

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4715
OFFERED BY MR. KEAN OF NEW JERSEY**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Bilateral Resilience
3 in Industry Trade Security Act” or the “BRITS Act”.

**4 SEC. 2. EXCEPTIONS FOR THE UNITED KINGDOM RELATING
5 TO LICENSING OF DEFENSE ITEMS FOR EX-
6 PORT UNDER THE ARMS EXPORT CONTROL
7 ACT.**

8 (a) IN GENERAL.—Section 38(j)(1) of the Arms Ex-
9 port Control Act (22 U.S.C. 2778(j)(1)) is amended—

10 (1) by redesignating subparagraph (C) as sub-
11 paragraph (D); and

12 (2) by inserting after subparagraph (B) the fol-
13 lowing:

14 “(C) EXCEPTIONS FOR THE UNITED KING-
15 DOM.—

16 “(i) IN GENERAL.—Subject to clause
17 (iii), the requirement to conclude a bilat-
18 eral agreement in accordance with sub-

1 paragraph (A) shall not apply with respect
2 to an exemption for the United Kingdom
3 from the licensing requirements of this Act
4 for the export of defense items.

5 “(ii) RELATING TO OTHER LICENSING
6 AND APPROVAL REQUIREMENTS FOR CER-
7 TAIN DEFENSE ITEMS.—

8 “(I) IN GENERAL.—Notwith-
9 standing any other provision of this
10 section (other than clause (iii)), the
11 President shall exempt from the li-
12 censing or other approval require-
13 ments of this section exports and
14 transfers (including reexports, re-
15 transfers, temporary imports, and
16 brokering activities) of covered de-
17 fense items between or among the
18 United States, Australia, and the
19 United Kingdom.

20 “(II) COVERED DEFENSE
21 ITEMS.—For purposes of this clause,
22 the term ‘covered defense item’ means
23 any defense item that is not a defense
24 article or defense service described in

1 subparagraph (D)(ii)(IV) or
2 (D)(ii)(V).

3 “(iii) JOINT RESOLUTION OF DIS-
4 APPROVAL.—

5 “(I) IN GENERAL.—No exemp-
6 tion described in clause (i) or (ii) may
7 be made if Congress enacts a joint
8 resolution disapproving of the exemp-
9 tion.

10 “(II) CONSIDERATION IN SEN-
11 ATE.—Any joint resolution under this
12 clause shall be considered in the Sen-
13 ate in accordance with the provision
14 of section 601(b) of the International
15 Security Assistance and Arms Export
16 Control Act of 1976.

17 “(III) CONSIDERATION IN THE
18 HOUSE OF REPRESENTATIVES.—For
19 the purpose of expediting the consid-
20 eration and enactment of any joint
21 resolution under this clause, a motion
22 to proceed to the consideration of any
23 such joint resolution after it has been
24 reported by the appropriate committee

1 shall be treated as highly privileged in
2 the House of Representatives.

3 “(iv) INAPPLICABILITY OF CERTAIN
4 CERTIFICATION REQUIREMENTS.—

5 “(I) IN GENERAL.—Paragraphs
6 (1) through (3) of section 3(d) shall
7 not apply to transfers (including
8 transfers of United States Govern-
9 ment sales or grants, or commercial
10 exports authorized under this chapter)
11 of defense items to the United King-
12 dom.

13 “(II) REPORT.—The President
14 shall submit to the Speaker of the
15 House of Representatives, the Com-
16 mittee on Foreign Affairs of the
17 House of Representatives, and the
18 Committee on Foreign Relations of
19 the Senate on a semiannual basis a
20 report on all transfers that would be
21 subject to the requirements of para-
22 graphs (1) and (2) of section 3(d) but
23 for the application of subclause (I),
24 except for marketing or brokering ac-
25 tivities, temporary imports, or amend-

1 ments to existing marketing or
2 brokering licenses. Any such report
3 shall contain all of the information re-
4 quired to be contained in certifications
5 issued pursuant to section 3(d)(1) for
6 each transfer identified.

7 “(v) AUKUS TRANSFER REPORTING
8 REQUIREMENTS.—Any United States per-
9 son transferring a defense item between or
10 among the United States, the United
11 Kingdom, and Australia that would have
12 required a license under this section but
13 for an exemption issued pursuant to clause
14 (i) or (ii) of this subparagraph shall report
15 that transfer to the Secretary no later than
16 90 days after the transfer occurs.”.

17 (b) MODIFICATION OF EXCEPTION FOR DEFENSE
18 TRADE COOPERATION TREATIES.—Subparagraph (D) of
19 section 38(j)(1) of the Arms Export Control Act (22
20 U.S.C. 2778(j)(1)), as so redesignated by subsection
21 (a)(1), is further amended—

22 (1) by striking “(D) EXCEPTION” and all that
23 follows through “(i) IN GENERAL.—The” and insert-
24 ing “(D) EXCEPTION FOR DEFENSE TRADE CO-
25 OPERATION TREATIES.—The”;

1 (2) by striking “(I) The Treaty” and inserting
2 the following:

3 “(i) The Treaty”;

4 (3) by striking “(II) The Treaty” and inserting
5 the following:

6 “(ii) The Treaty”; and

7 (4) by striking clause (ii) at the end.

8 (c) ADVANCE CERTIFICATION.—Paragraph (3) of
9 section 38(j) of the Arms Export Control Act (22 U.S.C.
10 2778(j)) is amended by inserting after “export of defense
11 items” the following: “subject to the requirements of para-
12 graph (1)(A)”.

13 **SEC. 3. MODIFICATIONS OF CIVIL AND CRIMINAL PEN-**
14 **ALTIES UNDER SECTIONS 38 AND 39 OF THE**
15 **ARMS EXPORT CONTROL ACT.**

16 Subsection (c) of section 38 of the Arms Export Con-
17 trol Act (22 U.S.C. 2778(c)) is amended—

18 (1) by striking “\$1,000,000” and inserting
19 “\$5,000,000”; and

20 (2) by striking “20 years” and inserting “25
21 years”.

1 **SEC. 4. EFFECTIVE DATE.**

2 The amendments made by sections 2 and 3 shall take
3 effect on the date that is 180 days after the date of the
4 enactment of this Act.

