

116TH CONGRESS
1ST SESSION

H. R. 2444

To authorize the Secretary of State to make direct loans under section 23 of the Arms Export Control Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2019

Mr. McCAUL introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To authorize the Secretary of State to make direct loans under section 23 of the Arms Export Control Act, 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.**

4 This Act may be cited as the “Eastern European Se-
5 curity Act”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that it is in the national
8 security interest of the United States for member coun-
9 tries of the North Atlantic Treaty Organization (NATO)
10 that were formerly part of the Soviet Eastern Bloc—

1 (1) to have modern and effective defense arti-
2 cles that are in use and easily integrated with those
3 used by the United States and other NATO allies;
4 and

5 (2) not use or be dependent on Russian or
6 former Soviet-era defense articles.

7 **SEC. 3. FOREIGN MILITARY LOAN AUTHORITY.**

8 (a) IN GENERAL.—Subject to the notification re-
9 quirements under subsection (b), the President, acting
10 through the Secretary of State, is authorized—

11 (1) to make direct loans under section 23 of the
12 Arms Export Control Act (22 U.S.C. 2763) to
13 NATO countries that joined the alliance after March
14 1, 1999, notwithstanding the minimum interest rate
15 required by subsection (c)(1) of such section; and

16 (2) to charge fees for such loans under para-
17 graph (1), which shall be collected from borrowers in
18 accordance with section 502(7) of the Congressional
19 Budget Act of 1974, and which may be used to
20 cover the costs of such loans as defined in section
21 502 of the Congressional Budget Act of 1974.

22 (b) NOTIFICATION.—A loan may not be made under
23 the authority provided by subsection (a) unless the Sec-
24 retary of State submits to the appropriate congressional

1 committees a certification, not fewer than fifteen days be-
2 fore entering into an agreement to make such loan, that—

3 (1) the recipient country is making demon-
4 strable progress toward meeting its spending obliga-
5 tions in accordance with the 2014 NATO Wales
6 Summit; and

7 (2) the government of such recipient country is
8 respecting that country's constitution and upholds
9 democratic values such as freedom of religion, free-
10 dom of speech, freedom of the press, the rule of law,
11 and the rights of religious minorities.

12 (c) REPAYMENT.—A loan made under the authority
13 provided by subsection (a) shall be repaid in not more than
14 12 years, but may include a grace period of up to one
15 year on the repayment of the principal.

16 (d) APPROPRIATE CONGRESSIONAL COMMITTEES
17 DEFINED.—In this Act, the term “appropriate congres-
18 sional committees” means—

19 (1) the Committee on Foreign Affairs and the
20 Committee on Appropriations of the House of Rep-
21 resentatives; and

22 (2) the Committee on Foreign Relations and
23 the Committee on Appropriations of the Senate.

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