

(Pub. L. 90-629, ch. 3, § 33, Oct. 22, 1968, 82 Stat. 1325; Pub. L. 91-672, § 3, Jan. 12, 1971, 84 Stat. 2053; Pub. L. 92-226, pt. IV, § 401(c), (d), Feb. 7, 1972, 86 Stat. 32; Pub. L. 93-189, § 25(7)-(9), Dec. 17, 1973, 87 Stat. 731; Pub. L. 93-559, § 45(a)(8), Dec. 30, 1974, 88 Stat. 1815; Pub. L. 96-92, § 18, Oct. 29, 1979, 93 Stat. 709.)

#### AMENDMENTS

1979—Pub. L. 96-92 substituted provisions respecting restraint in arms sales to Sub-Saharan Africa for provisions imposing regional ceilings on foreign military sales to African countries and Presidential waiver and report thereof to Congress.

1974—Subsec. (a). Pub. L. 93-559, § 45(a)(8)(A), (B), repealed subsec. (a) which prescribed a ceiling of \$150,000,000 in each fiscal year on the total amount of military assistance, credits, participations in credits, guaranteed loans, and loans and sales under section 7307 of Title 10, for Latin American countries, and redesignated subsec. (b) as (a).

Subsec. (b). Pub. L. 93-559, § 45(a)(8)(B), (C), added subsec. (b) and redesignated former subsec. (b) as (a).

1973—Subsec. (a). Pub. L. 93-189, § 25(7), struck out reference to cash sales pursuant to sections 2761 and 2762 of this title reference to exclusion of credits covered by guaranties issued under section 2764(b) of this title, and reference to the face amount of contracts of guaranty issued under section 2764(a) and (b) of this title, inserted reference to the principal amount of loans guaranteed under section 2764(a) of this title, and substituted “\$150,000,000” for “\$100,000,000”.

Subsec. (b). Pub. L. 93-189, § 25(8), struck out reference to cash sales pursuant to sections 2761 and 2762 of this title, reference to exclusion of credits covered by guaranties issued under section 2764(b) of this title, and reference to the face amount of contracts of guaranty issued under section 2764(a) and (b) of this title, and inserted reference to the principal amount of loans guaranteed under section 2764(a) of this title.

Subsec. (c). Pub. L. 93-189, § 25(9), struck out subsec. (c) which provided for Presidential waiver of limitations on amounts authorized under this section and set forth geographical limitations on the aggregate amounts of military assistance to be made available and percentage deviations from such ceiling amounts.

1972—Subsec. (a). Pub. L. 92-226, § 401(c), substituted “\$100,000,000” for “\$75,000,000”.

Subsec. (c). Pub. L. 92-226, § 401(d), substituted provisions for waiver of limitations when overriding requirements of the national security of the United States justify waiver for prior provisions for such a waiver when important to the security of the United States, required a written report with reasons for findings and statement in detail of expenditures when in excess of applicable geographical limitations, and prescribed percentage limitation for exceeding aggregate of geographical ceiling limitation.

1971—Subsec. (a). Pub. L. 91-672, § 3(1), made fiscal year 1969 ceiling of \$75,000,000 for Latin American countries a continuing ceiling applicable in each fiscal year.

Subsec. (b). Pub. L. 91-672, § 3(2), made fiscal year 1969 ceiling of \$40,000,000 for African countries a continuing ceiling applicable in each fiscal year.

#### EFFECTIVE DATE

Section effective July 1, 1968, see section 41 of Pub. L. 90-629, set out as a note under section 2751 of this title.

#### § 2774. Foreign military sales credit standards

The President shall establish standards and criteria for credit and guaranty transactions under sections 2763 and 2764 of this title in accordance with the foreign, national security, and financial policies of the United States.

(Pub. L. 90-629, ch. 3, § 34, Oct. 22, 1968, 82 Stat. 1325.)

#### EFFECTIVE DATE

Section effective July 1, 1968, see section 41 of Pub. L. 90-629, set out as a note under section 2751 of this title.

#### DELEGATION OF FUNCTIONS

For delegation of functions of the President under this section, with certain conditions, see section 1(h) of Ex. Ord. No. 13637, Mar. 8, 2013, 78 F.R. 16129, set out as a note under section 2751 of this title. Functions were previously delegated by Ex. Ord. No. 11958, which was formerly set out as a note under section 2751 of this title and was revoked, subject to a savings provision, by section 4 of Ex. Ord. No. 13637.

#### § 2775. Foreign military sales to less developed countries

(a) When the President finds that any economically less developed country is diverting development assistance furnished pursuant to the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2151 et seq.], or sales under the Food for Peace Act, as amended [7 U.S.C. 1691 et seq.], to military expenditures, or is diverting its own resources to unnecessary military expenditures, to a degree which materially interferes with its development, such country shall be immediately ineligible for further sales and guarantees under sections 2761, 2762, 2763, and 2764 of this title, until the President is assured that such diversion will no longer take place.

(b) Repealed. Pub. L. 93-559, § 45(a)(5), Dec. 30, 1974, 88 Stat. 1814.

(Pub. L. 90-629, ch. 3, § 35, Oct. 22, 1968, 82 Stat. 1325; Pub. L. 93-559, § 45(a)(5), Dec. 30, 1974, 88 Stat. 1814; Pub. L. 110-246, title III, § 3001(b)(1)(A), (2)(T), June 18, 2008, 122 Stat. 1820, 1821.)

#### REFERENCES IN TEXT

The Foreign Assistance Act of 1961, as amended, referred to in subsec. (a), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, which is classified principally to chapter 32 (§ 2151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

The Food for Peace Act, as amended, referred to in subsec. (a), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified principally to chapter 41 (§ 1691 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

#### AMENDMENTS

2008—Subsec. (a). Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954”.

1974—Subsec. (b). Pub. L. 93-559 repealed subsec. (b) which provided for Presidential reports to Congress respecting sales and guaranties to less developed countries.

#### EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-246 effective May 22, 2008, see section 4(b) of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

#### EFFECTIVE DATE

Section effective July 1, 1968, see section 41 of Pub. L. 90-629, set out as a note under section 2751 of this title.

#### DELEGATION OF FUNCTIONS

For delegation of functions of the President under subsec. (a) of this section, see section 1(i) of Ex. Ord.