Aiding Israel after the Iran Nuclear Deal: Issues for Congress

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The Obama Administration has indicated that the United States may provide Israel with additional military aid during the implementation of the Joint Comprehensive Plan of Action (JCPOA) with Iran (see CRS Report RL33222, <u>U.S.</u> <u>Foreign Aid to Israel</u> and CRS Report R43333, <u>Iran Nuclear Agreement</u>). Although additional aid is described in terms of assuaging Israel's ongoing security concerns vis-à-vis Iran, it also may be part of a larger effort to reduce reported tensions between U.S. and Israeli leaders (see CRS Report R44245, <u>Israel: Background and U.S. Relations In Brief</u>). Ahead of Israeli Prime Minister Binyamin Netanyahu's November 9 meeting with President Obama at the White House, speculation has increased over how to enhance bilateral security cooperation in order to deter Iran and its allies.

During congressional consideration of the <u>Iran Nuclear Agreement Review Act of 2015</u>, the Obama Administration sought to assure lawmakers that the United States would increase its military assistance to Israel as the JCPOA is implemented. In letters to individual members, President Obama and Secretary Kerry each wrote that the Administration is prepared to "<u>further strengthen</u>" the U.S. security relationship with Israel by continuing talks on a new 10-year aid agreement, increasing joint U.S.-Israeli missile defense funding, and accelerating research and development for tunnel detection and mapping technologies.

Israel already is the top annual recipient of U.S. foreign assistance, including robust defense cooperation with the United States, prompting questions about how the Administration plans to further enhance Israel's security (see CRS Report R43901, *State, Foreign Operations, and Related Programs: FY2016 Budget and Appropriations*). Press reports suggest that the two sides may be discussing a new Memorandum of Understanding (MOU) on future U.S. military aid to Israel (subject to congressional approval) that is significantly higher than the aid levels Congress has approved for Israel pursuant to the <u>current 10-year MOU</u> (FY2009 to FY2018). According to Israel's Ambassador to the United States, Ron Dermer, "Discussions over a new Memorandum of Understanding between Israel and the United States, which had been on hold for some time," recently resumed in Washington. On October 28, Assistant Secretary of State for Near Eastern Affairs Anne Patterson told the Senate Foreign Relations Committee that there have been some "desultory conversations" about a new MOU. While it is unclear how increases in Foreign Military Financing (FMF) to Israel

would be accounted for in the overall State and Foreign Operations Appropriations budget, various media reports suggest that the Administration is prepared to increase annual aid from its current \$3.1 billion a year in FMF to <u>\$3.6</u> billion or possibly as high as <u>\$4 billion annually</u>.

Beyond foreign aid, the Administration also may address the longstanding U.S. commitment to maintain Israel's "qualitative military edge" (QME) over neighboring militaries (see CRS Report RL33222, <u>U.S. Foreign Aid to Israel</u>). In a joint address with visiting Israeli Defense Minister Moshe Ya'alon, <u>U.S. Secretary of Defense Ash Carter remarked</u> on October 27, 2015, that "We will meet our iron-clad commitment to Israel Qualitative Military Edge." Some media reports speculate that the Administration may be contemplating new sales of advanced weapons to Israel. Israel already has ordered 33 F-35 fifth-generation stealth aircraft and has received U.S. approval to purchase up to 75 F-35 aircraft. At present, no Arab country has been approved to purchase the F-35 and, according to one report, Israeli officials may seek a "Mideast moratorium" on the sale of the F-35, keeping Israel as its exclusive regional operator.

Figure 1. V-22 Osprey



Source: http://www.defense.gov.

Other reports suggest that the Administration may try to enhance the QME by selling Israel the V-22 Osprey, the tiltrotor military aircraft that flies like a fixed-wing plane but has vertical takeoff and landing capability. Previously, Israel had been selected to become the first foreign operator of the Osprey, but reportedly Israel backed away from a purchase of six planes due to cost concerns and/or possible <u>bilateral</u> <u>disputes</u> over the Iran nuclear agreement.

As part of Israel's quest to strengthen its QME, Israeli officials could seek additional U.S. pledges to sell precision-guided weaponry or refueling aircraft to the Israeli Air Force. <u>Some public figures</u> had called on the United States to provide Israel with GBU-57 30,000-pound bunkerbuster bombs, known as Massive Ordnance Penetrators (MOPs), along with the aircraft to carry them. However, in recent weeks <u>expectations</u>

regarding MOPs have receded due to reported joint Administration and Israeli opposition. The Administration could offer Israel other types of precision munitions, such as the GBU-39 Small Diameter Bomb, which was first sold to Israel in 2008. In May 2015, the Defense Security Cooperation Agency published a notification of a proposed U.S. sale to Israel of 14,500 JDAM kits worth as much as \$1.879 billion.

Administration officials also have spoken about increasing U.S. support for Israel's multi-layered missile defense. From FY2011 to FY2015, Congress has appropriated \$2.165 billion in defense funds for four different missile and rocket defense systems (Arrow II, Arrow III, Iron Dome, and David's Sling). For FY2016, Congress is considering between \$473 and \$487 million in additional funding for these systems in House and Senate-proposed Defense Appropriations legislation (H.R. 2685 and <u>\$.1558</u>).

Finally, U.S. and Israeli officials may try to find new areas of cooperation in the fields of cyber defense and tunnel detection. <u>H.R. 1735</u>, the National Defense Authorization Act for Fiscal Year 2016, contains Section 1279, which authorizes the Secretary of Defense to establish an anti-tunnel capabilities program with Israel. The fate of this provision may depend how Congress ultimately proceeds on defense authorization for FY2016 in light of the President's veto of <u>H.R. 1735</u>.

In the months ahead, Congress may try to pass legislation—independent of Administration requests—either appropriating additional assistance to existing programs or authorizing new forms of cooperation. For example, Section 5 of the Senate-proposed Iran Policy Oversight Act of 2015 (S. 2119) would authorize additional security assistance to Israel in order to "enhance Israel's qualitative military edge, effectively deter conventional and nuclear threats from Iran, and counter non-peaceful nuclear activities by Iran." The bill would authorize the President to "transfer to the Government of Israel, as appropriate, ordnance and delivery systems under such terms and conditions as the President determines necessary ... "

Since concluding the Iran deal the Administration has attempted to reassure Gulf Arab monarchies that the United States is committed to their security by, for example, notifying Congress of over <u>\$18 billion in proposed major arms sales</u> to

the region. In the weeks and months ahead, Israeli officials may seek to ensure that any post-Iran deal aid and arms sales provided to them by the United States will quantitatively and/or qualitatively exceed U.S. commitments to the Gulf Arab monarchies.