**THE SECRETARY OF COMMERCE**
Washington, D.C. 20230

April 13, 2007

The Honorable Richard Cheney
President of the Senate
Washington, D.C. 20510-0010

Dear Mr. President:

On behalf of the Bush Administration, I respectfully submit for congressional consideration and action a bill "to revise and extend the Export Administration Act of 1979, as amended." I also enclose a detailed section-by-section analysis of the bill.

The Export Administration Act of 1979, as amended (EAA), has been in lapse since 2001. In instances of lapse, the U.S. dual-use export control system has been maintained under the authority of the International Emergency Economic Powers Act, which continues in effect the Export Administration Regulations (EAR) and any orders and licenses issued under those regulations. This draft bill will ensure that the provisions of the EAA are on a clear legal foundation. During lapses, for example, there have been legal challenges to actions taken under the EAR, including the protection of export licenses and related information from public release. Such challenges can jeopardize the effectiveness of the U.S. dual-use export control system.

This proposal will significantly strengthen export control enforcement authorities by providing Export Enforcement Special Agents permanent and expanded law enforcement authority (for example, wiretapping and overseas investigative authority). This will provide our agents with the same investigative authority that other agencies have. This expanded law enforcement authority, coupled with strengthened provisions to protect company trade secret information, will enable the U.S. export control system to operate more effectively in this post-9/11 era.

By providing a concrete legal basis for the U.S. dual-use export control system, the bill will promote our international efforts to control dual-use exports, particularly to countries of concern.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this proposal. If you have any questions, please contact me or Nat Wienecke, Assistant Secretary for Legislative and Intergovernmental Affairs, at 482-3663.

Sincerely,

Carlos M. Gutierrez

Enclosures

Identical letters Sent to:

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| The Honorable Nancy Pelosi<br>Speaker of the House of<br>Representatives<br>H 232 Capitol<br>Washington, D.C. 20515<br><br>The Honorable Harry Reid<br>Majority Leader<br>221 Capitol<br>United States Senate<br>Washington, D.C. 20510<br><br>The Honorable Steny H. Hoyer<br>Majority Leader<br>H 107 Capitol<br>U.S. House of Representatives<br>Washington, D.C. 20515<br><br>The Honorable Mitch McConnell<br>Minority Leader<br>208 Capitol<br>United States Senate<br>Washington, D.C. 20510<br><br>The Honorable John A. Boehner<br>Republican Leader<br>204 Capitol<br>U.S. House of Representatives<br>Washington, D.C. 20515<br><br>The Honorable Christopher J. Dodd<br>Chairman, Committee on Banking,<br>Housing and Urban Affairs<br>534 Dirksen<br>United States Senate<br>Washington, D.C. 20510<br><br>The Honorable Richard C. Shelby<br>Ranking Member, Committee on<br>Banking, Housing and Urban Affairs<br>534 Dirksen<br>United States Senate<br>Washington, D.C. 20510 | The Honorable Evan Bayh<br>Chairman, Subcommittee on Security and<br>International Trade and Finance<br>Committee on Banking, Housing and<br>Urban Affairs<br>534 Dirksen<br>United States Senate<br>Washington, D.C. 20510<br><br>The Honorable Mel Martinez<br>Ranking Member, Subcommittee on<br>Security and International Trade and<br>Finance<br>Committee on Banking, Housing and<br>Urban Affairs<br>534 Dirksen<br>United States Senate<br>Washington, D.C. 20510<br><br>The Honorable Tom Lantos<br>Chairman, Committee on Foreign Affairs<br>2170 Rayburn House Office Building<br>U.S. House of Representatives<br>Washington, D.C. 20515<br><br>The Honorable Ileana Ros-Lehtinen<br>Ranking Member, Committee on Foreign<br>Affairs<br>2170 Rayburn House Office Building<br>U.S. House of Representatives<br>Washington, D.C. 20515<br><br>The Honorable Brad Sherman<br>Chairman, Subcommittee on Terrorism,<br>Nonproliferation, and Trade<br>Committee on Foreign Affairs<br>2170 Rayburn House Office Building<br>U.S. House of Representatives<br>Washington, D.C. 20515<br><br>The Honorable Edward R. Royce<br>Ranking Member, Subcommittee on<br>Terrorism, Nonproliferation, and Trade<br>Committee on Foreign Affairs<br>2170 Rayburn House Office Building<br>U.S. House of Representatives<br>Washington, D.C. 20515 |