

.....
(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. 5248

To ensure the alignment of economic and foreign policies, to position the Department of State to reflect that economic security is national security, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. KIM introduced the following bill; which was referred to the Committee on _____

A BILL

To ensure the alignment of economic and foreign policies, to position the Department of State to reflect that economic security is national security, 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 “Producing Returns and Opportunity for Investment and
6 Trade Act of 2026” or the “PROFIT Act of 2026”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Under Secretary of State for Economic Growth, Energy, and the Environment.
- Sec. 4. Administration of the International Technology Security and Innovation Fund.
- Sec. 5. Assistant Secretary for Sanctions Policy.
- Sec. 6. Chief Economist.
- Sec. 7. Assistant Secretary for Economic and Business Affairs.
- Sec. 8. Enhancing subnational diplomacy.
- Sec. 9. Energy security and diplomacy.
- Sec. 10. Assistant Secretary for Water, Environment, and Space Affairs.
- Sec. 11. Strengthening economic expertise at the Department of State.
- Sec. 12. References.
- Sec. 13. Energy diplomacy.

3 **SEC. 2. DEFINITIONS.**

4 In this Act:

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

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

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

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

1 **SEC. 3. 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. 4. ADMINISTRATION OF THE INTERNATIONAL TECH-**
2 **NOLOGY SECURITY AND INNOVATION FUND.**

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

5 (1) in paragraph (1)—

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

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

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

19 **SEC. 5. ASSISTANT SECRETARY FOR SANCTIONS POLICY.**

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

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

25 “(1) ESTABLISHMENT.—There is authorized to
26 be in the Department an Assistant Secretary for

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

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

19 “(A) Developing the foreign policy strategy
20 of United States sanctions programs, including
21 consideration of the use of sanctions in com-
22 bination with other United States foreign policy
23 tools and the political and economic implica-
24 tions of sanction policies.

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

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

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

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

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

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

24 “(H) Representing the Department in all
25 interagency groups or organizations within the

1 executive branch that plan, assess, analyze, or
2 review United States sanctions policies, such as
3 interagency groups organized under the aus-
4 pices of the Department of Treasury, the De-
5 partment of Commerce, and the Department of
6 Homeland Security.

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

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

21 “(4) FIRST APPOINTMENT.—On the date of the
22 enactment of this Act, the individual serving before
23 such date of enactment as the Coordinator for Sanc-
24 tions shall be the Assistant Secretary for Sanctions
25 Policy. Any subsequent appointment of an individual

1 to the position of Assistant Secretary for Sanctions
2 Policy shall be subject to the advice and consent of
3 the Senate.

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

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

14 **SEC. 6. CHIEF ECONOMIST.**

15 Section 1 of the State Department Basic Authorities
16 Act of 1956 (22 U.S.C. 2651a), as amended by section
17 7, is further amended—

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

20 (2) by inserting after subsection (i) the fol-
21 lowing new subsection:

22 “(j) OFFICE OF THE CHIEF ECONOMIST WITHIN THE
23 DEPARTMENT OF STATE; CHIEF ECONOMIST AS HEAD OF
24 THE OFFICE; PERSONNEL WITHIN THE OFFICE.—

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

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

18 “(A) Providing research and analysis to in-
19 form the development of the Department’s
20 strategy for deploying foreign policy to ensure
21 supply chain resilience, secure access to raw
22 materials and critical minerals, and maximize
23 international market access.

24 “(B) Providing analysis of complex, emerg-
25 ing geoeconomic issues and offer advice to De-

1 partment leadership on economic diplomacy
2 challenges.

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

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

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

22 “(F) Serving as a liaison to technical ex-
23 perts in economics and related fields in partner
24 governments, international institutions, and

1 elsewhere in the United States government and
2 academic community.

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

7 “(3) REPORT.—Not later than 1 year after the
8 date of the enactment of this subsection, and every
9 2 years for the subsequent four years, the Chief
10 Economist shall transmit to Congress a report on
11 the international economic strategy of the United
12 States and its analytical basis. In preparing the re-
13 port, the Chief Economist shall coordinate input and
14 analysis from other bureaus within the Under Sec-
15 retary of State for Economic Growth, Energy, and
16 the Environment .

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

23 “(5) CHIEF ECONOMIST.—The Chief Economist
24 shall be the head of the Office of the Chief Econo-
25 mist.

1 “(6) PERSONNEL OF THE OFFICE OF THE
2 CHIEF ECONOMIST.—

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

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

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

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

21 “(iv) time-limited detailees from other
22 offices of the Department or of other Fed-
23 eral departments or agencies, on a mutu-
24 ally agreeable, non-reimbursable basis.

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

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

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

14 **SEC. 7. ASSISTANT SECRETARY FOR ECONOMIC AND BUSI-**
15 **NESS AFFAIRS.**

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

20 “(4) ASSISTANT SECRETARY AND BUREAU FOR
21 ECONOMIC AND BUSINESS AFFAIRS.—

22 “(A) ESTABLISHMENT.—There is author-
23 ized to be in the Department an Assistant Sec-
24 retary for Economic and Business Affairs who
25 shall be responsible to the Under Secretary of

1 State for Economic Growth, Energy, and the
2 Environment for matters pertaining to the
3 trade and investment promotion and policy,
4 international finance and development, trans-
5 portation affairs, and such other related duties
6 as the Secretary may from time to time des-
7 ignate.

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

16 “(i) Trade and investment promotion,
17 such as—

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

21 “(II) identifying foreign market
22 opportunities for United States busi-
23 nesses and helping United States
24 firms overcome challenges in foreign
25 business climates;

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

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

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

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

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

22 “(iii) International investment policy,
23 including monitoring international invest-
24 ment climates, negotiating and imple-
25 menting investment agreements, rep-

1 resenting the Department in the Com-
2 mittee on Foreign Investment in the
3 United States, and assisting United States
4 companies involved in investment disputes
5 with foreign governments.

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

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

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

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

21 **SEC. 8. ENHANCING SUBNATIONAL DIPLOMACY.**

22 Section 1 of the State Department Basic Authorities
23 Act of 1956 (22 U.S.C. 2651a), as amended by section
24 8, is further amended by inserting the after subsection (j)
25 following new subsection:

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

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

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

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

1 ments in the conduct of foreign policy, including the
2 following:

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

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

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

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

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

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

23 “(iii) Attracting foreign direct invest-
24 ment and other forms of economic coopera-
25 tion.

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

5 “(v) Advancing sports diplomacy with
6 foreign countries and entities.

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

11 “(vii) Understanding the local impli-
12 cations of foreign policy developments or
13 policy changes.

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

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

22 “(G) Coordinating subnational engage-
23 ments with associations of subnational elected
24 leaders, including the United States Conference

1 of Mayors, National Governors Association, Na-
2 tional League of Cities and similar associations.

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

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

13 **SEC. 9. ENERGY SECURITY AND DIPLOMACY.**

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 9, is further amended—

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

19 (2) by inserting after paragraph (7) the fol-
20 lowing:

21 “(8) ASSISTANT SECRETARY AND BUREAU FOR
22 ENERGY SECURITY AND DIPLOMACY.—

23 “(A) ESTABLISHMENT.—There is author-
24 ized to be in the Department an Assistant Sec-
25 retary for Energy Security and Diplomacy who

1 shall be responsible to the Under Secretary of
2 State for Economic Growth, Energy, and the
3 Environment for all matters pertaining to the
4 formulation and implementation of inter-
5 national energy, energy technology, critical min-
6 erals, and relevant supply chain policies in the
7 conduct of foreign policy by the Department,
8 including, as appropriate, to protect United
9 States energy security interests, lead the coordi-
10 nation of energy programs carried out by
11 United States Government agencies abroad, and
12 such other related duties as the Secretary may
13 from time to time designate.

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

24 “(i) Representing the Secretary in
25 interagency efforts to develop the inter-

1 national energy policy of the United
2 States.

3 “(ii) Leading the analysis, formula-
4 tion, and implementation of international
5 policies aimed at protecting and advancing
6 United States energy interests.

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

15 “(iv) Ensuring that analyses of the
16 national security and economic security im-
17 plications of global energy developments
18 are reflected in the decision-making proc-
19 esses within the Department.

20 “(v) Incorporating energy and critical
21 mineral security priorities into the activi-
22 ties of the Department.

23 “(vi) Coordinating energy activities of
24 the Department with relevant Federal de-
25 partments and agencies, including the De-

1 partments of Energy, Commerce, Defense,
2 and Interior, and the Development Finance
3 Corporation to promote United States en-
4 ergy security and energy development to
5 support United States national security
6 readiness.

7 “(vii) Coordinating with the Bureau
8 of Sanctions Policy on economic sanctions
9 pertaining to the international energy sec-
10 tor.

11 “(viii) Coordinating energy security
12 and other relevant functions within the De-
13 partment currently undertaken by—

14 “(I) the Bureau of Economic and
15 Business Affairs;

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

18 “(III) the Bureau of Arms Con-
19 trol and Nonproliferation; and

20 “(IV) other bureaus and offices
21 within the Department.

22 “(ix) Working internationally to—

23 “(I) support the development of
24 energy technologies, natural resources,
25 critical minerals, and supply chains

1 for the benefit of the United States
2 and United States allies and trading
3 partners for their energy security and
4 economic development needs;

5 “(II) promote secure and diversi-
6 fied energy and critical minerals sup-
7 ply chains, and a well-functioning
8 global market for energy resources,
9 energy technologies, critical minerals;

10 “(III) resolve international dis-
11 putes regarding the exploration, devel-
12 opment, production, or distribution of
13 energy and critical minerals resources
14 where the United States strategic in-
15 terests are present;

16 “(IV) support the economic and
17 commercial interests of United States
18 persons operating in the energy mar-
19 kets of foreign countries; and

20 “(V) support and coordinate
21 international efforts to alleviate en-
22 ergy poverty, enhance energy access
23 and energy efficiency to promote
24 United States strategic interests and
25 offer alternatives to adversary initia-

1 tives for United States allies and part-
2 ners.

3 “(x) Conducting public diplomacy with
4 regard to United States international en-
5 ergy policy to strengthen transparency and
6 governance.

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

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

18 “(D) BUREAU.—The Secretary shall estab-
19 lish a Bureau of Energy Security and Diplo-
20 macy, which shall perform such functions re-
21 lated to the formulation and implementation of
22 international energy, energy technology, critical
23 minerals, and relevant supply chain policies, as
24 the Under Secretary of State for Economic

1 Growth, Energy, and the Environment may pre-
2 scribe.

3 “(E) ASSISTANT SECRETARY.—The Assist-
4 ant Secretary for Energy Security and Diplo-
5 macy shall be the head of the Bureau of Energy
6 Security and Diplomacy.”.

7 **SEC. 10. ASSISTANT SECRETARY FOR WATER, ENVIRON-**
8 **MENT, AND SPACE AFFAIRS.**

9 Section 1(c) of the State Department Basic Authori-
10 ties Act of 1956 (22 U.S.C. 2651a(c)), as amended by
11 section 11, is further amended by adding at the end the
12 following:

13 “(19) BUREAU OF WATER, ENVIRONMENT, AND
14 SPACE AFFAIRS WITHIN DEPARTMENT OF STATE; AS-
15 SISTANT SECRETARY OF STATE AS HEAD OF BU-
16 REAU.—

17 “(A) ESTABLISHMENT.—There is author-
18 ized to be in the Department an Assistant Sec-
19 retary for Water, Environment, and Space Af-
20 fairs who shall be responsible to the Under Sec-
21 retary of State for Economic Growth, Energy,
22 and the Environment for matters pertaining to
23 space, oceans, polar affairs, environmental qual-
24 ity, freshwater, fisheries, wildlife and wildlife
25 trafficking, conservation, and such other related

1 duties as the Secretary may from time to time
2 designate.

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

12 “(i) Developing United States policy
13 on global environmental security issues
14 with respect to oceans, fisheries, Antarctic
15 region, waste and global pollution, and nat-
16 ural resource management and conserva-
17 tion, including water.

18 “(ii) Representing the Department in
19 bilateral and multilateral negotiations in-
20 volving the law of the sea, including free-
21 dom of navigation and overflight and other
22 lawful uses of the ocean; maritime security;
23 United States maritime zones, including
24 the United States extended continental
25 shelf; marine science; sustainable manage-

1 ment and protection of marine habitats
2 and resources; marine pollution; and mari-
3 time claims and boundaries.

4 “(iii) Leading United States engage-
5 ment on Antarctica and in international
6 oceans agreements and conventions with
7 foreign governments and international or-
8 ganizations to promote solutions that ad-
9 vance United States national security, eco-
10 nomic, and environmental interests.

11 “(iv) Coordinating the development of
12 policies and programs to conserve and
13 manage economically important eco-
14 systems, including, forests, wetlands,
15 drylands, and coral reefs.

16 “(v) Developing policies and programs
17 to address international threats to natural
18 resources including but not limited to illicit
19 trade; illegal, unreported and unregulated
20 fishing; wildlife trafficking; and illegal log-
21 ging and associated trade.

22 “(vi) Developing and implementing
23 United States foreign policy related to air,
24 water and soil pollution and risks to
25 human health and the environment caused

1 by the transboundary movement of haz-
2 arduous chemicals and waste and other
3 forms of pollution to promote environ-
4 mental security with trade partners and in
5 multilateral institutions.

6 “(vii) Representing the Department in
7 bilateral and multilateral engagements in-
8 cluding organizations, institutions, and ne-
9 gotiation of international agreements on
10 related issues.

11 “(viii) Developing policies and pro-
12 grams, in coordination with the National
13 Aeronautics and Space Administration, the
14 Department of Commerce, and other rel-
15 evant Federal departments and agencies,
16 as appropriate, to support partnerships be-
17 tween the United States and international
18 and private industry partners in the devel-
19 opment of infrastructure and policies that
20 expand economic growth in outer space, in-
21 cluding—

22 “(I) countering malign efforts by
23 foreign adversaries and other actors
24 that threaten United States interests
25 in civil and commercial space;

1 “(II) expanding access to foreign
2 markets for United States commercial
3 industry, including by encouraging re-
4 forms that reduce barriers to trade
5 and cooperation with United States
6 civil and commercial space actors; and

7 “(III) providing assistance to for-
8 eign governments and organizations,
9 including national, regional, and inter-
10 national institutions, on such terms
11 and conditions as the Secretary may
12 determine.

13 “(ix) Leading bilateral and multilat-
14 eral engagements related to civil and com-
15 mercial space activities, resilient space
16 services, burden sharing, and other mat-
17 ters related to international space law and
18 diplomacy and other United States inter-
19 national obligations and commitments.

20 “(x) In accordance with the National
21 Space Policy, leading United States Gov-
22 ernment engagement with international
23 Global Navigation Satellite Systems pro-
24 viders to ensure compatibility and encour-
25 age interoperability of civil global naviga-

1 tion satellite services based on United
2 States-based global positioning systems, in-
3 cluding through the International Com-
4 mittee on Global Navigation Satellite Sys-
5 tems.

6 “(xi) Leading Department efforts to
7 implement international arrangements and
8 promote cooperation on Earth observation
9 satellite systems.

10 “(xii) Leading Department engage-
11 ment in multilateral and bilateral forums
12 on international space policy, space law,
13 and commercial and civil treaties or agree-
14 ments.

15 “(xiii) Leading Department efforts on
16 transparency in space by maintaining the
17 official United States space object registry
18 and promoting best practices for safe oper-
19 ations in space, preservation of the space
20 environment, space traffic coordination,
21 and space situational awareness.

22 “(xiv) Leading Department efforts to
23 align foreign space law, regulatory, and
24 policy frameworks with United States-en-

1 dorsed models, approaches, and best prac-
2 tices.

3 “(xv) Performing such other duties as
4 the Under Secretary of State for Economic
5 Growth, Energy, and the Environment
6 may from time to time designate.

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

18 “(D) BUREAU.—The Secretary shall estab-
19 lish a Bureau of Water, Environment, and
20 Space Affairs, which shall perform such func-
21 tions related to space, oceans, environmental
22 quality, fisheries, wildlife, and wildlife traf-
23 ficking, and conservation affairs, as the Under
24 Secretary of State for Economic Growth, En-
25 ergy, and the Environment may prescribe.

1 “(E) ASSISTANT SECRETARY.—The Assist-
2 ant Secretary for Water, Environment, and
3 Space Affairs shall be the head of the Bureau
4 of Water, Environment, and Space Affairs.”.

5 **SEC. 11. STRENGTHENING ECONOMIC EXPERTISE AT THE**
6 **DEPARTMENT OF STATE.**

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

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

19 (c) EXCEPTIONS.—The Under Secretary of State for
20 Economic Growth, Energy, and the Environment may ap-
21 prove the appointment of a Foreign Service officer to an
22 Office Director or a Deputy Office Director position if—

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

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

7 (d) DIRECT HIRE AUTHORITY.—

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

15 (2) TERMINATION.—Except with respect to the
16 Office of the Chief Economist, the authority pro-
17 vided under paragraph (1) shall terminate on the
18 date that is 4 years after the date of the enactment
19 of this Act.

20 (e) REPORT.—Not later than 180 days after the date
21 of the enactment of this Act, the Under Secretary of State
22 for Economic Growth, Energy, and the Environment shall
23 submit to the appropriate committees of Congress a report
24 that contains plans to attract and retain economic, policy,
25 legal, and technical expertise for civil service officers in

1 the Under Secretary of State for Economic Growth, En-
2 ergy, and the Environment, including career promotion
3 tracks to supervisory and non-supervisory GS-15 posi-
4 tions.

5 **SEC. 12. REFERENCES.**

6 Any reference in any statute, reorganization plan,
7 Executive order, regulation, agreement, determination, or
8 other official document or proceeding to—

9 (1) the Assistant Secretary for Oceans and
10 International Environmental and Scientific Affairs
11 shall be deemed to refer to the Assistant Secretary
12 for Water, Environment, and Space Affairs;

13 (2) the Bureau for Oceans and International
14 Environmental and Scientific Affairs shall be
15 deemed to refer to the Bureau for Water, Environ-
16 ment, and Space Affairs;

17 (3) the Sanctions Coordinator shall be deemed
18 to refer to the Assistant Secretary for Sanctions Pol-
19 icy; and

20 (4) the Office of the Sanctions Coordinator
21 shall be deemed to refer to the Bureau of Sanctions
22 Policy.

1 **SEC. 13. ENERGY DIPLOMACY.**

2 Section 931 of the Energy Independence and Security
3 Act of 2007 (42 U.S.C. 17371) is amended to read as
4 follows:

5 **“SEC. 931. ENERGY DIPLOMACY AND SECURITY WITHIN**
6 **THE DEPARTMENT OF STATE.**

7 “The Secretary of Energy may make appropriate ar-
8 rangements with the Secretary of State to assign per-
9 sonnel from the Department of Energy or the National
10 Laboratories of the Department of Energy to serve as
11 dedicated advisors on energy matters in embassies of the
12 United States or other United States diplomatic mis-
13 sions.”.