

What is Export Control? What are the penalties for violating it?

“Export Control” is a catch all term that covers how the US prevents the unintended export of goods, information or services from the United States (or US entities) to foreign entities. These laws are administered by various agencies within the federal government, but the major enforcement agencies affecting Florida Tech are the Directorate of Defense Trade Controls ([DDTC](#)- falls under the Department of State), the Bureau of Industry and Security ([BIS](#)- falls under the Department of Commerce), and the Office of Foreign Asset Control ([OFAC](#)- falls under the Department of the Treasury). Each one of these agencies administer a different “piece” of export control, and there may be some overlap between the agencies.

BIS- Administers the EAR- [Export Administration Regulation](#). This body of law has more of an economic/trade focus, and covers much of what Florida Tech encounters.

DDTC- Administers the ITAR- [International Traffic in Arms Regulation](#). This body of law has a more military focus, and does occasionally interact with Florida Tech projects.

OFAC- Administers [US government sanctions programs](#) and the [Specially Designated Nationals list](#). This body of law is focused more on countries, specific people, and organizations/entities that are banned from doing business with US companies/persons/organizations/entities without a license.

Exports can take the form of actually shipping/bringing something overseas to exposing it to a foreign person here.

Export Controls:

- Restrict the use of, and access to, certain sensitive or controlled technical information, materials and technology for reasons of national security or protection of trade.
- Are designed to ensure sensitive information, technology, software, biological and chemical agents, equipment, and know-how are not employed for purposes other than intended use.
- Restrict financial transactions and services to certain restricted entities (individuals, companies, government, etc.)
- Restrictions are to foreign persons dependent on subject in question and relevant regulations.

Who and what do Export Controls apply to?

FIT and all faculty, staff, students, visitors, and volunteers must comply with export control. Export controls apply to all research activities, including grants, contracts and cooperative agreements. In essence, it's federal law, and could apply to many university activities. FIT's Export Control Policy can be seen [here](#).

What could be an Export Control Violation?

- A deemed export: Disclosure within the U.S. of a controlled technology, “know-how”, or services provided to restricted foreign nationals. This may include participation in research projects, presenting controlled data at conferences, attending meetings, hosting informal visits, international collaborations and/or technical discussions.
- Actual shipment or transport of items outside the U.S.
- Transmission (analog or digital) of controlled technology or technical information outside the U.S.
- Use or application of controlled technology on behalf of, or for the benefit of, any foreign person or entity either in the U.S. or abroad.
- Release or disclosure (including verbal or visual) of any controlled technology, software, or technical data, either in the U.S. (deemed export) or abroad.

Who is a foreign person (foreign national)?

- Individual in the U.S. in non-immigrant status (H-1B, F-1, J-1, B Type or other foreign persons).
- Individual associated with a branch of a foreign government.

- Individual employed by a foreign corporation or group that is not incorporated or organized to do business in the U.S.

What are the penalties for non-compliance?

Civil and criminal sanctions can be applied to both the **individual and/or the university**. For example, [Dr. John Reece Roth](#) was a professor who was prosecuted for ITAR violations in 2011-12. The University was not officially sanctioned. The [University of Massachusetts at Lowell was fined](#) \$100,000 by BIS for shipping EAR99 items (no license required for shipment to non-sanctioned countries/persons/organizations) to an organization on the Specially Designated Nationals List in Pakistan.

Agency penalties may overlap (i.e. BIS, OFAC and DDTC can penalize you for different parts of a single incident).

Department of State (ITAR)

- Criminal: up to \$1,000,000/violation AND up to 10 years in prison.
- Civil: seizure and forfeiture of articles, revocation of exporting privileges, fines of up to \$500,000/violation.

Department of Commerce (EAR)

- Criminal: \$50,000 to \$1,000,000 or five times the value of the export, whichever is greater, per violation; up to 10 years in prison.
- Civil: loss of export privileges, fines \$10,000 to \$120,000 per violation.

Department of Treasury (OFAC)

- Criminal: up to \$1,000,000/violation; up to 10 years in prison.
- Civil: fines \$12,000 to \$55,000 (depending on applicable law) per violation.