



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

September 20, 2006

The Honorable Henry Hyde
Chairman
Committee on International Relations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

I am writing to follow up on our discussion in July regarding your bill to reauthorize the Export Administration Act. H.R. 4572's increased penalties and targeted law enforcement provisions would advance U.S. national security by creating the direct statutory authority needed to maintain and enhance our ability to enforce our export control system, which is currently kept in effect through a complex web of legal authority. Current threats to our security from countries of concern and terrorists underscore the need for critical law enforcement tools, including higher penalties to more effectively deter bad actors from engaging in illegal behavior. Thank you for your leadership in drafting this bill. Now that the House of Representatives is in session, I look forward to Committee action.

When we last met, you noted your interest in our controls of dual-use items exported to China. I appreciate and share that interest. H.R. 4572 would continue certain provisions that refer specifically to China. However, these provisions do not provide China with any preferential treatment and should not be an obstacle to moving the bill forward.

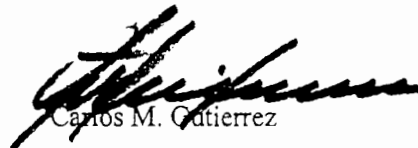
Separate and apart from H.R. 4572, the Department published a proposed rule in July to clarify and update our policy on dual-use exports to China. The public comment period on that rule closes in November. We will continue to carefully review the paper you gave me as part of our process for determining what revisions to the proposed rule may be warranted.

Given the importance of strengthening our export control enforcement authorities to our national security, I commend you for your initiative in introducing this bill. I look forward to prompt Committee action on it.

The Office of Management and Budget advises that from the standpoint of the Administration's program, there is no objection to the presentation of this letter. Should you have any questions regarding this matter, please contact me or Nat Wienecke, Assistant Secretary for Legislative and Intergovernmental Affairs, at (202) 482-3663.

Sincerely,

*Hope you are well.
Best wishes.*


Carlos M. Gutierrez