronautics and Space Adminis-
20 tration of the United States of America and the
21 Israel Space Agency for Cooperation in Aeronautics
22 and the Exploration and Use of Airspace and Outer
23 Space for Peaceful Purposes.

24 (b) CONTINUING COOPERATION.—The Administrator
25 of the National Aeronautics and Space Administration

1 shall continue to work with the Israel Space Agency to
2 identify and cooperatively pursue peaceful space explo-
3 ration and science initiatives in areas of mutual interest,
4 taking all appropriate measures to protect sensitive infor-
5 mation, intellectual property, trade secrets, and economic
6 interests of the United States.

7 **SEC. 202. UNITED STATES AGENCY FOR INTERNATIONAL**
8 **DEVELOPMENT—ISRAEL ENHANCED CO-**
9 **OPERATION.**

10 (a) **STATEMENT OF POLICY.**—It should be the policy
11 of the United States Agency for International Develop-
12 ment (USAID) to cooperate with Israel in order to ad-
13 vance common goals across a wide variety of sectors, in-
14 cluding energy, agriculture and food security, democracy,
15 human rights and governance, economic growth and trade,
16 education, environment, global health, and water and sani-
17 tation.

18 (b) **MEMORANDUM OF UNDERSTANDING.**—The Ad-
19 ministrator of the United States Agency for International
20 Development is authorized to enter into memoranda of un-
21 derstanding with Israel in order to advance common goals
22 on energy, agriculture and food security, democracy,
23 human rights and governance, economic growth and trade,
24 education, environment, global health, and water and sani-

1 tation with a focus on strengthening mutual ties and co-
2 operation with nations throughout the world.

3 **SEC. 203. AUTHORITY TO ENTER INTO A COOPERATIVE**
4 **PROJECT AGREEMENT WITH ISRAEL TO**
5 **COUNTER UNMANNED AERIAL VEHICLES**
6 **THAT THREATEN THE UNITED STATES OR**
7 **ISRAEL.**

8 (a) **FINDINGS.**—Congress makes the following find-
9 ings:

10 (1) On February 10, 2018, Iran launched from
11 Syria an unmanned aerial vehicle (commonly known
12 as a “drone”) that penetrated Israeli airspace.

13 (2) Israeli officials noted that the unmanned
14 aerial vehicle was in Israeli airspace for a minute-
15 and-a-half before being shot down by its air force.

16 (3) Senior Israeli officials stated that the un-
17 manned aerial vehicle was an advanced piece of tech-
18 nology.

19 (4) It remains unclear whether the unmanned
20 aerial vehicle was armed. Nonetheless, the launch,
21 and sophistication of the unmanned aerial vehicle,
22 highlight the threat Israel faces from unmanned aer-
23 ial vehicles from Iranian forces active in Syria and
24 from Hezbollah in Lebanon.

1 (5) The United States likewise faces the threat
2 of unmanned aerial vehicles along the United States
3 border and in areas of active hostilities, including Is-
4 lamic State of Iraq and Syria (ISIS) drones in Syria
5 and Iraq and al Qaeda manufactured drones in Af-
6 ghanistan.

7 (b) SENSE OF CONGRESS.—It is the sense of the
8 Congress that—

9 (1) joint research and development to counter
10 unmanned aerial vehicles will serve the national se-
11 curity interests of the United States and Israel;

12 (2) Israel faces urgent and emerging threats
13 from unmanned aerial vehicles, and other unmanned
14 vehicles, launched from Lebanon by Hezbollah, from
15 Syria by Iran's Revolutionary Guard Corps, or from
16 others seeking to attack Israel; and

17 (3) the United States and Israel should con-
18 tinue to work together to defend against all threats
19 to the safety, security, and national interests of both
20 countries.

21 (c) AUTHORITY TO ENTER INTO AGREEMENT.—

22 (1) IN GENERAL.—The President is authorized
23 to enter into a cooperative project agreement with
24 Israel under the authority of section 27 of the Arms
25 Export Control Act (22 U.S.C. 2767), to carry out

1 research on and development, testing, evaluation,
2 and joint production (including follow-on support) of
3 defense articles and defense services to detect, track,
4 and destroy unmanned aerial vehicles that threaten
5 the United States or Israel.

6 ~~(2) APPLICABLE REQUIREMENTS.—~~The cooper-
7 ative project agreement described in paragraph
8 ~~(1)—~~

9 (A) shall provide that any activities carried
10 out pursuant to the agreement are subject to—

11 (i) the applicable requirements de-
12 scribed in subparagraphs (A), (B), and (C)
13 of section 27(b)(2) of the Arms Export
14 Control Act (~~22~~ U.S.C. 2767(b)(2)); and

15 (ii) any other applicable requirements
16 of the Arms Export Control Act (~~22~~
17 U.S.C. 2751 et seq.) with respect to the
18 use, transfers, and security of such defense
19 articles and defense services under that
20 Act; and

21 (B) shall establish a framework to nego-
22 tiate the rights to intellectual property devel-
23 oped under the agreement.

1 **TITLE III—ENSURING ISRAEL'S**
2 **QUALITATIVE MILITARY EDGE**

3 **SEC. 301. IMPROVED REPORTING ON ENHANCING ISRAEL'S**
4 **QUALITATIVE MILITARY EDGE AND SECU-**
5 **RITY POSTURE.**

6 Section 201(c)(2) the Naval Vessel Transfer Act of
7 2008 is amended by adding at the end the following: “The
8 report shall include an assessment of—

9 “(A) the ability of Israel to effectively de-
10 fend itself against military threats from re-
11 gional non-state actors;

12 “(B) the risk that is posed by the sale or
13 export of a subsequent unauthorized transfer or
14 proliferation of the equipment for use against
15 Israel;

16 “(C) the range of cyber and asymmetric
17 threats posed to Israel by state and non-state
18 actors;

19 “(D) the range of threats posed to Israel
20 by state and non-state actors through the use
21 of unmanned vehicles and systems, through air,
22 land, or water; and

23 “(E) the effective countermeasures avail-
24 able to Israel to defend against the risks and

1 threats described in subparagraphs (B) through
2 (D).”.

3 **SEC. 302. STATEMENT OF POLICY.**

4 It is the policy of the United States to ensure that
5 Israel maintains its ability to counter and defeat any cred-
6 ible conventional military, or emerging, threat from any
7 individual state or possible coalition of states or from non-
8 state actors, while sustaining minimal damages and cas-
9 ualties, through the use of superior military means, pos-
10 sessed in sufficient quantity, including weapons, com-
11 mand, control, communication, intelligence, surveillance,
12 and reconnaissance capabilities that in their technical
13 characteristics are superior in capability to those of such
14 other individual or possible coalition states or non-state
15 actors.

16 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

17 (a) *SHORT TITLE.*—This Act may be cited as the
18 “United States-Israel Security Assistance Authorization
19 Act of 2018”.

20 (b) *TABLE OF CONTENTS.*—The table of contents for
21 this Act is as follows:

Sec. 1. Short title; table of contents.

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Sec. 202. United States Agency for International Development-Israel enhanced partnership for development cooperation in developing nations.

Sec. 203. Authority to enter into a cooperative project agreement with Israel to counter unmanned aerial vehicles that threaten the United States or Israel.

TITLE III—ENSURING ISRAEL'S QUALITATIVE MILITARY EDGE

Sec. 301. Statement of policy.

1 SEC. 2. APPROPRIATE CONGRESSIONAL COMMITTEES DE- 2 FINED.

3 *In this Act, the term “appropriate congressional com-
4 mittees” means—*

5 *(1) the Committee on Foreign Relations and the
6 Committee on Armed Services of the Senate; and*

7 *(2) the Committee on Foreign Affairs and the
8 Committee on Armed Services of the House of Rep-
9 resentatives.*

10 TITLE I—SECURITY ASSISTANCE 11 FOR ISRAEL

12 SEC. 101. FINDINGS.

13 *Congress makes the following findings:*

14 *(1) In February 1987, the United States granted
15 Israel major non-NATO ally status.*

16 *(2) On August 16, 2007, the United States and
17 Israel signed a ten-year Memorandum of Under-*

1 *standing on United States military assistance to*
2 *Israel. The total assistance over the course of this un-*
3 *derstanding would equal \$30,000,000,000.*

4 *(3) On July 27, 2012, the United States-Israel*
5 *Enhanced Security Cooperation Act of 2012 (Public*
6 *Law 112–150; 22 U.S.C. 8601 et seq.) declared it to*
7 *be the policy of the United States “to help the Govern-*
8 *ment of Israel preserve its qualitative military edge*
9 *amid rapid and uncertain regional political trans-*
10 *formation” and stated the sense of Congress that the*
11 *United States Government should “provide the Gov-*
12 *ernment of Israel defense articles and defense services*
13 *through such mechanisms as appropriate, to include*
14 *air refueling tankers, missile defense capabilities, and*
15 *specialized munitions”.*

16 *(4) On December 19, 2014, President Barack*
17 *Obama signed into law the United States-Israel Stra-*
18 *tegic Partnership Act of 2014 (Public Law 113–296)*
19 *which stated the sense of Congress that Israel is a*
20 *major strategic partner of the United States and de-*
21 *clared it to be the policy of the United States “to con-*
22 *tinue to provide Israel with robust security assistance,*
23 *including for the procurement of the Iron Dome Mis-*
24 *sile Defense System”.*

1 (5) *Section 1679 of the National Defense Author-*
2 *ization Act for Fiscal Year 2016 (Public Law 114-*
3 *92; 129 Stat. 1135) authorized funds to be appro-*
4 *priated for Israeli cooperative missile defense pro-*
5 *gram codevelopment and coproduction, including*
6 *funds to be provided to the Government of Israel to*
7 *procure the David's Sling weapon system as well as*
8 *the Arrow 3 Upper Tier Interceptor Program.*

9 (6) *On September 14, 2016, the United States*
10 *and Israel signed a ten-year Memorandum of Under-*
11 *standing reaffirming the importance of continuing*
12 *annual United States military assistance to Israel*
13 *and cooperative missile defense programs in a way*
14 *that enhances Israel's security and strengthens the bi-*
15 *lateral relationship between the two countries.*

16 (7) *The 2016 Memorandum of Understanding re-*
17 *flected United States support of Foreign Military Fi-*
18 *nancing (FMF) grant assistance to Israel over the ten*
19 *year period beginning in fiscal year 2019 and ending*
20 *in fiscal year 2028. FMF grant assistance would be*
21 *at a level of \$3,300,000,000 annually, totaling*
22 *\$33,000,000,000, the largest single pledge of military*
23 *assistance ever and a reiteration of the seven-decade,*
24 *unshakeable, bipartisan commitment of the United*
25 *States to Israel's security.*

1 (8) *The Memorandum of Understanding also re-*
2 *flected United States support for funding for coopera-*
3 *tive programs to develop, produce, and procure mis-*
4 *sile, rocket, and projectile defense capabilities over a*
5 *ten year period beginning in fiscal year 2019 and*
6 *ending in fiscal year 2028 at a level of \$500,000,000*
7 *per year, totaling \$5,000,000,000.*

8 **SEC. 102. STATEMENT OF POLICY REGARDING ISRAEL'S DE-**
9 **FENSE SYSTEMS.**

10 *It shall be the policy of the United States to provide*
11 *assistance to the Government of Israel in order to support*
12 *funding for cooperative programs to develop, produce, and*
13 *procure missile, rocket, projectile, and other defense capa-*
14 *bilities to help Israel meet its security needs and to help*
15 *develop and enhance United States defense capabilities.*

16 **SEC. 103. ASSISTANCE FOR ISRAEL.**

17 (a) *AUTHORIZATION OF APPROPRIATIONS FOR*
18 *ISRAEL.—Section 513(c) of the Security Assistance Act of*
19 *2000 (Public Law 106–280; 114 Stat. 856) is amended—*

20 (1) *in paragraph (1), by striking “2002 and*
21 *2003” and inserting “2019, 2020, 2021, 2022, 2023,*
22 *2024, 2025, 2026, 2027, and 2028”;*

23 (2) *in paragraph (2)—*

24 (A) *by striking “equal to—” and inserting*
25 *“not less than \$3,300,000,000.”; and*

1 (B) by striking subparagraphs (A) and (B).

2 **SEC. 104. EXTENSION OF WAR RESERVES STOCKPILE AU-**
3 **THORITY.**

4 (a) *DEPARTMENT OF DEFENSE APPROPRIATIONS ACT,*
5 2005.—Section 12001(d) of the Department of Defense Ap-
6 propriations Act, 2005 (Public Law 108–287; 118 Stat.
7 1011) is amended by striking “after September 30, 2018”
8 and inserting “after September 30, 2023”.

9 (b) *FOREIGN ASSISTANCE ACT OF 1961.*—Section
10 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22
11 U.S.C. 2321h(b)(2)(A)) is amended by striking “2013,
12 2014, 2015, 2016, 2017, and 2018” and inserting “2018,
13 2019, 2020, 2021, 2022, and 2023.”.

14 **SEC. 105. EXTENSION OF LOAN GUARANTEES TO ISRAEL.**

15 Chapter 5 of title I of the Emergency Wartime Supple-
16 mental Appropriations Act, 2003 (Public Law 108–11; 117
17 Stat. 576) is amended under the heading “LOAN GUARAN-
18 TEES TO ISRAEL”—

19 (1) in the matter preceding the first proviso, by
20 striking “September 30, 2019” and inserting “Sep-
21 tember 30, 2023”; and

22 (2) in the second proviso, by striking “September
23 30, 2019” and inserting “September 30, 2023”.

1 **SEC. 106. JOINT ASSESSMENT OF QUANTITY OF PRECISION**
2 **GUIDED MUNITIONS FOR USE BY ISRAEL.**

3 (a) *IN GENERAL.*—The President, acting through the
4 Secretary of State and the Secretary of Defense, is author-
5 ized to conduct a joint assessment with the Government of
6 Israel with respect to the matters described in subsection
7 (b).

8 (b) *MATTERS DESCRIBED.*—The matters described in
9 this subsection are the following:

10 (1) *The quantity and type of precision guided*
11 *munitions that are necessary for Israel to combat*
12 *Hezbollah in the event of a sustained armed con-*
13 *frontation between Israel and Hezbollah.*

14 (2) *The quantity and type of precision guided*
15 *munitions that are necessary for Israel in the event*
16 *of a sustained armed confrontation with other armed*
17 *groups and terrorist organizations such as Hamas.*

18 (3) *The resources the Government of Israel can*
19 *plan to dedicate to acquire such precision guided mu-*
20 *nitions.*

21 (1) *United States plans to assist Israel to pre-*
22 *pare for sustained armed confrontations described in*
23 *this subsection as well as the ability of the United*
24 *States to resupply Israel with precision guided muni-*
25 *tions in the event of confrontations described in para-*
26 *graphs (1) and (2), if any.*

1 (c) *REPORT.*—

2 (1) *IN GENERAL.*—Not later than 15 days after
3 the date on which the joint assessment authorized
4 under subsection (a) is completed, the President shall
5 submit to the appropriate congressional committees a
6 report that contains the joint assessment.

7 (2) *FORM.*—The report required under para-
8 graph (1) shall be submitted in unclassified form, but
9 may contain a classified annex.

10 **SEC. 107. TRANSFER OF PRECISION GUIDED MUNITIONS TO**
11 **ISRAEL.**

12 (a) *IN GENERAL.*—Notwithstanding section 514 of the
13 Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the
14 President is authorized to sell such quantities of precision
15 guided munitions from reserve stocks to Israel as necessary
16 for legitimate self-defense and otherwise consistent with the
17 purposes and conditions for such sales under the Arms Ex-
18 port Control Act (22 U.S.C. 2751 et seq.).

19 (b) *CERTIFICATIONS.*—Except in case of emergency,
20 not later than 5 days before making a sale under this sec-
21 tion, the President shall certify in an unclassified notifica-
22 tion to the appropriate congressional committees that the
23 sale of the precision guided munitions—

1 (1) does not affect the ability of the United
2 States to maintain a sufficient supply of precision
3 guided munitions;

4 (2) does not harm the combat readiness of the
5 United States or the ability of the United States to
6 meet its commitment to allies for the transfer of such
7 munitions; and

8 (3) is necessary for Israel to counter the threat
9 of rockets in a timely fashion.

10 **SEC. 108. MODIFICATION OF RAPID ACQUISITION AND DE-**
11 **PLOYMENT PROCEDURES.**

12 (a) *REQUIREMENT TO ESTABLISH PROCEDURES.*—

13 (1) *IN GENERAL.*—Section 806(a) of the Bob
14 Stump National Defense Authorization Act for Fiscal
15 Year 2003 (10 U.S.C. 2302 note; Public Law 107–
16 314) is amended—

17 (A) in paragraph (1)(C), by striking “;
18 and”;

19 (B) in paragraph (2), by striking the period
20 at the end and inserting “; and”; and

21 (C) by adding at the end the following new
22 paragraph:

23 “(3) urgently needed to support production of
24 precision guided munitions—

1 “(A) for United States counterterrorism
2 missions; or

3 “(B) to assist an ally of the United States
4 under direct missile threat from—

5 “(i) an organization the Secretary of
6 State has designated as a foreign terrorist
7 organization pursuant to section 219 of the
8 Immigration and Nationality Act (8 U.S.C.
9 1189); or

10 “(ii) a country the government of
11 which the Secretary of State has deter-
12 mined, for purposes of section 6(j) of the
13 Export Administration Act of 1979 (50
14 U.S.C. 4605(j)) (as in effect pursuant to the
15 International Emergency Economic Powers
16 Act), section 620A of the Foreign Assistance
17 Act of 1961 (22 U.S.C. 2371), section 40 of
18 the Arms Export Control Act (22 U.S.C.
19 2780), or any other provision of law, is a
20 government that has repeatedly provided
21 support for acts of international ter-
22 rorism.”.

23 (2) *PRESCRIPTION OF PROCEDURES.*—Not later
24 than 180 days after the date of the enactment of this
25 Act, the Secretary of Defense shall prescribe proce-

1 (A) *the Convention on Prohibitions or Re-*
2 *strictions on the Use of Certain Conventional*
3 *Weapons which may be Deemed to be Excessively*
4 *Injurious or to Have Indiscriminate Effects,*
5 *signed at Geneva October 10, 1980;*

6 (B) *the Protocol for the Prohibition of the*
7 *Use in War of Asphyxiating, Poisonous or Other*
8 *Gases, and of Bacteriological Methods of War-*
9 *fare, signed at Geneva June 17, 1925; and*

10 (C) *the Convention on the Physical Protec-*
11 *tion of Nuclear Material, adopted at Vienna Oc-*
12 *tober 26, 1979.*

13 (1) *Section 6(b) of the United States-Israel Stru-*
14 *tegic Partnership Act of 2014 (22 U.S.C. 8603 note)*
15 *directs the President, consistent with the commitments*
16 *of the United States under international agreements,*
17 *to take steps so that Israel may be included in the list*
18 *of countries eligible for the strategic trade authoriza-*
19 *tion exception under section 740.20(c)(1) of title 15,*
20 *Code of Federal Regulations, to the requirement for a*
21 *license for the export, reexport, or in-country transfer*
22 *of an item subject to controls under the Export Ad-*
23 *ministration Regulations.*

24 (b) *REPORT ON ELIGIBILITY FOR STRATEGIC TRADE*
25 *AUTHORIZATION EXCEPTION.—*

1 (1) *IN GENERAL.*—Not later than 120 days after
2 the date of the enactment of this Act, the President
3 shall submit to the appropriate congressional commit-
4 tees a report that—

5 (A) describes the steps taken to include
6 Israel in the list of countries eligible for the stra-
7 tegic trade authorization exception as required
8 under 6(b) of the United States-Israel Strategic
9 Partnership Act of 2011 (22 U.S.C. 8603 note;
10 Public Law 113–296); and

11 (B) includes what steps are necessary for
12 Israel to be included in such a list of countries
13 eligible for the strategic trade authorization ex-
14 ception.

15 (2) *FORM.*—The report required under para-
16 graph (1) shall be submitted in unclassified form, but
17 may contain a classified annex.

18 **TITLE II—ENHANCED UNITED**
19 **STATES-ISRAEL COOPERATION**

20 **SEC. 201. UNITED STATES-ISRAEL SPACE COOPERATION.**

21 (a) *FINDINGS.*—Congress makes the following findings:

22 (1) Authorized in 1958, the National Aeronautics
23 and Space Administration (NASA) supports and co-
24 ordinates United States Government research in aero-

1 *navitics, human exploration and operations, science,*
2 *and space technology.*

3 *(2) Established in 1983, the Israel Space Agency*
4 *(ISA) supports the growth of Israel's space industry*
5 *by supporting academic research, technological inno-*
6 *vation, and educational activities.*

7 *(3) The mutual interest of the United States and*
8 *Israel in space exploration affords both nations an*
9 *opportunity to leverage their unique abilities to ad-*
10 *vance scientific discovery.*

11 *(4) In 1996, NASA and the ISA entered into an*
12 *agreement outlining areas of mutual cooperation,*
13 *which remained in force until 2005.*

14 *(5) Since 1996, NASA and the ISA have success-*
15 *fully cooperated on many space programs supporting*
16 *the Global Positioning System and research related to*
17 *the sun, earth science, and the environment.*

18 *(6) The bond between NASA and the ISA was*
19 *permanently forged on February 1, 2003, with the*
20 *loss of the crew of STS-107, including Israeli Astro-*
21 *naut Ilan Ramon.*

22 *(7) On October 13, 2015, the United States and*
23 *Israel signed the Framework Agreement between the*
24 *National Aeronautics and Space Administration of*
25 *the United States of America and the Israel Space*

1 *Agency for Cooperation in Aeronautics and the Ex-*
2 *ploration and Use of Airspace and Outer Space for*
3 *Peaceful Purposes.*

4 *(b) CONTINUING COOPERATION.—The Administrator*
5 *of the National Aeronautics and Space Administration*
6 *shall continue to work with the Israel Space Agency to iden-*
7 *tify and cooperatively pursue peaceful space exploration*
8 *and science initiatives in areas of mutual interest, taking*
9 *all appropriate measures to protect sensitive information,*
10 *intellectual property, trade secrets, and economic interests*
11 *of the United States.*

12 **SEC. 202. UNITED STATES AGENCY FOR INTERNATIONAL**
13 **DEVELOPMENT-ISRAEL ENHANCED PARTNER-**
14 **SHIP FOR DEVELOPMENT COOPERATION IN**
15 **DEVELOPING NATIONS.**

16 *(a) STATEMENT OF POLICY.—It should be the policy*
17 *of the United States Agency for International Development*
18 *(USAID) to partner with Israel in order to advance com-*
19 *mon goals across a wide variety of sectors, including energy,*
20 *agriculture and food security, democracy, human rights*
21 *and governance, economic growth and trade, education, en-*
22 *vironment, global health, and water and sanitation.*

23 *(b) MEMORANDUM OF UNDERSTANDING.—The Admin-*
24 *istrator of the United States Agency for International De-*
25 *velopment is authorized to enter into memoranda of under-*

1 *standing with Israel in order to enhance coordination on*
2 *advancing common goals on energy, agriculture and food*
3 *security, democracy, human rights and governance, eco-*
4 *nomie growth and trade, education, environment, global*
5 *health, and water and sanitation with a focus on strength-*
6 *ening mutual ties and cooperation with nations throughout*
7 *the world.*

8 **SEC. 203. AUTHORITY TO ENTER INTO A COOPERATIVE**
9 **PROJECT AGREEMENT WITH ISRAEL TO**
10 **COUNTER UNMANNED AERIAL VEHICLES**
11 **THAT THREATEN THE UNITED STATES OR**
12 **ISRAEL.**

13 *(a) FINDINGS.—Congress makes the following findings:*

14 *(1) On February 10, 2018, Iran launched from*
15 *Syria an unmanned aerial vehicle (commonly known*
16 *as a “drone”) that penetrated Israeli airspace.*

17 *(2) According to a press report, the unmanned*
18 *aerial vehicle was in Israeli airspace for a minute*
19 *and a half before being shot down by its air force.*

20 *(3) Senior Israeli officials stated that the un-*
21 *manned aerial vehicle was an advanced piece of tech-*
22 *nology.*

23 *(b) SENSE OF CONGRESS.—It is the sense of the Con-*
24 *gress that—*

1 (1) *joint research and development to counter*
2 *unmanned aerial vehicles will serve the national secu-*
3 *rity interests of the United States and Israel;*

4 (2) *Israel faces urgent and emerging threats from*
5 *unmanned aerial vehicles, and other unmanned vehi-*
6 *cles, launched from Lebanon by Hezbollah, from*
7 *Syria by Iran's Revolutionary Guard Corps, or from*
8 *others seeking to attack Israel;*

9 (3) *efforts to counter unmanned aerial vehicles*
10 *should include the feasibility of utilizing directed en-*
11 *ergy and high powered microwave technologies, which*
12 *can disable vehicles without kinetic destruction; and*

13 (4) *the United States and Israel should continue*
14 *to work together to defend against all threats to the*
15 *safety, security, and national interests of both coun-*
16 *tries.*

17 (c) *AUTHORITY TO ENTER INTO AGREEMENT.—*

18 (1) *IN GENERAL.—The President is authorized to*
19 *enter into a cooperative project agreement with Israel*
20 *under the authority of section 27 of the Arms Export*
21 *Control Act (22 U.S.C. 2767), to carry out research*
22 *on, and development, testing, evaluation, and joint*
23 *production (including follow-on support) of, defense*
24 *articles and defense services, such as the use of di-*
25 *rected energy or high powered microwave technology,*

1 to detect, track, and destroy unmanned aerial vehicles
2 that threaten the United States or Israel.

3 (2) *APPLICABLE REQUIREMENTS.*—The coopera-
4 tive project agreement described in paragraph (1)
5 shall—

6 (A) provide that any activities carried out
7 pursuant to the agreement are subject to—

8 (i) the applicable requirements de-
9 scribed in subparagraphs (A), (B), and (C)
10 of section 27(b)(2) of the Arms Export Con-
11 trol Act (22 U.S.C. 2767(b)(2)); and

12 (ii) any other applicable requirements
13 of the Arms Export Control Act (22 U.S.C.
14 2751 *et seq.*) with respect to the use, trans-
15 fers, and security of such defense articles
16 and defense services under that Act;

17 (B) establish a framework to negotiate the
18 rights to intellectual property developed under
19 the agreement; and

20 (C) include appropriate protections for sen-
21 sitive technology.

1 **TITLE III—ENSURING ISRAEL’S**
2 **QUALITATIVE MILITARY EDGE**

3 **SEC. 301. STATEMENT OF POLICY.**

4 *It is the policy of the United States to ensure that*
5 *Israel maintains its ability to counter and defeat any cred-*
6 *ible conventional military, or emerging, threat from any*
7 *individual state or possible coalition of states or from non-*
8 *state actors, while sustaining minimal damages and casual-*
9 *ties, through the use of superior military means, possessed*
10 *in sufficient quantity, including weapons, command, con-*
11 *trol, communication, intelligence, surveillance, and recon-*
12 *naissance capabilities that in their technical characteristics*
13 *are superior in capability to those of such other individual*
14 *or possible coalition states or non-state actors.*