

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 4725  
OFFERED BY MR. MCCAUL OF TEXAS**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “AUKUS Oversight and  
3 Accountability Act” or the “AOA Act”.

**4 SEC. 2. ESTABLISHMENT OF SENIOR ADVISOR.**

5       (a) SENIOR ADVISOR FOR AUKUS.—

6           (1) IN GENERAL.—The Secretary of State shall  
7 designate, from among the leadership of the Depart-  
8 ment at the rank of Under Secretary, a senior advi-  
9 sor at the Department of State (in this section re-  
10 ferred to as the “Senior Advisor”), who shall concur-  
11 rently oversee and coordinate the implementation of  
12 the AUKUS partnership announced September 15,  
13 2021. The Senior Advisor shall report to the Sec-  
14 retary of State.

15           (2) USE OF EXISTING AUTHORIZATION.—No  
16 additional amounts are authorized to be appro-  
17 priated to establish the senior advisor described in  
18 subsection (a).

1           (3) DUTIES.—It shall be the duty of the Senior  
2     Advisor to—

3           (A) coordinate efforts to implement the  
4     AUKUS agreement across relevant bureaus, di-  
5     rectorates, and offices of the Department of  
6     State;

7           (B) represent the Department of State on  
8     matters relating to AUKUS in the interagency  
9     process;

10          (C) engage with relevant governing bodies  
11     in the United Kingdom and Australia; and

12          (D) issue guidance, including proposed reg-  
13     ulations, to reduce barriers to defense collabora-  
14     tion, innovation, trade, and production with the  
15     Governments and industry partners of the  
16     United States, United Kingdom, and Australia.

17     (b) AUKUS TASK FORCE.—

18           (1) ESTABLISHMENT.—The Secretary of State  
19     shall establish a Task Force on AUKUS Governance  
20     (in this section referred to as the “Task Force”), led  
21     by the Senior Advisor designated pursuant to sub-  
22     section (a).

23           (2) USE OF EXISTING AUTHORIZATION.—No  
24     additional amounts are authorized to be appro-

1        priated to establish the Task Force described in  
2        paragraph (1).

3            (3) PERSONNEL TO SUPPORT THE SENIOR AD-  
4        VISOR.—The Secretary of State shall ensure that the  
5        Senior Advisor is adequately staffed through the as-  
6        signment of existing Department employees and ap-  
7        pointment of officials representing relevant bureaus.

8            (4) DUTIES.—It shall be the duty of the Task  
9        Force to—

10            (A) meet at least once every 60 days to co-  
11            ordinate on issues pertaining to the successful  
12            implementation of the AUKUS agreement;

13            (B) coordinate an ongoing working group  
14            among the interagency on the effectiveness of  
15            arms export regulations and laws relevant to  
16            implementation of the AUKUS agreement that  
17            may be joined by appropriate officials of the  
18            United Kingdom and Australia;

19            (C) create and maintain a unified list of all  
20            defense-related transactions that have taken  
21            place under any agreement between the United  
22            States, Australia, and the United Kingdom;

23            (D) create and maintain a list of vendors  
24            that commonly participate in defense-related

1 trade between United States, Australia, and the  
2 United Kingdom;

3 (E) coordinate the design and implementa-  
4 tion of an established pathway for Australia  
5 and the United Kingdom to obtain exemptions  
6 from the licensing and other approval require-  
7 ments of section 38 of the Arms Export Control  
8 Act of 1976 (22 U.S.C. 2778) for exports and  
9 transfers of defense articles and defense serv-  
10 ices;

11 (F) create a framework for gathering,  
12 maintaining, and exchanging information per-  
13 taining to companies, individuals, or entities en-  
14 gaged in compromising technology security in  
15 contravention to the AUKUS agreement; and

16 (G) establish an AUKUS industry forum  
17 for industry stakeholders, including non-tradi-  
18 tional defense contractors (as such term is de-  
19 fined in section 3014 of title 10, United States  
20 Code), that will be open for the participation of  
21 foreign industry involved in the AUKUS part-  
22 nership.

23 (5) REPORTS REQUIRED.—

24 (A) REPORTING.—The Senior Advisor  
25 shall submit to the appropriate congressional

1           committees a report every 180 days that in-  
2           cludes, with respect to the preceding 180-day  
3           period—

4                   (i) a detailed description of the work  
5                   of the Senior Advisor and any meetings of  
6                   the Task Force that have taken place, in-  
7                   cluding meetings conducted with AUKUS  
8                   partners, industry representatives, or the  
9                   interagency;

10                   (ii) a detailed description of any  
11                   issues that representatives of the United  
12                   Kingdom or Australia have brought to the  
13                   attention of the United States that threat-  
14                   en the stated goals of the AUKUS agree-  
15                   ment and any efforts within the Depart-  
16                   ment to resolve these issues;

17                   (iii) any delays and the reasons for  
18                   these delays to defense-related transactions  
19                   between the United States, the United  
20                   Kingdom, and Australia, reflecting govern-  
21                   ment and industry input;

22                   (iv) consistent with section 3(c)(2) of  
23                   the Arms Export Controls Act (22 U.S.C.  
24                   2753(c)(2)), any notifications that the  
25                   President has received with respect to vio-

1                   lations of the provisions of the Arms Ex-  
2                   port Control Act that involve AUKUS  
3                   partners or entities in the United States,  
4                   the United Kingdom, or Australia;

5                   (v) a detailed description of any con-  
6                   cluded Department enforcement actions  
7                   under section 38 of the Arms Export Con-  
8                   trols Act (22 U.S.C. 2778) or related pro-  
9                   visions that involve persons in the United  
10                  Kingdom or Australia; and

11                  (vi) a detailed description of any con-  
12                  cluded Department enforcement actions of  
13                  the Arms Export Control Act (22 U.S.C.  
14                  2751 et seq.) or related regulations relat-  
15                  ing to violations committed by United  
16                  States persons with respect to transactions  
17                  involving the United Kingdom or Australia.

18                  (B) ANNUAL REPORTING.—The Senior Ad-  
19                  visor shall annually submit to the appropriate  
20                  congressional committees a report listing the  
21                  transactions that have taken place involving the  
22                  AUKUS partners and including—

23                  (i) a description of programs author-  
24                  ized under the AUKUS agreement;

1 (ii) an identification of the AUKUS  
2 entities involved;

3 (iii) a list of all exports and transfers  
4 that would be subject to the requirements  
5 of paragraphs (1), (2), or (3) of section  
6 3(d) of the Arms Export Control Act (22  
7 U.S.C. 2753(d)), except for marketing or  
8 brokering activities, temporary imports,  
9 commodity jurisdiction determinations, or  
10 amendments to existing marketing or  
11 brokering licenses;

12 (iv) information on the engagement  
13 between the Department of State and  
14 members of the National Disclosure Policy  
15 Committee with respect to the adoption of  
16 a classification category relating to any an-  
17 ticipatory disclosure policy for Australia  
18 and the United Kingdom; and

19 (v) a valuation of the reduction in De-  
20 partment licensing review times eliminated,  
21 including review times reduced across the  
22 interagency.

23 (6) RESOURCES FOR THE TASK FORCE.—

24 (A) REGISTRATION AND OTHER FEES.—

25 Section 45 of the State Department Basic Au-

1           thorities Act of 1956 (22 U.S.C. 2717) is  
2           amended—

3                   (i) in the matter preceding paragraph  
4           (1)—

5                           (I) in the first sentence, by strik-  
6                           ing “100 percent of the registration  
7                           fees collected by the Office of Defense  
8                           Trade Controls of the Department of  
9                           State” and inserting “100 percent of  
10                          the defense trade control registration  
11                          fees collected by the Department of  
12                          State”; and

13                          (II) in the second sentence, by  
14                          inserting “management, licensing,  
15                          compliance, or policy activities in the  
16                          defense trade controls function, in-  
17                          cluding” after “incurred for”;

18                          (ii) in paragraph (1), by striking  
19                          “contract personnel to assist in”;

20                          (iii) in paragraph (2), by striking “;  
21                          and” and inserting a semicolon;

22                          (iv) in paragraph (3), by striking the  
23                          period at the end and inserting a semi-  
24                          colon; and



1 (v) by adding at the end the following  
2 new paragraphs:

3 “(4) the facilitation of defense trade policy de-  
4 velopment, implementation, and cooperation, includ-  
5 ing implementation of the trilateral security partner-  
6 ship between the United States, the United King-  
7 dom, and Australia, review of commodity jurisdiction  
8 determinations, outreach to United States industry  
9 and foreign parties, and analysis of scientific and  
10 technological developments as they relate to the ex-  
11 ercise of defense trade control authorities; and

12 “(5) contract personnel to assist in such activi-  
13 ties.”.

14 (B) USE OF FOREIGN MILITARY SALES AD-  
15 MINISTRATIVE FUNDS.—Notwithstanding para-  
16 graph (3) of section 43(b) of the Arms Export  
17 Control Act (22 U.S.C. 2792(b)(3)), with re-  
18 spect to sales under such Act for which a loan,  
19 grant, or guaranty is not provided by the  
20 United States, the President may authorize  
21 charges for administrative services calculated  
22 under section 21(e)(1)(A) of such Act (22  
23 U.S.C. 2761(e)(1)(A)) to include resources nec-  
24 essary to support the sustainment of the Task  
25 Force.

1 (c) SUNSET.—The position of the Senior Advisor and  
2 the Task Force shall terminate on the date that is 7 years  
3 after the date of the enactment of this Act.

4 (d) RENEWAL.—The Secretary of State may renew  
5 the position of the Senior Advisor for an additional period  
6 of 4 years, following notification to the appropriate con-  
7 gressional committees of the renewal.

8 **SEC. 3. UNITED STATES MUNITIONS LIST PERIODIC RE-**  
9 **VIEW.**

10 (a) IN GENERAL.—The Secretary of State, acting  
11 through authority delegated by the President to carry out  
12 periodic reviews of items on the United States Munitions  
13 List under section 38(f) of the Arms Export Control Act  
14 (22 U.S.C. 2778(f)) and in coordination with the Sec-  
15 retary of Defense, the Secretary of Energy, the Secretary  
16 of Commerce, and the Director of the Office of Manage-  
17 ment and Budget, shall carry out such reviews not less  
18 frequently than once every 6 years.

19 (b) SCOPE.—The periodic reviews described in sub-  
20 section (a) shall focus on matters including—

21 (1) interagency resources to address current  
22 threats faced by the United States;

23 (2) the evolving technological and economic  
24 landscape;

1           (3) the widespread availability of certain tech-  
2           nologies and items on the United States Munitions  
3           List; and

4           (4) risks of misuse of United States-origin de-  
5           fense articles.

6           (c) CONSULTATION.—The Department of State may  
7           consult with the Defense Trade Advisory Group and other  
8           interested parties, including nontraditional defense con-  
9           tractors, in conducting the periodic review described in  
10          subsection (a).

11 **SEC. 4. DEFINITIONS.**

12          In this Act:

13           (1) APPROPRIATE CONGRESSIONAL COMMIT-  
14           TEES.—The term appropriate congressional commit-  
15           tees means—

16                   (A) the Committee on Foreign Affairs,  
17                   Committee on the Armed Services, and Com-  
18                   mittee on Appropriations of the House of Rep-  
19                   resentatives; and

20                   (B) the Committee on Foreign Relations,  
21                   Committee on the Armed Services, and Com-  
22                   mittee on Appropriations of the Senate.

23           (2) AUKUS AGREEMENT.—The term AUKUS  
24           agreement means the trilateral security partnership  
25           between the United States, the United Kingdom,

1 and Australia that was announced on September 15,  
2 2021.

