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WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
- H - INTERNAL
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Date Correspondence Received (YY/MM/DD) 1/1/

Name of Correspondent: Phil Brady

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Enrolled Bill H.R. 5412 - - Transfer of certain Naval Vessels to Greece and Taiwan

ROUTE TO:		ACTION		DISPOSITION		
Office/Agency	(Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>CUOEC</u>		<u>ORIGINATOR</u>	<u>920715</u>		<u>C</u>	<u>920715</u>
		Referral Note:				
<u>CUAT 14</u>		<u>A</u>	<u>920715</u>		<u>C</u>	<u>920715</u>
		Referral Note:	<u>7/15/92</u>	<u>SGR Memo for Brady</u>		
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ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure
- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

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THE WHITE HOUSE

WASHINGTON

July 15, 1992

MEMORANDUM FOR PHILLIP D. BRADY

FROM: STEPHEN G. RADEMAKER *SR*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 5412 -- Transfer of Certain
Naval Vessels to Greece and Taiwan

Pursuant to your request, Counsel's Office has reviewed the above-referenced matter. We have no objection to the enrolled bill.

Thank you for bringing this matter to our attention.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

July 15, 1992

2 JUL 15 A 9:00

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 5412 - Transfer of Certain Naval
Vessels to Greece and Taiwan
Sponsors - Reps. Fascell (D) FL and Broomfield (R) MI

Last Day for Action

July 24, 1992 - Friday

Purpose

Authorizes the transfer of four naval vessels to Greece and three naval vessels to Taiwan.

Agency Recommendations

Office of Management and Budget	Approval
Department of Defense	Approval
Department of State	Approval (Informally)
National Security Council	Approval (Informally)

Discussion

H.R. 5412, which the House and Senate passed by voice vote, consolidates two Administration legislative proposals into one bill. The enrolled bill authorizes the Secretary of the Navy to:

- lease the "KNOX" class frigates VREELAND, TRIPPE, and CONNOLE to the Government of Greece;
- transfer the "CHARLES F. ADAMS" class guided missile destroyer BERKELEY to the Government of Greece; and
- lease the "KNOX" class frigates BREWTON, ROBERT E. PEARY, and KIRK to the Coordination Council for North American Affairs, which is a Taiwanese governmental entity.

H.R. 5412 requires the Governments of Greece and Taiwan to assume all costs associated with the respective leases, as well as any liabilities based upon U.S. ownership of the vessels during the period of the leases. Both the respective leases and the proposed transfer must be in accord with specified U.S. statutes.

Scoring for the Purpose of Pay-As-You-Go

H.R. 5412 would increase offsetting receipts to the Federal Government. The bill, therefore, is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. This Office estimates that the pay-as-you-go effect of the bill is to reduce the deficit by \$22.8 million during FYs 1992-97.

Conclusion and Recommendations

On behalf of the Secretary of Defense, Navy advises that "[t]he first ships were scheduled to be transferred to Greece and Taiwan on 30 June and 2 July, respectively." Accordingly, Navy recommends that "the President expeditiously approve . . . H.R. 5412." We join Defense, State, and the National Security Council in recommending approval of H.R. 5412.



Richard Darman
Director

Enclosures

One Hundred Second Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Friday, the third day of January,
one thousand nine hundred and ninety-two*

An Act

To authorize the transfer of certain naval vessels to Greece and Taiwan.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. AUTHORITY TO LEASE CERTAIN VESSELS TO GREECE.

(a) **IN GENERAL.**—The Secretary of the Navy is authorized to lease the "KNOX" class frigates VREELAND (FF-1068), TRIPPE (FF-1075), and CONNOLE (FF-1056) to the Government of Greece. A lease under this section may be renewed.

(b) **APPLICABLE LAW.**—Any such lease shall be in accordance with chapter 6 of the Arms Export Control Act (22 U.S.C. 2796 and following), except that section 62 of that Act (22 U.S.C. 2796a; relating to reports to the Congress) shall apply only to renewals of the lease.

(c) **CONSIDERATION FOR LEASE.**—Notwithstanding section 321 of the Act of June 30, 1932 (40 U.S.C. 303b), the lease of a ship pursuant to this section may provide, as part of the consideration for the lease, for the maintenance, protection, repair, or restoration of the ship by the Government of Greece.

(d) **COSTS OF TRANSFERS.**—Any expense of the United States in connection with a lease authorized by this section, including any liabilities of the United States based on its ownership of a vessel arising during the period of the lease, shall be charged to the Government of Greece.

(e) **EXPIRATION OF AUTHORITY.**—The authority granted by this section to lease a ship described in subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act unless the lease is entered into during that period.

SEC. 2. AUTHORITY TO TRANSFER EXCESS VESSEL TO GREECE.

(a) **IN GENERAL.**—The Secretary of the Navy is authorized to transfer the excess "CHARLES F. ADAMS" class guided missile destroyer BERKELEY (DDG-15) to the Government of Greece.

(b) **APPLICABLE LAW.**—Such transfer shall be in accordance with section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321; relating to transfers of excess defense articles), except that subsection (c) of that section (relating to notifications to the Congress) and any similar provision shall not apply.

(c) **COSTS OF TRANSFERS.**—Any expense of the United States in connection with the transfer authorized by this section shall be charged to the Government of Greece.

(d) **EXPIRATION OF AUTHORITY.**—The authority granted by this section shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

SEC. 3. AUTHORITY TO LEASE CERTAIN VESSELS TO TAIWAN.

(a) **IN GENERAL.**—The Secretary of the Navy is authorized to lease the "KNOX" class frigates BREWTON (FF-1086), ROBERT

E. PEARY (FF-1073), and KIRK (FF-1087) to the Coordination Council for North American Affairs (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act). A lease under this section may be renewed.

(b) APPLICABLE LAW.—Any such lease shall be in accordance with chapter 6 of the Arms Export Control Act (22 U.S.C. 2796 and following), except that section 62 of that Act (22 U.S.C. 2796a; relating to reports to the Congress) shall apply only to renewals of the lease.

(c) CONSIDERATION FOR LEASE.—Notwithstanding section 321 of the Act of June 30, 1932 (40 U.S.C. 303b), the lease of a ship pursuant to this section may provide, as part of the consideration for the lease, for the maintenance, protection, repair, or restoration of the ship by the Coordination Council for North American Affairs.

(d) COSTS OF TRANSFERS.—Any expense of the United States in connection with a lease authorized by this section, including any liabilities of the United States based on its ownership of a vessel arising during the period of the lease, shall be charged to the Coordination Council for North American Affairs.

(e) EXPIRATION OF AUTHORITY.—The authority granted by this section to lease a ship described in subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act unless the lease is entered into during that period.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*