



**DEFENSE SECURITY COOPERATION AGENCY
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08 JUN 2018

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
INTERNATIONAL PROGRAMS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR FOR SECURITY ASSISTANCE, DEFENSE FINANCE
AND ACCOUNTING SERVICE – INDIANAPOLIS OPERATIONS
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DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE
DIRECTOR, DEFENSE LOGISTICS AGENCY DISPOSITION
SERVICES
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, NATIONAL GEOSPATIAL – INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY
DIRECTOR, DEFENSE TECHNOLOGY SECURITY
ADMINISTRATION

SUBJECT: Special Procedures Relating to Excess High Mobility Multipurpose Wheeled
Vehicles, DSCA Policy 18-32

Section 1276 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018 (Public Law 115-91) provides that excess High Mobility Multipurpose Wheeled Vehicles (HMMWVs) must be refurbished and modernized before they are transferred to a foreign country for the purpose of operation by that country. The President, however, can waive this requirement when it is in the national interests of the United States. The memorandum explains how to request a waiver and how such requests will be processed.

Statutory Requirements

Section 1276(a) requires the Secretary of Defense to ensure that prior to transferring an excess HMMWV to a foreign country, the vehicle receives the “same new, modernized powertrain and a modernized, armored or armor-capable crew compartment restored to like-new condition that the vehicle would receive were the vehicle to be modernized for operational use [sic] by the Armed Forces.” The law defines the term “same new, modernized powertrain” as “a

fully-functioning new powertrain system” rather than an “individual part, component, subassembly, assembly, or subsystem integral to the functioning of the powertrain system such as a new engine or transmission.” Additionally, the law requires that all of the work be performed in the United States.

Waiver Requests

As provided in Section 1276(b), the President can waive the requirements in Section 1276(a) when it is in the national interests of the United States. This authority has not been delegated. Countries wishing to obtain HMMWVs that do not comply with the requirements in Section 1276(a) shall submit a Letter of Request (LOR) to the Office of Disposition Services at the Defense Logistics Agency (DLA).

Waiver Review and Approval

Upon receiving an LOR that requests the President to waive the provisions in Section 1276(a), DLA Disposition Services will determine if and when the requested vehicles will be available. DSCA, in coordination with DLA Disposition Services, will then provide this information to the requesting country no more than 20 days after the LOR is received. When appropriate, the response will include other capability solutions for the country to consider if the requested vehicles are not available or the country’s request cannot otherwise be satisfied.

All requests for Section 1276(a) waivers must be supported by a Country Team Assessment. In addition to the elements listed in Table C5.T1 in the Security Assistance Management Manual (SAMM), the CTA must discuss the actions that the requesting country will likely take to obtain the desired capability if a waiver is not granted, explain why it is not in the interests of the United States to modernize and refurbish the vehicles prior to their transfer, and be endorsed by the Geographic Combatant Commander.

Upon receiving a completed CTA, DSCA will coordinate with the Bureau of Political-Military Affairs at the Department of State, the Bureau of Industry and Security (BIS) at the Department of Commerce, and the Office of the Deputy Assistant Secretary of Defense for Manufacturing and Industrial Base Policy (MIBP) to assess whether waiving the requirements in Section 1276(a) is in the national interests of the United States. As part of this analysis, and in accordance with Section 1276(b)(2), MIBP and BIS will assess “the impact of the transfer on the national technology and industrial base and, in particular, on any reduction of the opportunities of entities in the national technology and industrial base to sell new or used HMMWVs to the countries to which the proposed transfer of vehicles is to take place.”

Once the coordination is completed, the DSCA Director will review the waiver request and provide a recommendation to the Under Secretary of Defense for Policy. If the DSCA Director recommends that the President waive the requirements in Section 1276(a), and the Under Secretary of Defense for Policy agrees with the recommendation, the request will be submitted to the Secretary of Defense. If the Secretary of Defense agrees with the recommendation, the Executive Secretariat in the Office of the Secretary of Defense will send the request to the National Security Council for further consideration.

If and when the President makes a written determination to waive the requirements in Section 1276(a), the Secretary of Defense is required to provide notice to the appropriate committees of Congress. Once the notice is provided, the committees have thirty (30) days to review the proposed transfer. At the end of the review period, DSCA will inform DLA Disposition Services that the waiver has been granted and the transfer process may proceed.

Transfer Process

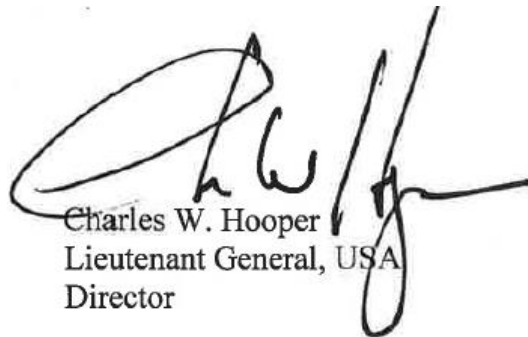
Once a waiver is granted, DLA Disposition Services will provide the requesting country with access to the Excess Defense Articles (EDA) website for six (6) months so the country can search for and select excess vehicles up to the quantity authorized in the waiver. If needed, countries may request an additional six (6) months to search for and select vehicles by submitting a written request to DLA Disposition Services. At the end of each six month period, or when the request can no longer be supported, DLA Disposition Services will contact DSCA to request authorization to offer the vehicles to the requesting country. The transfer process will then continue starting at Step 9 in C11.T7 in the Security Assistance Management Manual (SAMM).

Effective Date and Dissemination

This policy is effective immediately. Implementing Agencies should disseminate this policy to supporting activities.

Points of Contact

For questions relating to this policy, please contact Mr. Paul Gray, Assistance and Monitoring Division, at (703) 697-9637 or paul.o.gray.civ@mail.mil. For general questions regarding the SAMM, please contact Mr. Mike Slack, Strategic Planning and Integration, at (703) 697-9058 or micheal.d.slack.civ@mail.mil.



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Director

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