

Calendar No. 132

104TH CONGRESS
1ST SESSION

S. 961

[Report No. 104-99]

A BILL

To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize reduced levels of appropriations for foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

JUNE 23 (legislative day, JUNE 19), 1995

Read twice and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

JUNE 23 (legislative day, JUNE 19), 1995

Mr. HELMS, from the Committee on Foreign Relations, reported the following original bill; which was read twice and placed on the calendar

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To amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize reduced levels of appropriations for foreign assistance programs for fiscal years 1996 and 1997, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Foreign Aid Reduction
5 Act of 1995”.

1 SEC. 2. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Congressional findings; statement of policy.
- Sec. 4. Definition.

TITLE I—DEFENSE AND SECURITY ASSISTANCE

CHAPTER 1—MILITARY AND RELATED ASSISTANCE

SUBCHAPTER A—FOREIGN MILITARY FINANCING PROGRAM

- Sec. 101. Authorization of appropriations.
- Sec. 102. Loans for Greece and Turkey.
- Sec. 103. Loans for European countries emerging from communist domination.
- Sec. 104. Terms of loans.
- Sec. 105. Nonrepayment of grant assistance.

SUBCHAPTER B—OTHER ASSISTANCE

- Sec. 111. Defense drawdown special authorities.
- Sec. 112. Stockpiles of defense articles.
- Sec. 113. Transfer of excess defense articles.

CHAPTER 2—INTERNATIONAL MILITARY EDUCATION AND TRAINING

- Sec. 121. Authorization of appropriations.
- Sec. 122. Additional requirements relating to international military education and training.

CHAPTER 3—ANTITERRORISM ASSISTANCE

- Sec. 131. Authorization of appropriations.
- Sec. 132. Antiterrorism training assistance.

CHAPTER 4—NARCOTICS CONTROL ASSISTANCE

- Sec. 141. Authorization of appropriations.

CHAPTER 5—PEACEKEEPING OPERATIONS

- Sec. 151. Peacekeeping operations.

CHAPTER 6—OTHER PROVISIONS

- Sec. 161. Standardization of congressional review procedures for arms transfers.
- Sec. 162. Standardization of third country transfers of defense articles.
- Sec. 163. Increased standardization, rationalization, and interoperability of assistance and sales programs.
- Sec. 164. Repeal of price and availability reporting requirement relating to proposed sale of defense articles and services.
- Sec. 165. Definition of significant military equipment.
- Sec. 166. Designation of major non-NATO allies.
- Sec. 167. Competitive pricing for sales of defense articles and services.
- Sec. 168. Depleted uranium ammunition.

- Sec. 169. Police training for certain foreign countries.
- Sec. 170. Utilization of defense articles and services.
- Sec. 171. Reports on arms sales.
- Sec. 172. Elimination of the requirement for recoupment of nonrecurring cost charges.
- Sec. 173. Reduction in valuation of defense articles not intended for replacement.
- Sec. 174. Elimination of special defense acquisition fund annual report.

TITLE II—TRADE AND EXPORT DEVELOPMENT

- Sec. 201. Trade and Development Agency.
- Sec. 202. Countries in transition to a free market economy.

TITLE III—PRIVATE SECTOR, ECONOMIC, AND DEVELOPMENT ASSISTANCE

CHAPTER 1—PRIVATE SECTOR ENTERPRISE FUNDS

- Sec. 301. Support for private sector enterprise funds.
- Sec. 302. Micro- and small-enterprise development credit program.

CHAPTER 2—DEVELOPMENT ASSISTANCE FUND AND OTHER AUTHORITIES

- Sec. 311. Development Assistance Fund.
- Sec. 312. Economic Support Fund.
- Sec. 313. Nonintervention concerning abortion.
- Sec. 314. Host country cost-sharing.
- Sec. 315. Private funding of private and voluntary organizations.
- Sec. 316. Documentation requested of private and voluntary organizations.
- Sec. 317. Prohibition on use of foreign assistance by private and voluntary organizations for office equipment in the United States.
- Sec. 318. Prohibition on circumvention of aid restrictions.
- Sec. 319. Foreign government parking fines.
- Sec. 320. Limitation on waiver of sanctions against major drug producing and drug-transit countries.
- Sec. 321. Engaging the United States private sector in development.

CHAPTER 3—PEACE CORPS

- Sec. 331. Peace Corps.
- Sec. 332. Deadlines for evaluation of and report on health care services provided to Peace Corps volunteers.

CHAPTER 4—INTERNATIONAL DISASTER ASSISTANCE PROGRAMS

- Sec. 341. International disaster assistance.

TITLE IV—PEACE AND SECURITY IN THE MIDDLE EAST

- Sec. 401. Economic Support Fund assistance for Israel.
- Sec. 402. Foreign Military Financing for Israel.
- Sec. 403. Economic Support Fund assistance for Egypt.
- Sec. 404. Foreign Military Financing for Egypt.
- Sec. 405. Establishment of a free trade area for Taba, Elat, and Aqaba.
- Sec. 406. Continuation of free trade treatment for Gaza and Jericho.
- Sec. 407. Authorization for an industrial park on the border between the territories and Israel.

TITLE V—OTHER REGIONAL ISSUES

- Sec. 501. Lending to the independent states of the former Soviet Union required to be secured by certain export earnings.
- Sec. 502. Restrictions on assistance for Nicaragua.
- Sec. 503. Restrictions on assistance to North Korea and the Korean Peninsula Energy Development Organization.
- Sec. 504. Future of the United States military presence in Panama.
- Sec. 505. Eligibility of Panama under the Arms Export Control Act.
- Sec. 506. Certification requirements for Colombia with respect to illegal drug production and drug trafficking activity for fiscal years 1996 and 1997.
- Sec. 507. Report on Israeli debt.
- Sec. 508. Report on involvement by senior Mexican government officials in illegal drug trafficking.
- Sec. 509. Prohibition on anti-narcotics assistance to Burma.
- Sec. 510. Clarification of restrictions under section 620E of the Foreign Assistance Act of 1961.
- Sec. 511. Statement of policy and requirement for report on oil pipeline through Azerbaijan, Armenia, Georgia, and Turkey.
- Sec. 512. Reports on eradication of production and trafficking in narcotic drugs and marijuana.
- Sec. 513. Reports on commercial disputes with Pakistan.
- Sec. 514. Nonproliferation and Disarmament Fund.
- Sec. 515. Russian nuclear technology agreement with Iran.
- Sec. 516. Supporting a resolution to the long-standing dispute regarding Cyprus.
- Sec. 517. Reports on certain activities of the City of Moscow government.
- Sec. 518. Statement of policy on Africa.

TITLE VI—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

- Sec. 601. Voluntary contributions; United Nations Children's Fund.
- Sec. 602. United Nations Fund for Population Activities.
- Sec. 603. Withholding of United States proportionate share for programs of international organizations.
- Sec. 604. Reports on voluntary contributions to international organizations by all United States Government agencies.
- Sec. 605. Restrictions on funding for United Nations Development Program.
- Sec. 606. Replenishment of the Asian Development Bank.
- Sec. 607. Republic of China (Taiwan's) participation in the United Nations.
- Sec. 608. Republic of China (Taiwan's) participation in the World Trade Organization.

TITLE VII—SPECIAL AUTHORITIES AND GENERAL PROVISIONS

CHAPTER 1—REPORTING REQUIREMENTS

- Sec. 701. Annual allocation reports.
- Sec. 702. Report on expropriation of United States property.

CHAPTER 2—GENERAL PROVISIONS

- Sec. 711. National interest, economic freedom, and graduation requirements.
- Sec. 712. Termination of assistance.
- Sec. 713. Prohibition on assistance to foreign governments engaged in espionage against the United States.

- Sec. 714. Foreign state support for acts of international terrorism.
- Sec. 715. Restriction on assistance to nuclear proliferators.
- Sec. 716. Prohibition on foreign assistance to foreign governments not implementing extradition treaties.
- Sec. 717. Impact on jobs in the United States.
- Sec. 718. Nonapplicability of cargo preference requirements.
- Sec. 719. Prohibition on foreign assistance to foreign governments employing mercenary forces.
- Sec. 720. Transportation expenses for delivery of humanitarian assistance.
- Sec. 721. Prohibition on assistance to countries blocking or restricting humanitarian aid corridors.

CHAPTER 3—REPEALS

- Sec. 731. Repeal of obsolete provisions.

TITLE VIII—EFFECTIVE DATE

- Sec. 801. Effective date.

1 **SEC. 3. CONGRESSIONAL FINDINGS; STATEMENT OF POL-**
 2 **ICY.**

3 (a) CONGRESSIONAL FINDINGS.—Congress finds the
 4 following:

5 (1) The United States has been more generous
 6 than any other country in providing assistance to
 7 other countries, as evidenced by the following:

8 (A) Since 1945, American taxpayers have
 9 provided more than \$450,000,000,000 in for-
 10 eign aid. Because these foreign aid expenditures
 11 and the interest accrued thereon have been fi-
 12 nanced by borrowing, the actual cost to United
 13 States taxpayers has been nearly
 14 \$2,000,000,000,000.

15 (B) In fiscal year 1995, the United States
 16 provided foreign aid to 148 countries.

1 (C) For fiscal year 1996, the President has
2 recommended assistance to 145 countries.

3 (2) No country is entitled to United States for-
4 eign assistance. Many recipients of United States
5 foreign assistance have received this assistance for
6 40 years and must recognize that the United States
7 does not have the luxury of providing unlimited as-
8 sistance.

9 (3) Despite billions of dollars in assistance over
10 more than 40 years, many countries are economi-
11 cally worse off today than they were before United
12 States assistance began.

13 (4) Foreign aid must be reduced by at least the
14 same percentage as domestic discretionary spending
15 if the goal of balancing the Federal budget by the
16 year 2002 is to be achieved.

17 (b) STATEMENT OF POLICY.—To further the national
18 security and prosperity of the United States and to ensure
19 that American tax dollars are wisely spent, United States
20 assistance shall be provided only to achieve the following
21 goals:

22 (1) To enhance the security of the United
23 States.

24 (2) To promote United States trade and invest-
25 ment.

1 (3) To combat transnational threats to United
2 States security, including terrorism, weapons pro-
3 liferation, narcotics trafficking, and organized crime.

4 (4) To assist the process of privatization and
5 economic development in countries which have com-
6 mitted themselves to democratic values and institu-
7 tions, which respect human rights, and which are
8 undertaking free market economic reforms.

9 (5) To provide urgent humanitarian assistance
10 to countries and people suffering from natural and
11 man-made disasters.

12 **SEC. 4. DEFINITION.**

13 (a) AMENDMENT OF THE FOREIGN ASSISTANCE
14 ACT.—Section 644 of the Foreign Assistance Act of 1961
15 (22 U.S.C. 2403) is amended by adding at the end the
16 following new subsection:

17 “(q) ‘Appropriate congressional committees’ means,
18 except as otherwise provided, the Committee on Foreign
19 Relations and the Committee on Appropriations of the
20 Senate and the Committee on International Relations and
21 the Committee on Appropriations of the House of Rep-
22 resentatives.”.

23 (b) APPROPRIATE CONGRESSIONAL COMMITTEES.—
24 Except as otherwise provided, as used in this Act, the term
25 “appropriate congressional committees” has the same

1 meaning given the term in section 644(q) of the Foreign
2 Assistance Act of 1961.

3 **TITLE I—DEFENSE AND**
4 **SECURITY ASSISTANCE**

5 **CHAPTER 1—MILITARY AND RELATED**
6 **ASSISTANCE**

7 **Subchapter A—Foreign Military Financing**
8 **Program**

9 **SEC. 101. AUTHORIZATION OF APPROPRIATIONS.**

10 There are authorized to be appropriated for grant as-
11 sistance under section 23 of the Arms Export Control Act
12 (22 U.S.C. 2763) and for the subsidy cost, as defined in
13 section 502(5) of the Federal Credit Reform Act of 1990,
14 of direct loans under such section—

15 (1) \$3,185,000,000 for fiscal year 1996; and

16 (2) \$3,160,000,000 for fiscal year 1997.

17 **SEC. 102. LOANS FOR GREECE AND TURKEY.**

18 Of the amounts made available for fiscal years 1996
19 and 1997 under section 23 of the Arms Export Control
20 Act (22 U.S.C. 2763)—

21 (1) \$26,620,000 shall be made available each
22 such fiscal year for the subsidy cost, as defined in
23 section 502(5) of the Federal Credit Reform Act of
24 1990, of direct loans for Greece; and

1 (2) \$37,800,000 shall be made available each
2 such fiscal year for the subsidy cost, as defined in
3 section 502(5) of the Federal Credit Reform Act of
4 1990, of direct loans for Turkey.

5 **SEC. 103. LOANS FOR EUROPEAN COUNTRIES EMERGING**
6 **FROM COMMUNIST DOMINATION.**

7 Of the amounts made available for fiscal years 1996
8 and 1997 under section 23 of the Arms Export Control
9 Act (22 U.S.C. 2763), not more than \$25,000,000 for
10 each such fiscal year shall be made available for the sub-
11 sidy cost, as defined in section 502(5) of the Federal Cred-
12 it Reform Act of 1990, of direct loans for the Czech Re-
13 public, Hungary, Poland, Estonia, Latvia, Lithuania, and
14 Slovenia.

15 **SEC. 104. TERMS OF LOANS.**

16 Section 31(c) of the Arms Export Control Act (22
17 U.S.C. 2771(c)) is amended to read as follows:

18 “(c) Loans available under section 23 shall be pro-
19 vided at rates of interest that are not less than the current
20 average market yield on outstanding marketable obliga-
21 tions of the United States of comparable maturities.”.

22 **SEC. 105. NONREPAYMENT OF GRANT ASSISTANCE.**

23 Section 23 of the Arms Export Control Act (22
24 U.S.C. 2763) is amended by adding at the end the follow-
25 ing new subsection:

1 “(f) Notwithstanding any other provision of this sec-
2 tion, the President shall not require repayment of any as-
3 sistance provided on a grant basis under this section to
4 a foreign country or international organization.”.

5 **Subchapter B—Other Assistance**

6 **SEC. 111. DEFENSE DRAWDOWN SPECIAL AUTHORITIES.**

7 (a) UNFORESEEN EMERGENCY DRAWDOWN.—Sec-
8 tion 506(a)(1) of the Foreign Assistance Act of 1961 (22
9 U.S.C. 2318(a)(1)) is amended by striking “\$75,000,000”
10 and inserting “\$100,000,000”.

11 (b) ADDITIONAL DRAWDOWN.—Section 506 of such
12 Act (22 U.S.C. 2318) is amended—

13 (1) in subsection (a)(2)(A), by striking “defense
14 articles from the stocks” and all that follows and in-
15 sserting the following: “articles and services from the
16 inventory and resources of any agency of the United
17 States Government and military education and
18 training from the Department of Defense, the Presi-
19 dent may direct the drawdown of such articles, serv-
20 ices, and military education and training—

21 “(i) for the purposes and under the au-
22 thorities of—

23 “(I) chapter 8 of part I (relating to
24 international narcotics control assistance);

1 “(II) chapter 9 of part I (relating to
2 international disaster assistance); or

3 “(III) the Migration and Refugee As-
4 sistance Act of 1962; or

5 “(ii) for the purpose of providing such arti-
6 cles, services, and military education and train-
7 ing to Vietnam, Cambodia, and Laos as the
8 President determines are necessary—

9 “(I) to support efforts to locate and
10 repatriate members of the United States
11 Armed Forces and civilians employed di-
12 rectly or indirectly by the United States
13 Government who remain unaccounted for
14 from the Vietnam War; and

15 “(II) to ensure the safety of United
16 States Government personnel engaged in
17 such cooperative efforts and to support De-
18 partment of Defense-sponsored humani-
19 tarian projects associated with such ef-
20 forts.”;

21 (2) in subsection (a)(2)(B), by striking
22 “\$75,000,000” and all that follows and inserting
23 “\$150,000,000 in any fiscal year of such articles,
24 services, and military education and training may be

1 provided pursuant to subparagraph (A) of this para-
2 graph—

3 “(i) not more than \$75,000,000 of which
4 may be provided from the drawdown from the
5 inventory and resources of the Department of
6 Defense;

7 “(ii) not more than \$75,000,000 of which
8 may be provided pursuant to clause (i)(I) of
9 such subparagraph; and

10 “(iii) not more than \$15,000,000 of which
11 may be provided to Vietnam, Cambodia, and
12 Laos pursuant to clause (ii) of such subpara-
13 graph.”; and

14 (3) in subsection (b)(1), by adding at the end
15 the following: “In the case of drawdowns authorized
16 by subclauses (I) and (III) of subsection
17 (a)(2)(A)(i), notifications shall be provided to those
18 committees at least 15 days in advance in accord-
19 ance with the procedures applicable to
20 reprogramming notifications under section 634A.”.

21 (c) NOTICE TO CONGRESS OF EXERCISE OF SPECIAL
22 AUTHORITIES.—Section 652 of such Act (22 U.S.C.
23 2411) is amended by striking “prior to the date” and in-
24 serting “before”.

1 **SEC. 112. STOCKPILES OF DEFENSE ARTICLES.**

2 (a) LIMITATION ON VALUE OF ADDITIONS.—Section
3 514(b)(1) of the Foreign Assistance Act of 1961 (22
4 U.S.C. 2321h(b)(1)) is amended by inserting “or in the
5 implementation of agreements with Israel” after “North
6 Atlantic Treaty Organization”.

7 (b) ADDITIONS IN FISCAL YEARS 1996 AND 1997.—
8 Section 514(b)(2) of such Act (22 U.S.C. 2321h(b)(2))
9 is amended to read as follows:

10 “(2)(A) The value of such additions to stockpiles of
11 defense articles in foreign countries shall not exceed
12 \$50,000,000 for each of the fiscal years 1996 and 1997.

13 “(B) Of the amount specified in subparagraph (A)
14 for each of the fiscal years 1996 and 1997, not more than
15 \$40,000,000 may be made available for stockpiles in the
16 Republic of Korea and not more than \$10,000,000 may
17 be made available for stockpiles in Thailand.”.

18 (c) LOCATION OF STOCKPILES OF DEFENSE ARTI-
19 CLES.—Section 514(c) of such Act (22 U.S.C. 2321h(c))
20 is amended to read as follows:

21 “(c) LOCATION OF STOCKPILES OF DEFENSE ARTI-
22 CLES.—

23 “(1) LIMITATION.—Except as provided in para-
24 graph (2), no stockpile of defense articles may be lo-
25 cated outside the boundaries of a United States mili-

1 tary base or a military base used primarily by the
2 United States.

3 “(2) EXCEPTIONS.—Paragraph (1) shall not
4 apply with respect to stockpiles of defense articles
5 located in the Republic of Korea, Thailand, any
6 country that is a member of the North Atlantic
7 Treaty Organization, any country that is a major
8 non-NATO ally, or any other country the President
9 may designate. At least 15 days before designating
10 a country pursuant to the last clause of the preced-
11 ing sentence, the President shall notify the congres-
12 sional committees specified in section 634A(a) in ac-
13 cordance with the procedures applicable to
14 reprogramming notifications under that section.”.

15 **SEC. 113. TRANSFER OF EXCESS DEFENSE ARTICLES.**

16 (a) IN GENERAL.—Section 516 of the Foreign Assist-
17 ance Act of 1961 (22 U.S.C. 2321j) is amended to read
18 as follows:

19 **“SEC. 516. AUTHORITY TO TRANSFER EXCESS DEFENSE AR-**
20 **TICLES.**

21 “(a) AUTHORIZATION.—The President is authorized
22 to transfer excess defense articles under this section to
23 countries for which receipt of such articles was justified
24 pursuant to the annual congressional presentation docu-
25 ments for military assistance programs, or for programs

1 under chapter 8 of part I of this Act, submitted under
2 section 634 of this Act, or for which receipt of such arti-
3 cles was separately justified to Congress, for the fiscal
4 year in which the transfer is authorized.

5 “(b) LIMITATIONS ON TRANSFERS.—The President
6 may transfer excess defense articles under this section
7 only if—

8 “(1) such articles are drawn from existing
9 stocks of the Department of Defense;

10 “(2) funds available to the Department of De-
11 fense for the procurement of defense equipment are
12 not expended in connection with the transfer;

13 “(3) the transfer of such articles will not have
14 an adverse impact on the military readiness of the
15 United States;

16 “(4) with respect to a proposed transfer of such
17 articles on a grant basis, such a transfer is pref-
18 erable to a transfer on a sales basis, after taking
19 into account the potential proceeds from, and likeli-
20 hood of, such sales, and the comparative foreign pol-
21 icy benefits that may accrue to the United States as
22 the result of a transfer on either a grant or sales
23 basis;

24 “(5) the President determines that the transfer
25 of such articles will not have an adverse impact on

1 the national technology and industrial base and, par-
2 ticularly, will not reduce the opportunities of entities
3 in the national technology and industrial base to sell
4 new or used equipment to the countries to which
5 such articles are transferred; and

6 “(6) the transfer of such articles is consistent
7 with the policy framework for the Eastern Medi-
8 terranean established under section 620C of this
9 Act.

10 “(c) TERMS OF TRANSFERS.—

11 “(1) NO COST TO RECIPIENT COUNTRY.—Ex-
12 cess defense articles may be transferred under this
13 section without cost to the recipient country.

14 “(2) PRIORITY.—Notwithstanding any other
15 provision of law, the delivery of excess defense arti-
16 cles under this section to member countries of the
17 North Atlantic Treaty Organization (NATO) on the
18 southern and southeastern flank of NATO and to
19 major non-NATO allies on such southern and south-
20 eastern flank shall be given priority to the maximum
21 extent feasible over the delivery of such excess de-
22 fense articles to other countries.

23 “(d) WAIVER OF REQUIREMENT FOR REIMBURSE-
24 MENT OF DEPARTMENT OF DEFENSE EXPENSES.—Sec-
25 tion 632(d) shall not apply with respect to transfers of

1 excess defense articles (including transportation and relat-
2 ed costs) under this section.

3 “(e) TRANSPORTATION AND RELATED COSTS.—

4 “(1) IN GENERAL.—Except as provided in para-
5 graph (2), funds available to the Department of De-
6 fense may not be expended for crating, packing,
7 handling, and transportation of excess defense arti-
8 cles transferred under the authority of this section.

9 “(2) EXCEPTION.—The President may provide
10 for the transportation of excess defense articles with-
11 out charge to a country for the costs of such trans-
12 portation if—

13 “(A) it is determined that it is in the na-
14 tional interest of the United States to do so;

15 “(B) the recipient is a developing country
16 receiving less than \$10,000,000 of assistance
17 under chapter 5 of part II of this Act (relating
18 to international military education and train-
19 ing) or section 23 of the Arms Export Control
20 Act (22 U.S.C. 2763; relating to the Foreign
21 Military Financing program) in the fiscal year
22 in which the transportation is provided;

23 “(C) the total weight of the transfer does
24 not exceed 25,000 pounds; and

1 “(D) such transportation is accomplished
2 on a space available basis.

3 “(f) ADVANCE NOTIFICATION TO CONGRESS FOR
4 TRANSFER OF CERTAIN EXCESS DEFENSE ARTICLES.—

5 “(1) IN GENERAL.—The President may not
6 transfer excess defense articles that are significant
7 military equipment (as defined in section 47(9) of
8 the Arms Export Control Act) or excess defense arti-
9 cles valued (in terms of original acquisition cost) at
10 \$7,000,000 or more, under this section or under the
11 Arms Export Control Act (22 U.S.C. 2751 et seq.)
12 until 15 days after the date on which the President
13 has provided notice of the proposed transfer to the
14 congressional committees specified in section
15 634A(a) in accordance with procedures applicable to
16 reprogramming notifications under that section.

17 “(2) CONTENTS.—Such notification shall in-
18 clude—

19 “(A) a statement outlining the purposes
20 for which the article is being provided to the
21 country, including whether such article has
22 been previously provided to such country;

23 “(B) an assessment of the impact of the
24 transfer on the military readiness of the United
25 States;

1 “(C) an assessment of the impact of the
2 transfer on the national technology and indus-
3 trial base and, particularly, the impact on op-
4 portunities of entities in the national technology
5 and industrial base to sell new or used equip-
6 ment to the countries to which such articles are
7 to be transferred; and

8 “(D) a statement describing the current
9 value of such article and the value of such arti-
10 cle at acquisition.

11 “(g) AGGREGATE ANNUAL LIMITATION.—The aggre-
12 gate value of excess defense articles transferred to coun-
13 tries under this section in any fiscal year may not exceed
14 \$350,000,000.

15 “(h) CONGRESSIONAL PRESENTATION DOCU-
16 MENTS.—Documents described in subsection (a) justifying
17 the transfer of excess defense articles shall include an ex-
18 planation of the general purposes of providing excess de-
19 fense articles as well as a table which provides an aggre-
20 gate annual total of transfers of excess defense articles
21 in the preceding year by country in terms of offers and
22 actual deliveries and in terms of acquisition cost and cur-
23 rent value. Such table shall indicate whether such excess
24 defense articles were provided on a grant or sale basis.

1 “(i) EXCESS COAST GUARD PROPERTY.—For pur-
2 poses of this section, the term ‘excess defense articles’
3 shall be deemed to include excess property of the Coast
4 Guard, and the term ‘Department of Defense’ shall be
5 deemed, with respect to such excess property, to include
6 the Coast Guard.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) ARMS EXPORT CONTROL ACT.—Section
9 21(k) of the Arms Export Control Act (22 U.S.C.
10 2761(k)) is amended by striking “the President
11 shall” and all that follows and inserting the follow-
12 ing: “the President shall determine that the sale of
13 such articles will not have an adverse impact on the
14 national technology and industrial base and, particu-
15 larly, will not reduce the opportunities of entities in
16 the national technology and industrial base to sell
17 new or used equipment to the countries to which
18 such articles are transferred.”.

19 (2) REPEALS.—The following provisions of law
20 are hereby repealed:

21 (A) Section 502A of the Foreign Assist-
22 ance Act of 1961 (22 U.S.C. 2303).

23 (B) Sections 517 through 520 of the For-
24 eign Assistance Act of 1961 (22 U.S.C. 2321k
25 through 2321n).

1 (C) Section 31(d) of the Arms Export Con-
2 trol Act (22 U.S.C. 2771(d)).

3 **CHAPTER 2—INTERNATIONAL MILITARY**
4 **EDUCATION AND TRAINING**

5 **SEC. 121. AUTHORIZATION OF APPROPRIATIONS.**

6 There are authorized to be appropriated \$27,000,000
7 for each of the fiscal years 1996 and 1997 to carry out
8 chapter 5 of part II of the Foreign Assistance Act of 1961
9 (22 U.S.C. 2347 et seq.).

10 **SEC. 122. ADDITIONAL REQUIREMENTS RELATING TO**
11 **INTERNATIONAL MILITARY EDUCATION AND**
12 **TRAINING.**

13 (a) GENERAL AUTHORITY.—Section 541 of the For-
14 eign Assistance Act of 1961 (22 U.S.C. 2347) is amended
15 in the second sentence in the matter preceding clause (i)
16 by inserting “and individuals who are not members of the
17 government” after “legislators”.

18 (b) TEST PILOT EXCHANGE TRAINING.—Section 544
19 of such Act (22 U.S.C. 2347c) is amended—

20 (1) by striking “In carrying out this chapter”
21 and inserting “(a) In carrying out this chapter”; and

22 (2) by adding at the end the following new sub-
23 section:

24 “(b) The President may provide for the attendance
25 of foreign military and civilian defense personnel at test

1 pilot flight schools in the United States without charge,
2 and without charge to funds available to carry out this
3 chapter (notwithstanding section 632(d) of this Act), if
4 such attendance is pursuant to an agreement providing
5 for the exchange of students on a one-for-one basis each
6 fiscal year between those United States test pilot flight
7 schools and comparable flight test pilot schools of foreign
8 countries.”.

9 **CHAPTER 3—ANTITERRORISM**

10 **ASSISTANCE**

11 **SEC. 131. AUTHORIZATION OF APPROPRIATIONS.**

12 (a) IN GENERAL.—There are authorized to be appro-
13 priated \$15,000,000 for fiscal year 1996 and \$15,000,000
14 for fiscal year 1997 to carry out chapter 8 of part II of
15 the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa
16 et seq.).

17 (b) AVAILABILITY OF AMOUNTS.—Amounts author-
18 ized to be appropriated under subsection (a) are author-
19 ized to remain available until expended.

20 **SEC. 132. ANTITERRORISM TRAINING ASSISTANCE.**

21 (a) IN GENERAL.—Section 571 of the Foreign Assist-
22 ance Act of 1961 (22 U.S.C. 2349aa) is amended by strik-
23 ing “Subject to the provisions of this chapter” and insert-
24 ing “Notwithstanding any other provision of law that re-

1 stricts assistance to foreign countries (other than sections
2 502B and 620A of this Act)’’.

3 (b) LIMITATIONS.—Section 573 of such Act (22
4 U.S.C. 2349aa-2) is amended—

5 (1) in the heading, by striking ‘‘**SPECIFIC AU-**
6 **THORITIES AND**’’;

7 (2) by striking subsection (a);

8 (3) by redesignating subsections (b) through (f)
9 as subsections (a) through (e), respectively; and

10 (4) in subsection (c) (as redesignated)—

11 (A) by striking paragraphs (1) and (2);

12 (B) by redesignating paragraphs (3)
13 through (5) as paragraphs (1) through (3), re-
14 spectively; and

15 (C) by amending paragraph (2) (as redес-
16 igned) to read as follows:

17 ‘‘(2)(A) Except as provided in subparagraph (B),
18 funds made available to carry out this chapter shall not
19 be made available for the procurement of weapons and am-
20 munition.

21 ‘‘(B) Subparagraph (A) shall not apply to small arms
22 and ammunition in categories I and III of the United
23 States Munitions List that are integrally and directly re-
24 lated to antiterrorism training provided under this chapter
25 if, at least 15 days before obligating those funds, the

1 President notifies the appropriate congressional commit-
2 tees in accordance with the procedures applicable to
3 reprogramming notifications under section 634A.

4 “(C) The value (in terms of original acquisition cost)
5 of all equipment and commodities provided under this
6 chapter in any fiscal year may not exceed 25 percent of
7 the funds made available to carry out this chapter for that
8 fiscal year.”.

9 (c) ANNUAL REPORT.—Section 574 of such Act (22
10 U.S.C. 2349aa-3) is hereby repealed.

11 (d) TECHNICAL CORRECTIONS.—Section 575 (22
12 U.S.C. 2349aa-4) and section 576 (22 U.S.C. 2349aa 5)
13 of such Act are redesignated as sections 574 and 575, re-
14 spectively.

15 **CHAPTER 4—NARCOTICS CONTROL**

16 **ASSISTANCE**

17 **SEC. 141. AUTHORIZATION OF APPROPRIATIONS.**

18 (a) IN GENERAL.—There are authorized to be appro-
19 priated \$105,000,000 for each of the fiscal years 1996
20 and 1997 to carry out chapter 8 of part I of the Foreign
21 Assistance Act of 1961 (22 U.S.C. 2291 et seq.).

22 (b) AVAILABILITY OF AMOUNTS.—Amounts author-
23 ized to be appropriated under subsection (a) are author-
24 ized to remain available until expended.

1 **CHAPTER 5—PEACEKEEPING**
2 **OPERATIONS**

3 **SEC. 151. PEACEKEEPING OPERATIONS.**

4 Section 552(a) of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2348a(a)) is amended to read as follows:

6 “(a) There are authorized to be appropriated to the
7 President to carry out the purposes of this chapter, in ad-
8 dition to amounts otherwise available for such purposes,
9 \$40,000,000 for fiscal year 1996 and \$35,000,000 for fis-
10 cal year 1997.”.

11 **CHAPTER 6—OTHER PROVISIONS**

12 **SEC. 161. STANDARDIZATION OF CONGRESSIONAL REVIEW**

13 **PROCEDURES FOR ARMS TRANSFERS.**

14 (a) **THIRD COUNTRY TRANSFERS UNDER FMS**
15 **SALES.**—Section 3(d)(2) of the Arms Export Control Act
16 (22 U.S.C. 2753(d)(2)) is amended—

17 (1) in subparagraph (A), by striking “, as pro-
18 vided for in sections 36(b)(2) and 36(b)(3) of this
19 Act”;

20 (2) in subparagraph (B), by striking “law” and
21 inserting “joint resolution”; and

22 (3) by adding at the end the following:

23 “(C) If the President states in his certification under
24 subparagraph (A) or (B) that an emergency exists which
25 requires that consent to the proposed transfer become ef-

1 fective immediately in the national security interests of the
2 United States, thus waiving the requirements of that sub-
3 paragraph, the President shall set forth in the certification
4 a detailed justification for his determination, including a
5 description of the emergency circumstances which neces-
6 sitate immediate consent to the transfer and a discussion
7 of the national security interests involved.

8 “(D)(i) Any joint resolution under this paragraph
9 shall be considered in the Senate in accordance with the
10 provisions of section 601(b) of the International Security
11 Assistance and Arms Export Control Act of 1976.

12 “(ii) For the purpose of expediting the consideration
13 and enactment of joint resolutions under this paragraph,
14 a motion to proceed to the consideration of any such joint
15 resolution after it has been reported by the appropriate
16 committee shall be treated as highly privileged in the
17 House of Representatives.”.

18 (b) THIRD COUNTRY TRANSFERS UNDER COMMER-
19 CIAL SALES.—Section 3(d)(3) of such Act (22 U.S.C.
20 2753(d)(3)) is amended—

21 (1) by inserting “(A)” after “(3)”;

22 (2) in the first sentence—

23 (A) by striking “at least 30 calendar
24 days”; and

1 (B) by striking “report” and inserting
2 “certification”; and

3 (3) by striking the last sentence and inserting
4 the following: “Such certification shall be submit-
5 ted—

6 “(i) at least 15 calendar days before such con-
7 sent is given in the case of a transfer to a country
8 which is a member of the North Atlantic Treaty Or-
9 ganization or Australia, Japan, or New Zealand; and

10 “(ii) at least 30 calendar days before such con-
11 sent is given in the case of a transfer to any other
12 country,

13 unless the President states in his certification that an
14 emergency exists which requires that consent to the pro-
15 posed transfer become effective immediately in the na-
16 tional security interests of the United States. If the Presi-
17 dent states in his certification that such an emergency ex-
18 ists (thus waiving the requirements of clause (i) or (ii),
19 as the case may be, and of subparagraph (B)) the Presi-
20 dent shall set forth in the certification a detailed justifica-
21 tion for his determination, including a description of the
22 emergency circumstances which necessitate that consent
23 to the proposed transfer become effective immediately and
24 a discussion of the national security interests involved.

1 “(B) Consent to a transfer subject to subparagraph
2 (A) shall become effective after the end of the 15-day or
3 30-day period specified in subparagraph (A) (i) or (ii), as
4 the case may be, only if the Congress does not enact, with-
5 in that period, a joint resolution prohibiting the proposed
6 transfer.

7 “(C)(i) Any joint resolution under this paragraph
8 shall be considered in the Senate in accordance with the
9 provisions of section 601(b) of the International Security
10 Assistance and Arms Export Control Act of 1976.

11 “(ii) For the purpose of expediting the consideration
12 and enactment of joint resolutions under this paragraph,
13 a motion to proceed to the consideration of any such joint
14 resolution after it has been reported by the appropriate
15 committee shall be treated as highly privileged in the
16 House of Representatives.”.

17 (c) COMMERCIAL SALES.—Section 36(c)(2) of such
18 Act (22 U.S.C. 2776(c)(2)) is amended by amending sub-
19 paragraphs (A) and (B) to read as follows:

20 “(A) in the case of a license for an export to
21 the North Atlantic Treaty Organization, any mem-
22 ber country of that Organization or Australia,
23 Japan, or New Zealand, shall not be issued until at
24 least 15 calendar days after the Congress receives
25 such certification, and shall not be issued then if the

1 Congress, within that 15-day period, enacts a joint
2 resolution prohibiting the proposed export; and

3 “(B) in the case of any other license, shall not
4 be issued until at least 30 calendar days after the
5 Congress receives such certification, and shall not be
6 issued then if the Congress, within that 30-day pe-
7 riod, enacts a joint resolution prohibiting the pro-
8 posed export.”.

9 (d) COMMERCIAL MANUFACTURING AGREEMENTS.—
10 Section 36(d) of such Act (22 U.S.C. 2776(d)) is amend-
11 ed—

12 (1) by inserting “(1)” after “(d)”;

13 (2) by striking “for or in a country not a mem-
14 ber of the North Atlantic Treaty Organization”; and

15 (3) by adding at the end the following:

16 “(2) A certification under this subsection shall be
17 submitted—

18 “(A) at least 15 days before approval is given
19 in the case of an agreement for or in a country
20 which is a member of the North Atlantic Treaty Or-
21 ganization or Australia, Japan, or New Zealand; and

22 “(B) at least 30 days before approval is given
23 in the case of an agreement for or in any other
24 country;

1 unless the President states in his certification that an
2 emergency exists which requires the immediate approval
3 of the agreement in the national security interests of the
4 United States.

5 “(3) If the President states in his certification that
6 an emergency exists which requires the immediate ap-
7 proval of the agreement in the national security interests
8 of the United States, thus waiving the requirements of
9 paragraph (4), he shall set forth in the certification a de-
10 tailed justification for his determination, including a de-
11 scription of the emergency circumstances which neces-
12 sitate the immediate approval of the agreement and a dis-
13 cussion of the national security interests involved.

14 “(4) Approval for an agreement subject to paragraph
15 (1) may not be given under section 38 if the Congress,
16 within the 15-day or 30-day period specified in paragraph
17 (2) (A) or (B), as the case may be, enacts a joint resolu-
18 tion prohibiting such approval.

19 “(5)(A) Any joint resolution under paragraph (4)
20 shall be considered in the Senate in accordance with the
21 provisions of section 601(b) of the International Security
22 Assistance and Arms Export Control Act of 1976.

23 “(B) For the purpose of expediting the consideration
24 and enactment of joint resolutions under paragraph (4),
25 a motion to proceed to the consideration of any such joint

1 resolution after it has been reported by the appropriate
2 committee shall be treated as highly privileged in the
3 House of Representatives.”.

4 (e) GOVERNMENT-TO-GOVERNMENT LEASES.—

5 (1) CONGRESSIONAL REVIEW PERIOD.—Section
6 62 of such Act (22 U.S.C. 2796a) is amended—

7 (A) in subsection (a), by striking “Not less
8 than 30 days before” and inserting “Before”;

9 (B) in subsection (b)—

10 (i) by striking “determines, and im-
11 mediately reports to the Congress” and in-
12 serting “states in his certification”; and

13 (ii) by adding at the end of the sub-
14 section the following: “If the President
15 states in his certification that such an
16 emergency exists, he shall set forth in the
17 certification a detailed justification for his
18 determination, including a description of
19 the emergency circumstances which neces-
20 sitate that the lease be entered into imme-
21 diately and a discussion of the national se-
22 curity interests involved.”; and

23 (C) by adding at the end of the section the
24 following:

1 “(c) The certification required by subsection (a) shall
2 be transmitted—

3 “(1) not less than 15 calendar days before the
4 agreement is entered into or renewed in the case of
5 an agreement with the North Atlantic Treaty Orga-
6 nization, any member country of that Organization
7 or Australia, Japan, or New Zealand; and

8 “(2) not less than 30 calendar days before the
9 agreement is entered into or renewed in the case of
10 an agreement with any other organization or coun-
11 try.”.

12 (2) CONGRESSIONAL DISAPPROVAL.—Section
13 63(a) of such Act (22 U.S.C. 2796b(a)) is amend-
14 ed—

15 (A) by striking “(a)(1)” and inserting
16 “(a)”;

17 (B) by striking out the “30 calendar days
18 after receiving the certification with respect to
19 that proposed agreement pursuant to section
20 62(a),” and inserting in lieu thereof “the 15-
21 day or 30-day period specified in section 62(c)
22 (1) or (2), as the case may be,”; and

23 (C) by striking paragraph (2).

24 (f) EFFECTIVE DATE.—The amendments made by
25 this section apply with respect to certifications required

1 to be submitted on or after the date of the enactment of
2 this Act.

3 **SEC. 162. STANDARDIZATION OF THIRD COUNTRY TRANS-**
4 **FERS OF DEFENSE ARTICLES.**

5 Section 3 of the Arms Export Control Act (22 U.S.C.
6 2753) is amended by inserting after subsection (a) the fol-
7 lowing new subsection:

8 “(b) The consent of the President under paragraph
9 (2) of subsection (a) or under paragraph (1) of section
10 505(a) of the Foreign Assistance Act of 1961 (as it relates
11 to subparagraph (B) of such paragraph) shall not be re-
12 quired for the transfer by a foreign country or inter-
13 national organization of defense articles sold by the United
14 States under this Act if—

15 “(1) such articles constitute components incor-
16 porated into foreign defense articles;

17 “(2) the recipient is the government of a mem-
18 ber country of the North Atlantic Treaty Organiza-
19 tion, the Government of Australia, the Government
20 of Japan, or the Government of New Zealand;

21 “(3) the recipient is not a country designated
22 under section 620A of the Foreign Assistance Act of
23 1961;

24 “(4) the United States-origin components are
25 not—

1 “(A) significant military equipment (as de-
2 fined in section 47(9));

3 “(B) defense articles for which notification
4 to Congress is required under section 36(b); or

5 “(C) identified by regulation as Missile
6 Technology Control Regime items; and

7 “(5) the foreign country or international orga-
8 nization provides notification of the transfer of the
9 defense articles to the United States Government
10 not later than 30 days after the date of such trans-
11 fer.”.

12 **SEC. 163. INCREASED STANDARDIZATION, RATIONALIZA-**
13 **TION, AND INTEROPERABILITY OF ASSIST-**
14 **ANCE AND SALES PROGRAMS.**

15 Paragraph (6) of section 515(a) of the Foreign As-
16 sistance Act of 1961 (22 U.S.C. 2321i(a)(6)) is amended
17 by striking “among members of the North Atlantic Treaty
18 Organization and with the Armed Forces of Japan, Aus-
19 tralia, and New Zealand”.

20 **SEC. 164. REPEAL OF PRICE AND AVAILABILITY REPORT-**
21 **ING REQUIREMENT RELATING TO PROPOSED**
22 **SALE OF DEFENSE ARTICLES AND SERVICES.**

23 (a) IN GENERAL.—Section 28 of the Arms Export
24 Control Act (22 U.S.C. 2768) is hereby repealed.

1 (b) CONFORMING AMENDMENT.—Section 36(b) of
2 such Act (22 U.S.C. 2776(b)) is amended by striking
3 paragraph (4) of such section.

4 **SEC. 165. DEFINITION OF SIGNIFICANT MILITARY EQUIP-**
5 **MENT.**

6 Section 47 of the Arms Export Control Act (22
7 U.S.C. 2794) is amended—

8 (1) in paragraph (7), by striking “and” at the
9 end;

10 (2) in paragraph (8), by striking the period at
11 the end and inserting “; and”; and

12 (3) by adding at the end the following new
13 paragraph:

14 “(9) ‘significant military equipment’ means articles—

15 “(A) for which special export controls are war-
16 ranted because of the capacity of such articles for
17 substantial military utility or capability; and

18 “(B) identified on the United States Munitions
19 List.”.

20 **SEC. 166. DESIGNATION OF MAJOR NON-NATO ALLIES.**

21 (a) DESIGNATION.—

22 (1) NOTICE TO CONGRESS.—Chapter 2 of part
23 II of the Foreign Assistance Act of 1961 (22 U.S.C.
24 2311 et seq.), as amended by this Act, is further

1 amended by adding at the end the following new sec-
2 tion:

3 **“SEC. 517. DESIGNATION OF MAJOR NON-NATO ALLIES.**

4 “(a) NOTICE TO CONGRESS.—The President shall no-
5 tify the Congress in writing at least 30 days before—

6 “(1) designating a country as a major non-
7 NATO ally for purposes of this Act and the Arms
8 Export Control Act (22 U.S.C. 2751 et seq.); or

9 “(2) terminating such a designation.

10 “(b) INITIAL DESIGNATIONS.—Australia, Egypt, Is-
11 rael, Japan, the Republic of Korea, and New Zealand shall
12 be deemed to have been so designated by the President
13 as of the effective date of this section, and the President
14 is not required to notify the Congress of such designation
15 of those countries.”.

16 (2) DEFINITION.—Section 644 of such Act (22
17 U.S.C. 2403), as amended by section 4 of this Act,
18 is further amended by adding at the end the follow-
19 ing:

20 “(r) ‘Major non-NATO ally’ means a country which
21 is designated in accordance with section 517 as a major
22 non-NATO ally for purposes of this Act and the Arms Ex-
23 port Control Act (22 U.S.C. 2751 et seq.).”.

24 (3) EXISTING DEFINITIONS.—(A) The last sen-
25 tence of section 21(g) of the Arms Export Control

1 Act (22 U.S.C. 2761(g)) is amended by striking “for
2 purposes of section 2350(a)(i)(3) of title 10, United
3 States Code” and inserting “in accordance with sec-
4 tion 517 of the Foreign Assistance Act of 1961”.

5 (B) Section 65(d) of such Act (22 U.S.C.
6 2796d(d)) is amended—

7 (i) by striking “or major non-NATO”; and

8 (ii) by striking out “or a” and all that fol-
9 lows through “Code”.

10 (b) COOPERATIVE TRAINING AGREEMENTS.—Section
11 21(g) of the Arms Export Control Act (22 U.S.C.
12 2761(g)) is amended in the first sentence by striking
13 “similar agreements” and all that follows through “other
14 countries” and inserting “similar agreements with coun-
15 tries”.

16 **SEC. 167. COMPETITIVE PRICING FOR SALES OF DEFENSE**
17 **ARTICLES AND SERVICES.**

18 (a) COSTING BASIS.—Section 22 of the Arms Export
19 Control Act (22 U.S.C. 2762) is amended by adding at
20 the end the following:

21 “(d) COMPETITIVE PRICING.—Procurement con-
22 tracts made in implementation of sales under this section
23 for defense articles and defense services wholly paid from
24 funds made available on a nonrepayable basis shall be
25 priced on the same costing basis with regard to profit,

1 overhead, independent research and development, bid and
2 proposal, and other costing elements, as is applicable to
3 procurements of like items purchased by the Department
4 of Defense for its own use.”.

5 (b) EFFECTIVE DATE AND IMPLEMENTING REGULA-
6 TIONS.—Section 22(d) of the Arms Export Control Act,
7 as added by subsection (a)—

8 (1) shall take effect on the 60th day following
9 the date of the enactment of this Act;

10 (2) shall be applicable only to contracts made in
11 implementation of sales made after such effective
12 date; and

13 (3) shall be implemented by revised procure-
14 ment regulations, which shall be issued prior to such
15 effective date.

16 **SEC. 168. DEPLETED URANIUM AMMUNITION.**

17 Chapter 1 of part III of the Foreign Assistance Act
18 of 1961 (22 U.S.C. 2370 et seq.) is amended by adding
19 at the end the following new section:

20 **“SEC. 620G. DEPLETED URANIUM AMMUNITION.**

21 “(a) PROHIBITION.—Except as provided in sub-
22 section (b), none of the funds made available to carry out
23 this Act or any other Act may be made available to facili-
24 tate in any way the sale of M-833 antitank shells or any

1 comparable antitank shells containing a depleted uranium
2 penetrating component to any country other than—

3 “(1) a country that is a member of the North
4 Atlantic Treaty Organization;

5 “(2) a country that has been designated as a
6 major non-NATO ally (as defined in section 644(r));
7 or

8 “(3) Taiwan.

9 “(b) EXCEPTION.—The prohibition contained in sub-
10 section (a) shall not apply with respect to the use of funds
11 to facilitate the sale of antitank shells to a country if the
12 President determines that to do so is in the national secu-
13 rity interest of the United States.”.

14 **SEC. 169. POLICE TRAINING FOR CERTAIN FOREIGN COUN-**
15 **TRIES.**

16 (a) IN GENERAL.—Part II of the Foreign Assistance
17 Act of 1961 is amended by adding at the end the following
18 new chapter:

19 **“CHAPTER 9—POLICE TRAINING**

20 **“SEC. 581. POLICE TRAINING FOR CERTAIN FOR-**
21 **EIGN COUNTRIES.—**The President is authorized to pro-
22 vide, on such terms and conditions as he may determine,
23 training, advice, financial support, and equipment for po-
24 lice, prisons, or other law enforcement forces of a foreign
25 government, unless the President determines that—

1 “(1) such foreign government is not democrat-
2 ically elected; or

3 “(2) notwithstanding paragraph (1)—

4 “(A) such forces engage in a consistent
5 pattern of gross violations of internationally
6 recognized human rights; or

7 “(B) such forces do not maintain an effec-
8 tive policy against the trafficking or production
9 of illegal drugs by the members of the force or
10 the participants in the program.”.

11 (b) REPEAL.—Section 660 of the Foreign Assistance
12 Act of 1961 (22 U.S.C. 2420) is repealed.

13 **SEC. 170. UTILIZATION OF DEFENSE ARTICLES AND SERV-**
14 **ICES.**

15 Section 502 of the Foreign Assistance Act of 1961
16 (22 U.S.C. 2302) is amended in the first sentence—

17 (1) by striking “solely” after furnished; and

18 (2) by inserting “(including for law enforcement
19 purposes)” after “internal security”.

20 **SEC. 171. REPORTS ON ARMS SALES.**

21 Section 36 of the Arms Export Control Act (22
22 U.S.C. 2776) is amended—

23 (1) in subsection (a) (in the text following para-
24 graph (11))—

1 (A) by striking out “and (iv)” and insert-
2 ing in lieu thereof “(iv)”; and

3 (B) by striking out the period at the end
4 and inserting in lieu thereof “; (v) the com-
5 parable kinds and amounts of similar major de-
6 fense equipment or defense articles or services
7 that are available from other countries; and (vi)
8 the other countries, if any, to which the United
9 States has already offered the major defense
10 equipment or defense articles or services.”;

11 (2) in subsection (b)(1)—

12 (A) by striking out “information specified
13 in clauses (i) through (iv)” and inserting “in-
14 formation specified in clauses (i) through (vi)”;

15 (B) by striking out subparagraph (K); and

16 (C) by redesignating subparagraphs (L),
17 (M), (N), (O), and (P) as subparagraphs (K),
18 (L), (M), (N), and (O), respectively; and

19 (3) in subsection (c)(1)—

20 (A) by striking out “and (C)” and insert-
21 ing “(C)”; and

22 (B) by inserting before the period at the
23 end of the first sentence the following: “, (D)
24 a statement on the extent to which comparable
25 kinds and amounts of similar major defense

1 equipment or defense articles or services are
2 available from other countries, and (E) the
3 other countries, if any, to which the United
4 States has already offered the major defense
5 equipment or defense articles or services”.

6 **SEC. 172. ELIMINATION OF THE REQUIREMENT FOR**
7 **RECOUPMENT OF NONRECURRING COST**
8 **CHARGES.**

9 (a) AMENDMENT OF THE ARMS EXPORT CONTROL
10 ACT.—Section 21(e) of the Arms Export Control Act (22
11 U.S.C. 2761(e)) is amended—

12 (1) by striking paragraph (1)(B);

13 (2) by adding “and” at the end of paragraph
14 (1)(A);

15 (3) by redesignating paragraph (1)(C) as para-
16 graph (1)(B);

17 (4) by striking paragraph (2); and

18 (5) by redesignating paragraph (3) as para-
19 graph (2).

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall apply to letters of offer issued on or
22 after the date of enactment of this Act.

1 **SEC. 173. REDUCTION IN VALUATION OF DEFENSE ARTI-**
2 **CLES NOT INTENDED FOR REPLACEMENT.**

3 (a) **AUTHORITY.**—Section 21(a) of the Arms Export
4 Control Act (22 U.S.C. 2761(a)) is amended by adding
5 at the end the following new paragraph:

6 “(3) The President may reduce the price required to
7 be paid under paragraph (1)(A) for the sale of a defense
8 article if such sale would—

9 “(A) facilitate the sale of a similar or related
10 new defense article;

11 “(B) support the national defense industrial
12 base; and

13 “(C) serve the national security interests of the
14 United States.”.

15 (b) **CONFORMING AMENDMENT.**—Section
16 21(a)(1)(A) of such Act (22 U.S.C. 2761(a)(1)(A)) is
17 amended by inserting “, except as provided in paragraph
18 (3)” after “actual value thereof”.

19 (c) **AVAILABILITY OF APPROPRIATIONS.**—The Presi-
20 dent may only exercise the authority contained in the
21 amendment made by subsection (a) subject to the avail-
22 ability of appropriations.

23 **SEC. 174. ELIMINATION OF SPECIAL DEFENSE ACQUISITION**
24 **FUND ANNUAL REPORT.**

25 (a) **IN GENERAL.**—Section 53 of the Arms Export
26 Control Act (22 U.S.C. 2795b) is hereby repealed.

1 (b) CONFORMING AMENDMENT.—Section 51(a)(4) of
2 such Act (22 U.S.C. 2795(a)(4)) is amended—

3 (1) by striking “(A)” immediately after “(4)”;

4 and

5 (2) by striking subparagraph (B) of such sec-
6 tion.

7 **TITLE II—TRADE AND EXPORT** 8 **DEVELOPMENT**

9 **SEC. 201. TRADE AND DEVELOPMENT AGENCY.**

10 (a) AUTHORITY TO PROVIDE ASSISTANCE.—Section
11 661(b) of the Foreign Assistance Act of 1961 (22 U.S.C.
12 2421(b)) is amended—

13 (1) in paragraph (2)—

14 (A) by striking “for” after “feasibility
15 studies” and inserting “and other activities re-
16 lated to”; and

17 (B) by striking the second sentence; and

18 (2) in paragraph (3)—

19 (A) by striking “(A)”; and

20 (B) by striking subparagraph (B).

21 (b) ANNUAL REPORT.—Section 661(d) of such Act
22 (22 U.S.C. 2421(d)) is amended by striking “President”
23 and inserting “Director of the Trade and Development
24 Agency”.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
2 661(f)(1) of the Foreign Assistance Act of 1961 (22
3 U.S.C. 2421(f)(1)) is amended to read as follows: “There
4 are authorized to be appropriated to the President for pur-
5 poses of this section, in addition to funds otherwise avail-
6 able for such purposes, \$67,000,000 for fiscal year 1996
7 and \$75,000,000 for fiscal year 1997.”.

8 (d) AVAILABILITY OF APPROPRIATIONS.—Section
9 661(f) of such Act (22 U.S.C. 2421(f)) is amended by
10 striking paragraph (2) and inserting the following:

11 “(2) AVAILABILITY OF APPROPRIATIONS.—
12 Amounts appropriated pursuant to paragraph (1)
13 are authorized to remain available until expended.”.

14 **SEC. 202. COUNTRIES IN TRANSITION TO A FREE MARKET**
15 **ECONOMY.**

16 (a) FINDINGS.—The Congress finds that—

17 (1) many of the nations of Central and Eastern
18 Europe in transition from centrally planned econo-
19 mies to free market economies have made important
20 progress in reforming their economic systems in a
21 short time period;

22 (2) as these countries continue to transition,
23 long-term economic growth for the region rests upon
24 the successful integration of these emerging free

1 markets into western markets and other world trad-
2 ing structures;

3 (3) trade has been the key to rapid integration
4 of the markets of countries in transition to democ-
5 racy; and

6 (4) the success of United States efforts to ex-
7 pand the ability of these nations in transition to
8 trade with the West has not rested solely upon tradi-
9 tional foreign assistance programs, but has been
10 greatly enhanced by the extension of the generalized
11 system of preferences for these countries.

12 (b) SENSE OF CONGRESS.—It is the sense of the
13 Congress that—

14 (1) the efforts of the United States to assist
15 countries of Central and Eastern Europe in transi-
16 tion from centrally planned economies to free market
17 economies should focus first on efforts to effectively
18 integrate them into the world trading system;

19 (2) the extension by the United States of trade
20 benefits under the generalized system of preferences
21 has been of crucial importance to the rapid economic
22 transformation of countries of Central and Eastern
23 Europe in transition from centrally planned econo-
24 mies to free market economies; and

1 (3) the United States should continue to accord
2 treatment under the generalized system of pref-
3 erences (GSP) for all countries of Central and East-
4 ern Europe in transition to a free market economy,
5 including but not limited to Poland, Hungary, the
6 Czech Republic, Slovakia, the Baltic countries, Ro-
7 mania, and Bulgaria, if these countries are comply-
8 ing with all applicable statutory requirements.

9 **TITLE III—PRIVATE SECTOR,**
10 **ECONOMIC, AND DEVELOP-**
11 **MENT ASSISTANCE**

12 **CHAPTER 1—PRIVATE SECTOR**
13 **ENTERPRISE FUNDS**

14 **SEC. 301. SUPPORT FOR PRIVATE SECTOR ENTERPRISE**
15 **FUNDS.**

16 Chapter 1 of part III of the Foreign Assistance Act
17 of 1961 is amended by inserting after section 601 (22
18 U.S.C. 2351) the following new section:

19 **“SEC. 601A. PRIVATE SECTOR ENTERPRISE FUNDS.**

20 “(a) **AUTHORITY.**—(1) The President may provide
21 funds and support to Enterprise Funds designated in ac-
22 cordance with subsection (b) that are or have been estab-
23 lished for the purposes of promoting—

24 “(A) development of the private sectors of eligi-
25 ble countries, including small businesses, the agricul-

1 tural sector, and joint ventures with United States
2 and host country participants; and

3 “(B) policies and practices conducive to private
4 sector development in eligible countries;

5 on the same basis as funds and support may be provided
6 with respect to Enterprise Funds for Poland and Hungary
7 under the Support for East European Democracy (SEED)
8 Act of 1989.

9 “(2) Funds may be made available under this section
10 notwithstanding any other provision of law.

11 “(b) COUNTRIES ELIGIBLE FOR ENTERPRISE
12 FUNDS.—(1) Except as provided in paragraph (2), the
13 President is authorized to designate a private, nonprofit
14 organization as eligible to receive funds and support pur-
15 suant to this section with respect to any country eligible
16 to receive assistance under part I of this Act in the same
17 manner and with the same limitations as set forth in sec-
18 tion 201(d) of the Support for East European Democracy
19 (SEED) Act of 1989.

20 “(2)(A) Except as provided in subparagraph (B), the
21 authority of paragraph (1) shall not apply to any country
22 with respect to which the President is authorized to des-
23 ignate an enterprise fund under section 498B(c) of this
24 Act or section 201 of the Support for East European De-
25 mocracy (SEED) Act of 1989.

1 “(B) The prohibition of subparagraph (A) shall not
2 apply to the Trans-Caucasus Enterprise Fund established
3 under subsection (c).

4 “(c) TRANS-CAUCASUS ENTERPRISE FUND.—The
5 President shall designate a private, nonprofit organization
6 under subsection (b) to carry out this section with respect
7 to the Trans-Caucasus region of the former Soviet Union.
8 Such organization shall be known as the ‘Trans-Caucasus
9 Enterprise Fund’.

10 “(d) TREATMENT EQUIVALENT TO ENTERPRISE
11 FUNDS FOR POLAND AND HUNGARY.—Except as other-
12 wise specifically provided in this section, the provisions
13 contained in section 201 of the Support for East Euro-
14 pean Democracy (SEED) Act of 1989 (excluding the au-
15 thorizations of appropriations provided in subsection (b)
16 of that section) shall apply to any Enterprise Fund that
17 receives funds and support under this section. The offi-
18 cers, members, or employees of an Enterprise Fund that
19 receive funds and support under this section shall enjoy
20 the same status under law that is applicable to officers,
21 members, or employees of the Enterprise Funds for Po-
22 land and Hungary under the Support for East European
23 Democracy (SEED) Act of 1989.

24 “(e) REPORTING REQUIREMENT.—Notwithstanding
25 any other provision of this section, the requirement of sec-

1 tion 201(p) of the Support for East European Democracy
2 (SEED) Act of 1989, that an Enterprise Fund shall be
3 required to publish an annual report not later than Janu-
4 ary 31 each year shall not apply with respect to an Enter-
5 prise Fund that receives funds and support under this sec-
6 tion for the first twelve months after it is designated as
7 eligible to receive such funds and support.

8 “(f) AUTHORIZATION OF APPROPRIATIONS.—(1)
9 There are authorized to be appropriated to the President
10 for purposes of this section, in addition to funds otherwise
11 available for such purposes—

12 “(A) \$12,000,000 for fiscal year 1996 to fund
13 the Trans-Caucasus Enterprise Fund established
14 under subsection (d); and

15 “(B) \$52,000,000 for fiscal year 1996 to fund
16 any enterprise fund authorized to receive funds
17 under this section other than the Trans-Caucasus
18 Enterprise Fund.

19 “(2) Funds appropriated under this subsection are
20 authorized to remain available until expended.”.

21 **SEC. 302. MICRO- AND SMALL-ENTERPRISE DEVELOPMENT**
22 **CREDIT PROGRAM.**

23 Section 108 of the Foreign Assistance Act of 1961
24 (22 U.S.C. 2151f) is amended to read as follows:

1 **“SEC. 108. MICRO- AND SMALL-ENTERPRISE DEVELOPMENT**
2 **CREDIT PROGRAM.**

3 “(a) FINDINGS AND POLICY.—The Congress finds
4 and declares that—

5 “(1) the development of micro- and small enter-
6 prise, including cooperatives, is a vital factor in the
7 private sector growth of developing countries and in
8 the development and stability of a free, open, and
9 equitable international economic system;

10 “(2) it is, therefore, in the best interests of the
11 United States to assist the development of the pri-
12 vate sector in developing countries and to engage the
13 United States private sector in that process; and

14 “(3) the support of private enterprise can be
15 served by programs providing credit, training, and
16 technical assistance for the benefit of micro- and
17 small enterprises.

18 “(b) PROGRAM.—To carry out the policy set forth in
19 subsection (a), the President is authorized to provide as-
20 sistance to increase the availability of credit to micro- and
21 small enterprises lacking full access to credit, including
22 through—

23 “(1) loans and guarantees to credit institutions
24 for the purpose of expanding the availability of cred-
25 it to micro- and small enterprises;

1 “(2) training programs for lenders in order to
2 enable them to better meet the credit needs of
3 micro- and small entrepreneurs; and

4 “(3) training programs for micro- and small en-
5 trepreneurs in order to enable them to make better
6 use of credit and to better manage their enter-
7 prises.”.

8 **CHAPTER 2—DEVELOPMENT ASSISTANCE**
9 **FUND AND OTHER AUTHORITIES**

10 **SEC. 311. DEVELOPMENT ASSISTANCE FUND.**

11 (a) SINGLE AUTHORIZATION OF APPROPRIATIONS.—

12 There are authorized to be appropriated to the President
13 the total amount of \$2,475,000,000 for fiscal year 1996
14 and the total amount of \$2,324,000,000 for fiscal year
15 1997 to carry out the following authorities in law:

16 (1) Sections 103, 104, 105, 106, and 108 of the
17 Foreign Assistance Act of 1961 (relating to develop-
18 ment assistance).

19 (2) Chapter 10 of part I of the Foreign Assist-
20 ance Act of 1961 (22 U.S.C. 2294; relating to the
21 Development Fund for Africa).

22 (3) Chapter 11 of part I of the Foreign Assist-
23 ance Act of 1961 (22 U.S.C. 2295 et seq.).

24 (4) The Support for East European Democracy
25 (SEED) Act of 1989 (Public Law 101–179).

1 (5) Title III of chapter 2 of part I of the For-
2 eign Assistance Act of 1961 (22 U.S.C. 2181 et
3 seq.; relating to housing and other credit guaranty
4 programs).

5 (6) Section 214 of the Foreign Assistance Act
6 of 1961 (22 U.S.C. 2174; relating to American
7 Schools and Hospitals Abroad).

8 (b) POPULAR NAME.—Appropriations made pursuant
9 to subsection (a) may be referred to as the “Development
10 Assistance Fund”.

11 (c) PRIVATE AND VOLUNTARY ORGANIZATIONS AND
12 COOPERATIVES.—The President shall seek to ensure that,
13 in each fiscal year, the percentage of funds made available
14 under this section for the activities of private and vol-
15 untary organizations and cooperatives is at least equal to
16 the percentage of funds made available pursuant to cor-
17 responding authorities in law for the activities of private
18 and voluntary organizations and cooperatives in fiscal year
19 1995.

20 (d) PROPORTIONAL ASSISTANCE TO AFRICA.—Of the
21 funds authorized to be appropriated by subsection (a), not
22 less than 25 percent each fiscal year shall be used to carry
23 out chapter 10 of part I of the Foreign Assistance Act
24 of 1961 (22 U.S.C. 2294 et seq.; relating to the Develop-
25 ment Fund for Africa).

1 **SEC. 312. ECONOMIC SUPPORT FUND.**

2 Subsection (a) of section 532 of the Foreign Assist-
3 ance Act of 1961 (22 U.S.C. 2346a) is amended to read
4 as follows:

5 “(a)(1) There are authorized to be appropriated to
6 the President to carry out the purposes of this chapter
7 \$2,375,000,000 for the fiscal year 1996 and
8 \$2,340,000,000 for the fiscal year 1997.

9 “(2) Of the amount authorized to be appropriated by
10 paragraph (1) for each of the fiscal years 1996 and 1997,
11 \$15,000,000 shall be available only for Cyprus.

12 “(3) Of the amount authorized to be appropriated by
13 paragraph (1) for fiscal year 1996, \$15,000,000 shall be
14 available only for the International Fund for Ireland.

15 “(4) Of the amount authorized to be appropriated by
16 paragraph (1) for fiscal year 1996, \$10,000,000 shall be
17 available only for the rapid development of a prototype in-
18 dustrial park in the Gaza Strip.”.

19 **SEC. 313. NONINTERVENTION CONCERNING ABORTION.**

20 Section 104(f) of the Foreign Assistance Act of 1961
21 (22 U.S.C. 215b(f)) is amended by adding at the end the
22 following new paragraph:

23 “(4)(A) None of the funds made available to carry
24 out this part may be used for any program, project, or
25 activity that violates the laws of a foreign country concern-
26 ing the circumstances under which abortion is permitted,

1 regulated, or prohibited, or which seeks to alter the laws
2 or policies in effect in any foreign country concerning the
3 circumstances under which abortion is permitted, regu-
4 lated, or prohibited.

5 “(B) Subparagraph (A) shall not apply to activities
6 in opposition to coercive abortion or involuntary steriliza-
7 tion.”.

8 **SEC. 314. HOST COUNTRY COST-SHARING.**

9 Section 110 of the Foreign Assistance Act of 1961
10 (22 U.S.C. 2151h) is amended by striking “25 per cen-
11 tum” and inserting “30 per centum”.

12 **SEC. 315. PRIVATE FUNDING OF PRIVATE AND VOLUNTARY**
13 **ORGANIZATIONS.**

14 Chapter 1 of part I of the Foreign Assistance Act
15 of 1961 (relating to development assistance) is amended
16 by adding at the end the following new section:

17 **“SEC. 129. PRIVATE FUNDING OF PRIVATE AND**
18 **VOLUNTRARY ORGANIZATIONS.**

19 “(a) RESTRICTION.—None of the funds made avail-
20 able to carry out this chapter may be made available to
21 any United States private and voluntary organization, ex-
22 cept any cooperative development organization, which ob-
23 tains less than 25 per centum of its total annual funding
24 for international activities from sources other than the
25 United States Government.

1 “(b) WAIVER.—The President may, on a case-by-case
2 basis, waive the restriction established by subsection (a),
3 after taking into account the effectiveness of the overseas
4 development activities of the organization, its level of vol-
5 unteer support, its financial viability and stability, and the
6 degree of its dependence for its financial support on the
7 United States Government.”.

8 **SEC. 316. DOCUMENTATION REQUESTED OF PRIVATE AND**
9 **VOLUNTARY ORGANIZATIONS.**

10 Section 620 of the Foreign Assistance Act of 1961
11 (22 U.S.C. 2370) is amended by inserting after subsection
12 (u) the following new subsection:

13 “(v) None of the funds made available to carry out
14 this Act shall be available to any private and voluntary
15 organization which—

16 “(1) fails to provide upon timely request any
17 document, file, or record necessary to the auditing
18 requirements of the agency primarily responsible for
19 administering part I of this Act, or

20 “(2) is not registered with the agency primarily
21 responsible for administering part I of this Act.”.

1 **SEC. 317. PROHIBITION ON USE OF FOREIGN ASSISTANCE**
2 **BY PRIVATE AND VOLUNTARY ORGANIZA-**
3 **TIONS FOR OFFICE EQUIPMENT IN THE UNIT-**
4 **ED STATES.**

5 Section 620 of the Foreign Assistance Act of 1961
6 (22 U.S.C. 2370) is amended by inserting after subsection
7 (v), as added by section 316, the following new subsection:

8 “(w) No assistance made available under chapter 1
9 (relating to development assistance), chapter 10 (relating
10 to the Development Fund for Africa), or chapter 11 (relat-
11 ing to support for the independent states of the former
12 Soviet Union) of part I of this Act or chapter 4 of part
13 II of this Act (relating to the Economic Support Fund),
14 Support for East European Democracy (SEED) Act of
15 1989 may be used by any private and voluntary organiza-
16 tion to pay for the purchase or lease of office equipment
17 for use in the United States.”.

18 **SEC. 318. PROHIBITION ON CIRCUMVENTION OF AID RE-**
19 **STRICTIONS.**

20 Chapter 1 of part III of the Foreign Assistance Act
21 of 1961 (22 U.S.C. 2351 et seq.), as amended by this Act,
22 is further amended by adding at the end the following new
23 section:

1 **“SEC. 620H. PROHIBITION ON CIRCUMVENTION OF AID RE-**
2 **STRICTIONS.**

3 “(a) PROHIBITION.—No officer or employee of the
4 United States may engage in any activity, or assist any
5 person to engage in any activity, which is intended to cir-
6 cumvent a statutory prohibition or restriction in the provi-
7 sion of United States assistance.

8 “(b) RULE OF STATUTORY CONSTRUCTION.—Noth-
9 ing in this section may be construed to limit—

10 “(1) the ability of the President, the Vice Presi-
11 dent, or any officer or employee of the United States
12 to make statements or otherwise express their views
13 to any party on any subject;

14 “(2) the ability of an officer or employee of the
15 United States to express the policies of the Presi-
16 dent; or

17 “(3) the ability of an officer or employee of the
18 United States to communicate with any foreign
19 country government, group, or individual, either di-
20 rectly or through a third party, with respect to the
21 prohibitions or restriction under this Act, including
22 the reasons for any such prohibitions or restriction,
23 and the actions, terms, or conditions which might
24 lead to the removal of the prohibition or restriction.

25 “(c) DEFINITION.—For purposes of this section, the
26 term ‘United States assistance’ includes—

1 “(1) assistance provided under this Act; and

2 “(2) grants and loan subsidies under the Arms
3 Export Control Act.

4 “(d) CRIMINAL PENALTY.—An officer or employee of
5 the United States who knowingly and willfully violates
6 subsection (a) shall be fined in accordance with title 18,
7 imprisoned for not more than 2 years, or both.”.

8 **SEC. 319. FOREIGN GOVERNMENT PARKING FINES.**

9 (a) AMENDMENT OF THE FOREIGN ASSISTANCE
10 ACT.—Chapter 1 of part III of the Foreign Assistance Act
11 of 1961 (22 U.S.C. 2351 et seq.), as amended by this Act,
12 is further amended by adding at the end the following new
13 section:

14 **“SEC. 620I. FOREIGN GOVERNMENT PARKING FINES.**

15 “(a) WITHHOLDING OF FUNDS.—An amount equiva-
16 lent to 110 percent of the total unpaid fully adjudicated
17 parking fines and penalties owed to the District of Colum-
18 bia, Virginia, and Maryland, by the government of a for-
19 eign country as of the end of a fiscal year, as certified
20 to the President by the chief executive officer of each State
21 or District, shall be withheld from obligation for such
22 country out of funds available in the next fiscal year to
23 carry out part I of this Act, until the requirement of sub-
24 section (b) is satisfied.

1 “(b) CERTIFICATION REQUIREMENT.—The require-
2 ment of this subsection is satisfied when the Secretary of
3 State determines and certifies to the appropriate congres-
4 sional committees that such fines and penalties are fully
5 paid to the governments of the District of Columbia, Vir-
6 ginia, and Maryland.”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 subsection (a) shall apply with respect to fines certified
9 as of the end of fiscal year 1995 or any fiscal year there-
10 after.

11 **SEC. 320. LIMITATION ON WAIVER OF SANCTIONS AGAINST**
12 **MAJOR DRUG PRODUCING AND DRUG-TRAN-**
13 **SIT COUNTRIES.**

14 Section 490A(b) of the Foreign Assistance Act of
15 1961 (22 U.S.C. 2291k(b)) is amended—

16 (1) in paragraph (1), by inserting “and para-
17 graph (6) of this subsection” after “subsection (d)”;
18 and

19 (2) by adding at the end the following new
20 paragraph:

21 “(6) LIMITATION.—Beginning with the annual
22 certification required on March 1, 1996, the Presi-
23 dent may not make a certification under this para-
24 graph with respect to a country in any year which
25 immediately follows a period of two consecutive

1 years in which such certifications have been made
2 with respect to that country.”.

3 **SEC. 321. ENGAGING THE UNITED STATES PRIVATE SECTOR**
4 **IN DEVELOPMENT.**

5 (a) ALLOCATION OF RESOURCES.—(1) Of the funds
6 authorized to be appropriated by section 311 of this Act,
7 significant resources shall be made available to engage the
8 United States private sector, including small- and me-
9 dium-size businesses, farm groups, entrepreneurs, and
10 others, with indigenous private enterprises in developing
11 nations.

12 (2) To the extent practicable, these funds shall be
13 made available through intermediary development organi-
14 zations committed to private enterprise.

15 (3) The ratio of private sector investment to United
16 States Government assistance in these projects shall be
17 no less than a ratio of 2.5:1.

18 (b) REPORTING REQUIREMENT.—Beginning January
19 1, 1996, and annually thereafter, the Secretary of State
20 shall report in writing to Congress regarding efforts by
21 the Department of State and the Agency for International
22 Development to meet the requirements of this section.

1 **CHAPTER 3—PEACE CORPS**

2 **SEC. 331. PEACE CORPS.**

3 Section 3(b) of the Peace Corps Act (22 U.S.C.
4 2502(b)) is amended to read as follows:

5 “(b) There are authorized to be appropriated to carry
6 out the purposes of this Act \$234,000,000 for each of the
7 fiscal years 1996 and 1997.”.

8 **SEC. 332. DEADLINES FOR EVALUATION OF AND REPORT**
9 **ON HEALTH CARE SERVICES PROVIDED TO**
10 **PEACE CORPS VOLUNTEERS.**

11 (a) EVALUATION DEADLINE.—Section 3(a) of the
12 Act of October 28, 1992 (Public Law 102–565) is amend-
13 ed by striking “1997” and inserting “1998”.

14 (b) REPORT DEADLINE.—Section 3(c) of such Act is
15 amended by striking “1996” and inserting “1997”.

16 **CHAPTER 4—INTERNATIONAL DISASTER**
17 **ASSISTANCE PROGRAMS**

18 **SEC. 341. INTERNATIONAL DISASTER ASSISTANCE.**

19 Section 492(a) of the Foreign Assistance Act of 1961
20 (22 U.S.C. 2292a) is amended to read as follows:

21 “(a) There are authorized to be appropriated to the
22 President to carry out section 491, in addition to funds
23 otherwise available for such purposes, \$200,000,000 for
24 fiscal year 1996 and \$200,000,000 for fiscal year 1997.”.

1 **TITLE IV—PEACE AND SECURITY**
2 **IN THE MIDDLE EAST**

3 **SEC. 401. ECONOMIC SUPPORT FUND ASSISTANCE FOR IS-**
4 **RAEL.**

5 (a) MINIMUM ALLOCATION.—Of the amounts made
6 available to carry out chapter 4 of part II of the Foreign
7 Assistance Act of 1961 (relating to the Economic Support
8 Fund) for fiscal years 1996 and 1997, not less than
9 \$1,200,000,000 for each such fiscal year shall be available
10 only for Israel.

11 (b) TERMS OF ASSISTANCE.—The total amount of
12 funds allocated for Israel each fiscal year under subsection
13 (a) shall be made available as a cash transfer on a grant
14 basis. Such transfer shall be made on an expedited basis
15 within 30 days after the beginning of the fiscal year or
16 the date of enactment of the Act appropriating such funds,
17 whichever is later. In exercising the authority of this sub-
18 section, the President shall ensure that the level of cash
19 transfer made to Israel does not cause an adverse impact
20 on the total level of nonmilitary exports from the United
21 States to Israel.

22 **SEC. 402. FOREIGN MILITARY FINANCING FOR ISRAEL.**

23 (a) MINIMUM ALLOCATION.—Of the amounts made
24 available for fiscal years 1996 and 1997 for assistance
25 under the “Foreign Military Financing Program” account

1 under section 23 of the Arms Export Control Act (22
2 U.S.C. 2763), not less than \$1,800,000,000 for each such
3 fiscal year shall be available only for Israel.

4 (b) TERMS OF ASSISTANCE.—

5 (1) GRANT BASIS.—The assistance provided for
6 Israel for each fiscal year under subsection (a) shall
7 be provided on a grant basis.

8 (2) EXPEDITED DISBURSEMENT.—Such assist-
9 ance shall be disbursed—

10 (A) with respect to fiscal year 1996, not
11 later than 30 days after the date of the enact-
12 ment of the Foreign Operations, Export Fi-
13 nancing, and Related Programs Appropriations
14 Act, 1996, or by October 31, 1995, whichever
15 is later; and

16 (B) with respect to fiscal year 1997, not
17 later than 30 days after the date of the enact-
18 ment of the Foreign Operations, Export Fi-
19 nancing, and Related Programs Appropriations
20 Act, 1997, or by October 31, 1996, whichever
21 is later.

22 (3) ADVANCED WEAPONS SYSTEMS.—To the ex-
23 tent that the Government of Israel requests that
24 funds be used for such purposes, funds described in
25 subsection (a) shall, as agreed by the Government of

1 Israel and the Government of the United States, be
2 available for advanced weapons systems, of which
3 not less than \$475,000,000 for each fiscal year shall
4 be available only for procurement in Israel of de-
5 fense articles and defense services, including re-
6 search and development.

7 (c) FOREIGN MILITARY SALES.—Section 21(h) of the
8 Arms Export Control Act (22 U.S.C. 2761(h)) is amend-
9 ed—

10 (1) in paragraph (1)(A), by inserting “or the
11 Government of Israel” after “North Atlantic Treaty
12 Organization”; and

13 (2) in paragraph (2), by striking “or to any
14 member government of that Organization if that Or-
15 ganization or member government” and inserting “,
16 any member government of that Organization, or the
17 Government of Israel, if the Organization, member
18 government, or Government of Israel, as the case
19 may be,”.

20 **SEC. 403. ECONOMIC SUPPORT FUND ASSISTANCE FOR**
21 **EGYPT.**

22 Of the amounts made available to carry out chapter
23 4 of part II of the Foreign Assistance Act of 1961 (relat-
24 ing to the Economic Support Fund) for fiscal years 1996

1 and 1997, not less than \$815,000,000 for each such fiscal
2 year shall be available only for Egypt.

3 **SEC. 404. FOREIGN MILITARY FINANCING FOR EGYPT.**

4 (a) MINIMUM ALLOCATION.—Of the amounts made
5 available for fiscal years 1996 and 1997 for assistance
6 under the “Foreign Military Financing Program” account
7 under section 23 of the Arms Export Control Act (22
8 U.S.C. 2763), not less than \$1,300,000,000 for each such
9 fiscal year shall be available only for Egypt.

10 (b) TERMS OF ASSISTANCE.—The assistance pro-
11 vided for Egypt for each fiscal year under subsection (a)
12 shall be provided on a grant basis.

13 **SEC. 405. ESTABLISHMENT OF A FREE TRADE AREA FOR**
14 **TABA, ELAT, AND AQABA.**

15 (a) FINDINGS.—The Congress finds that—

16 (1) the development of trading relationships
17 that permit the free flow of goods and services be-
18 tween Israel and countries with which Israel is now
19 at peace is essential to a lasting peace in the Middle
20 East;

21 (2) the President’s recent decision to establish
22 a free trade area that includes the Egyptian city of
23 Taba, the Israeli city of Elat and the Jordanian city
24 of Aqaba will provide an important beginning for re-

1 regional cooperation and the integration of regional
2 commerce; and

3 (3) the development of successful trading rela-
4 tionships between the countries who have agreed to
5 a warm peace with Israel and the United States is
6 a top priority of the United States.

7 (b) SENSE OF CONGRESS.—It is the sense of the
8 Congress that the President should extend duty free treat-
9 ment to products of Taba, Egypt, and Aqaba, Jordan if—

10 (1) such extension will significantly benefit the
11 development of regional economic development and
12 integration in the Middle East;

13 (2) such extension will include only goods which
14 have experienced significant manufacturing change
15 in Taba or Aqaba;

16 (3) effective procedures exist to ensure that
17 Taba and Aqaba are not merely transshipment
18 points for goods manufactured outside of these two
19 cities; and

20 (4) Egypt, Israel, and Jordan are developing
21 laws and procedures to encourage the free flow of
22 goods and people between the cities of Taba, Elat,
23 and Aqaba.

1 **SEC. 406. CONTINUATION OF FREE TRADE TREATMENT FOR**
2 **GAZA AND JERICHO.**

3 (a) FINDINGS.—The Congress finds that—

4 (1) the Congress approved a free trade agree-
5 ment with Israel on April 29, 1985;

6 (2) when approved in 1985, eligibility under the
7 free trade agreement extended to the occupied terri-
8 tories of the West Bank and Gaza;

9 (3) the Declaration of Principles, signed by Is-
10 rael and the Palestinian Authority in 1993, is a sig-
11 nificant step forward in bringing peace to the region;

12 (4) sending an unambiguous signal of United
13 States support for peace in the Middle East is a top
14 United States priority;

15 (5) removing free trade treatment for goods
16 manufactured in Gaza and Jericho after the signing
17 of the Declaration of Principles economically penal-
18 izes the Palestinian Authority for entering into a
19 peace agreement with Israel; and

20 (6) goods manufactured in Gaza and Jericho
21 after the signing of the Declaration of Principles
22 should not be subjected to less favorable treatment
23 than those manufactured in Gaza and Jericho before
24 the signing.

25 (b) SENSE OF CONGRESS.—It is the sense of the
26 Congress that the United States should grant duty free

1 access to the United States market for products of the
2 West Bank and Gaza.

3 **SEC. 407. AUTHORIZATION FOR AN INDUSTRIAL PARK ON**
4 **THE BORDER BETWEEN THE TERRITORIES**
5 **AND ISRAEL.**

6 (a) FINDINGS.—The Congress finds that—

7 (1) extremists in Hamas and Islamic Jihad who
8 reject the gains made since the signing of the Dec-
9 laration of Principles have used terrorist tactics to
10 force the closing of the territories;

11 (2) these terrorist acts have exacerbated exist-
12 ing problems and Gaza is now experiencing stagger-
13 ing unemployment nearing 50 percent, increasing
14 chaos and a downward spiral of dashed hopes and
15 deepening poverty;

16 (3) Israel's legitimate security concerns neces-
17 sitate creative new methods of ensuring continued
18 economic opportunity for the Palestinians; and

19 (4) the development of industrial parks along
20 the border between Gaza, the West Bank and Israel
21 sponsored by individual nations provides an impor-
22 tant means of providing both development for Pal-
23 estinians while maintaining border security.

24 (b) SENSE OF CONGRESS.—It is the sense of Con-
25 gress that—

1 (1) the United States should take prompt, visi-
2 ble action before the coming elections in Gaza and
3 Jericho that promises hope and jobs to Palestinians;

4 (2) the rapid development of an industrial park,
5 closely coordinated with private sector investors, will
6 provide a clear sign of opportunity resulting from
7 peace with Israel;

8 (3) the decision to site the industrial park
9 should give special consideration to the extremely
10 difficult economic conditions in Gaza;

11 (4) the President should appoint a Special Co-
12 ordinator to coordinate the rapid development of an
13 industrial park in Gaza and to begin the recruitment
14 of United States investors; and

15 (5) the Secretary of State should direct a short-
16 term review and implementation of United States as-
17 sistance plans to assist in speeding the flow of goods
18 and services between Israel and Gaza while increas-
19 ing security between the two areas.

1 **TITLE V—OTHER REGIONAL**
2 **ISSUES**

3 **SEC. 501. LENDING TO THE INDEPENDENT STATES OF THE**
4 **FORMER SOVIET UNION REQUIRED TO BE SE-**
5 **CURED BY CERTAIN EXPORT EARNINGS.**

6 (a) RESTRICTION ON LENDING.—For fiscal years
7 1996 and 1997, in the case of an independent state of
8 the former Soviet Union that does not satisfy the require-
9 ments of subsection (b)—

10 (1) no loan or credit may be extended by the
11 United States under any provision of law to the gov-
12 ernment of such state, including loans or credits ex-
13 tended under—

14 (A) the Foreign Assistance Act of 1961;

15 (B) the Arms Export Control Act;

16 (C) the Agricultural Trade Development
17 and Assistance Act of 1954 (Public Law 83-
18 480);

19 (D) the Agricultural Trade Act of 1978;

20 (E) section 416(b) of the Agricultural Act
21 of 1949;

22 (F) the Commodity Credit Corporation
23 Charter Act; and

24 (G) the Export-Import Bank Act of 1945;

25 and

1 (2) the Secretary of the Treasury shall in-
2 struct—

3 (A) the United States executive directors
4 to the International Bank for Reconstruction
5 and Development, the European Bank for Re-
6 construction and Development, and the Asian
7 Development Bank to vote against the exten-
8 sion of any credit, or the issuance of any guar-
9 antee with respect to any credit, by the Banks
10 for the purpose of assisting such state, and

11 (B) the United States executive director of
12 the International Monetary Fund to vote
13 against any use of the resources of the Fund,
14 including any use of United States currency
15 under the Fund's General Arrangements to
16 Borrow (GAB) as part of any currency sta-
17 bilization fund or otherwise, for the purpose of
18 assisting such state.

19 (b) REQUIREMENTS.—The requirements of this sec-
20 tion are that—

21 (1) the President has certified that the inde-
22 pendent state of the former Soviet Union is adhering
23 to the debt repayment schedules of the multilateral
24 lending institutions and the debt repayment sched-

1 ules of private lenders pursuant to agreements with
2 the multilateral development banks; or

3 (2) the repayment by such state of the loan,
4 credit, or other financial resources of multilateral
5 lending institutions, as the case may be, is secured
6 by the royalties or other revenues, if any, earned by
7 the state from the export of petroleum products,
8 minerals, or other commodities.

9 (c) MULTILATERAL ACTIONS.—The Secretary of the
10 Treasury shall instruct the United States executive direc-
11 tors of the International Bank for Reconstruction and De-
12 velopment, the European Bank for Reconstruction and
13 Development, the Asian Development Bank, and the
14 International Monetary Fund to propose that such institu-
15 tions establish policies in opposition to the making of any
16 loan, the extension of any credit, or the use of other finan-
17 cial resources of their respective institutions for the inde-
18 pendent states of the former Soviet Union unless the re-
19 payment of such loans, credits, or other resources is se-
20 cured in accordance with subsection (b)(2).

21 (d) DEFINITIONS.—As used in this section:

22 (1) INDEPENDENT STATES OF THE FORMER SO-
23 VIET UNION.—The term “independent states of the
24 former Soviet Union” has the same meaning given

1 to that term by section 3 of the FREEDOM Sup-
2 port Act (22 U.S.C. 5801).

3 (2) PETROLEUM PRODUCT.—The term “petro-
4 leum product” means crude oil, residual fuel oil, or
5 any refined petroleum product (including any natu-
6 ral liquid and any natural gas liquid product).

7 **SEC. 502. RESTRICTIONS ON ASSISTANCE FOR NICARAGUA.**

8 (a) RESTRICTIONS.—Amounts made available for fis-
9 cal years 1996 and 1997 for assistance under chapter 1
10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C.
11 2151 et seq. relating to development assistance) or chap-
12 ter 4 of part II of such Act (22 U.S.C. 2346 et seq. relat-
13 ing to economic support fund), including any unobligated
14 balances of prior appropriations, may only be made avail-
15 able to the Government of Nicaragua if the Secretary of
16 State, in consultation with the Secretary of Defense and
17 the Director of Central Intelligence, determines and cer-
18 tifies to the appropriate congressional committees that the
19 Government of Nicaragua—

20 (1) has completed a full and independent inves-
21 tigation of the May 23, 1993, Santa Rosa arms
22 cache explosion, including an investigation of pass-
23 ports, identity papers, and other documents found at
24 weapons sites indicating the existence of a terrorist
25 or kidnapping ring and whether the terrorist net-

1 work was involved in the February 1993 World
2 Trade Center bombing;

3 (2) has made substantial and tangible progress
4 in meeting the requirements of section 527 of the
5 Foreign Relations Authorization Act for Fiscal
6 Years 1994 and 1995 (relating to expropriation of
7 United States property);

8 (3) has removed from the military and security
9 forces of Nicaragua all individuals implicated in the
10 murders of Jean Paul Genie, Arges Sequeira, and
11 Enrique Bermudez, and judicial proceedings against
12 those charged with these murders have been initi-
13 ated; and

14 (4) is making significant and tangible progress
15 in—

16 (A) prosecuting all individuals, including
17 government officials and members of the armed
18 forces or security forces of Nicaragua identified
19 by the Secretary of State or the Attorney Gen-
20 eral as being part of a terrorist or kidnapping
21 ring;

22 (B) implementing all recommendations
23 made by the Tripartite Commission with re-
24 spect to individuals responsible for assassina-
25 tions, including the immediate suspension of all

1 individuals from the Nicaraguan military and
2 security forces who are named in such rec-
3 ommendations and the expeditious prosecution
4 of such individuals;

5 (C) implementing specific changes which
6 result in verifiable civilian control over the Nic-
7 araguan military, security forces, and police;
8 and

9 (D) making genuine, effective, and con-
10 crete reforms in the Nicaraguan judicial sys-
11 tem.

12 (b) DENIAL OF WAIVER AUTHORITY.—The waiver
13 authority provided for in section 527(g) of the Foreign
14 Relations Authorization Act for Fiscal Years 1994 and
15 1995 (Public Law 103–236) shall not apply to Nicaragua
16 for fiscal years 1996 and 1997.

17 (c) CONTENTS OF CERTIFICATION.—(1) A certifi-
18 cation made pursuant to subsection (a) shall include a de-
19 tailed accounting of all evidence in support of the deter-
20 minations listed in paragraphs (1) through (4) of sub-
21 section (a).

22 (2) A certification made pursuant to subsection (a)
23 shall be submitted in unclassified form and, to the extent
24 necessary to fulfill subsection (b)(1), classified form.

1 (d) EXCEPTIONS.—Notwithstanding any other provi-
2 sion of this section, the President may support and provide
3 assistance to the Government of Nicaragua for—

4 (1) programs facilitating the resolution of
5 United States citizen property claims;

6 (2) the International Commission for Support
7 and Verification of the Organization of American
8 States for human rights monitoring, related assist-
9 ance programs or election observation;

10 (3) programs to facilitate free and fair elections
11 in 1996;

12 (4) programs in support of child survival,
13 health, and education;

14 (5) democracy building programs administered
15 through the National Endowment for Democracy or
16 related nongovernmental groups; or

17 (6) environmental programs.

18 **SEC. 503. RESTRICTIONS ON ASSISTANCE TO NORTH**
19 **KOREA AND THE KOREAN PENINSULA EN-**
20 **ERGY DEVELOPMENT ORGANIZATION.**

21 (a) IN GENERAL.—Chapter 1 of part III of the For-
22 eign Assistance Act of 1961 (22 U.S.C. 2370 et seq.), as
23 amended by this Act, is further amended by adding at the
24 end the following new section:

1 **“SEC. 620J. RESTRICTIONS ON ASSISTANCE TO NORTH**
2 **KOREA AND THE KOREAN PENINSULA EN-**
3 **ERGY DEVELOPMENT ORGANIZATION.**

4 “(a) RESTRICTIONS.—No assistance may be provided
5 under this Act or any other provision of law to the Demo-
6 cratic People’s Republic of Korea unless—

7 “(1) such assistance is provided in accordance
8 with all requirements, limitations, and procedures
9 otherwise applicable to the provision of such assist-
10 ance for such purposes; and

11 “(2) the President—

12 “(A) notifies the congressional committees
13 specified in section 634(a) of this Act prior to
14 obligation of such assistance in accordance with
15 the procedures applicable to reprogramming no-
16 tifications under that section, irrespective of the
17 amount of the proposed obligation of such as-
18 sistance; and

19 “(B) determines and reports to such com-
20 mittees that the provision of such assistance is
21 vital to the national interests of the United
22 States.

23 “(b) CONGRESSIONAL REPORT.—Whenever the
24 President notifies the congressional committees under the
25 provisions of subsection (a)(2), he shall submit a report
26 on—

1 “(1) the exact dollar amounts pledged by every
2 country contributing to the Korean Peninsula En-
3 ergy Development Organization, itemized by fiscal
4 year, including those amounts requested in budget
5 documents for future fiscal years;

6 “(2) the exact dollar amount transferred to the
7 Korean Peninsula Energy Development Organization
8 as of the date of submission of the report, itemized
9 by country and the purpose for which the funds were
10 donated; and

11 “(3) the extent to which North Korea has com-
12 plied with all aspects of the Agreed Framework up
13 to the time the report is submitted, including, but
14 not limited to, the manner in which deliveries of
15 heavy fuel oil have been used and the extent to
16 which dialogue between the Republic of Korea and
17 the Democratic People’s Republic of Korea has
18 taken place.

19 “(c) ASSISTANCE TO THE KOREAN PENINSULA EN-
20 ERGY DEVELOPMENT ORGANIZATION.—For purposes of
21 providing assistance under this Act or under any provision
22 of law, the obligation of assistance to the Korean Penin-
23 sula Energy Development Organization shall be consid-
24 ered to be obligated under the same terms, conditions, and

1 limitations as are applicable to United States assistance
2 to the Democratic People's Republic of Korea.”.

3 (b) EFFECTIVE DATE.—Section 620J of the Foreign
4 Assistance Act of 1961, as added by subsection (a), ap-
5 plies with respect to assistance provided to the Democratic
6 People's Republic of Korea on or after the date of enact-
7 ment of this Act.

8 **SEC. 504. FUTURE OF THE UNITED STATES MILITARY PRES-**
9 **ENCE IN PANAMA.**

10 (a) CONGRESSIONAL FINDINGS.—The Congress
11 makes the following findings:

12 (1) The Panama Canal is a vital strategic asset
13 to the United States, its allies, and the world.

14 (2) The Treaty on the Permanent Neutrality
15 and Operation of the Panama Canal signed on Sep-
16 tember 7, 1977, provides that Panama and the
17 United States have the responsibility to assure that
18 the Panama Canal will remain open and secure.

19 (3) Such Treaty also provides that each of the
20 two countries shall, in accordance with their respec-
21 tive constitutional processes, defend the Canal
22 against any threat to the regime of neutrality, and
23 consequently shall have the right to act against any
24 aggression or threat directed against the Canal or

1 against the peaceful transit of vessels through the
2 Canal.

3 (4) The United States instrument of ratifica-
4 tion of such Treaty includes specific language that
5 the two countries should consider negotiating future
6 arrangements or agreements to maintain military
7 forces necessary to fulfill the responsibility of the
8 two countries of maintaining the neutrality of the
9 Canal after 1999.

10 (5) The Government of Panama, in the bilateral
11 Protocol of Exchange of instruments of ratification,
12 expressly “agreed upon” such arrangements or
13 agreements.

14 (6) The Navy depends upon the Panama Canal
15 for rapid transit in times of emergency, as dem-
16 onstrated during World War II, the Korean War,
17 the Vietnam conflict, the Cuban Missile Crisis, and
18 the Persian Gulf conflict.

19 (7) Drug trafficking and money laundering has
20 proliferated in the Western Hemisphere since the
21 Treaty on the Permanent Neutrality and Operation
22 of the Panama Canal was signed on September 7,
23 1977, and such trafficking and laundering poses a
24 grave threat to peace and security in the region.

1 (8) Certain facilities now utilized by the United
2 States Armed Forces in Panama are critical to com-
3 bat the trade in illegal drugs.

4 (9) The United States and Panama share com-
5 mon policy goals such as strengthening democracy,
6 expanding economic trade, and combating illegal
7 narcotics throughout Latin America.

8 (10) The Government of Panama has dissolved
9 its military forces and has maintained only a civilian
10 police organization to defend the Panama Canal
11 against aggression.

12 (11) Certain public opinion polls in Panama
13 suggest that many Panamanians desire a continued
14 United States military presence in Panama.

15 (b) SENSE OF THE CONGRESS.—It is the sense of
16 the Congress that—

17 (1) the President should negotiate a new base
18 rights agreement with the Government of Panama—

19 (A) to allow the stationing of United
20 States Armed Forces in Panama beyond De-
21 cember 31, 1999, and

22 (B) to ensure that the United States will
23 be able to act appropriately, consistent with the
24 Panama Canal Treaty, the Treaty Concerning
25 the Permanent Neutrality and Operation of the

1 Panama Canal, and the resolutions of ratifica-
2 tion thereto, for the purpose of assuring that
3 the Panama Canal shall remain open, neutral,
4 secure, and accessible; and

5 (2) the President should consult with the Con-
6 gress throughout the negotiations described in para-
7 graph (1).

8 **SEC. 505. ELIGIBILITY OF PANAMA UNDER THE ARMS EX-**
9 **PORT CONTROL ACT.**

10 The Republic of Panama shall be eligible to purchase
11 defense articles and defense services under the Arms Ex-
12 port Control Act (22 U.S.C. 2751 et seq.), except as other-
13 wise specifically provided by law.

14 **SEC. 506. CERTIFICATION REQUIREMENTS FOR COLOMBIA**
15 **WITH RESPECT TO ILLEGAL DRUG PRODUC-**
16 **TION AND DRUG TRAFFICKING ACTIVITY FOR**
17 **FISCAL YEARS 1996 AND 1997.**

18 Section 490A of the Foreign Assistance Act of 1961
19 (22 U.S.C. 2291k) is amended as follows:

20 (1) In subsection (a), by striking “subsection
21 (b)” each place it appears and inserting “subsections
22 (b) and (h)”.

23 (2) In subsection (b)(1), as amended by section
24 320, by inserting “and except as provided for in sub-
25 section (h),” after “this subsection,”.

1 (3) In subsection (d), by inserting “or sub-
2 section (h)” after “subsection (b)”.

3 (4) In subsection (e)—

4 (A) by inserting “(1)” after “DECERTI-
5 FIED.—”,

6 (B) by striking “(1) funds” and inserting
7 “(A) funds”,

8 (C) by striking “(2) the” and inserting
9 “(B) the”, and

10 (D) by adding at the end the following new
11 paragraph:

12 “(2) If the President does not make a certification
13 under subsection (h) with respect to Colombia or the Con-
14 gress enacts a joint resolution disapproving such certifi-
15 cation, then until such time as the conditions specified in
16 subsection (f)(1)(B) are satisfied, subparagraphs (A) and
17 (B) of paragraph (1) shall apply.”.

18 (5) In subsection (f)(1)—

19 (A) by striking “(A) the President” and
20 inserting “(A)(i) the President”,

21 (B) by striking “(B) the President” and
22 inserting “(ii) the President”,

23 (C) by striking the period at the end of
24 subparagraph (B) and inserting “; or”, and

1 (D) by adding at the end the following new
2 subparagraph:

3 “(B) the President makes a certification
4 under subsection (h) with respect to Colombia,
5 and the Congress does not enact a joint resolu-
6 tion under subsection (d) disapproving the de-
7 termination of the President contained in that
8 certification.”.

9 (6) At the end of the section, by adding the fol-
10 lowing new subsections:

11 “(h) SPECIAL DETERMINATION AND CERTIFICATION
12 PROCEDURES FOR COLOMBIA.—For fiscal years 1996 and
13 1997, the following certification procedures shall apply for
14 Colombia in lieu of the procedures provided for in sub-
15 section (b)(1):

16 “(1) WHAT MUST BE CERTIFIED.—Subject to
17 subsection (d), the assistance withheld from Colom-
18 bia pursuant to subsection (a)(1) may be obligated
19 and expended, and the requirement of subsection
20 (a)(2) to vote against multilateral development bank
21 assistance to or for a country shall not apply with
22 respect to Colombia—

23 “(A)(i) for fiscal year 1996 if the Presi-
24 dent determines and certifies to the Congress

1 by March 1, 1996, the matters set forth in
2 paragraph (2), and

3 “(ii) for fiscal year 1997 if the President
4 determines and certifies to the Congress by
5 March 1, 1997, the matters set forth in para-
6 graph (3); or

7 “(B) for either fiscal year 1996 or fiscal
8 year 1997, if the President determines and cer-
9 tifies to the Congress by March 1 of the rel-
10 evant fiscal year that the vital national interests
11 of the United States require that the assistance
12 withheld pursuant to subsection (a)(1) be pro-
13 vided and that the United States not vote
14 against multilateral development bank assist-
15 ance for that country pursuant to subsection
16 (a)(2).

17 “(2) MATTERS REQUIRED TO BE CERTIFIED
18 FOR FISCAL YEAR 1996.—The matters referred to in
19 paragraph (1)(A) are:

20 “(A) That the Government of Colombia
21 has made substantial progress in the following
22 matters specifically committed to by the Presi-
23 dent of Colombia:

1 “(i) Investigating contributions by
2 drug traffickers to political parties in Co-
3 lombia.

4 “(ii) Providing funding for a sustain-
5 able alternative development program to
6 encourage Colombian farmers to grow legal
7 crops.

8 “(iii) Utilizing the law enforcement
9 resources of Colombia to investigate, cap-
10 ture, convict, and imprison major drug
11 lords in Colombia and their accomplices.

12 “(iv) Implementing and funding a
13 proposed plan for the improvement of the
14 administration of the Ministry of Justice of
15 Colombia.

16 “(v) Acting effectively to confiscate
17 profits from activities related to illegal
18 drugs and drug trafficking.

19 “(vi) Enacting legislation to imple-
20 ment the United Nations Convention
21 Against Illicit Traffic in Narcotic Drugs
22 and Psychotropic Substances.

23 “(vii) Dismantling the infrastructure
24 in Colombia that is used for processing il-
25 legal drugs, interdicting the chemicals used

1 for such processing, and seizing or dis-
2 abling vehicles (including airplanes and
3 ships) used to transport processed illegal
4 drugs.

5 “(viii) Investing in technology to im-
6 prove surveillance of airports, waterways,
7 and seaports in Colombia.

8 “(ix) Tightening the law enforcement
9 capabilities and commencing construction
10 of an installation for the Colombia Coast
11 Guard on San Andres Island, Colombia, in
12 order to provide effective surveillance of
13 airplane and ship traffic that departs from
14 the island.

15 “(x) Improving the aircraft detection
16 and interception systems of Colombia, in-
17 cluding the purchase of aircraft detectors.

18 “(xi) Encouraging the adoption of an
19 Inter-American convention to ban the es-
20 tablishment of a financial safe haven in
21 any country in the Western Hemisphere.

22 “(B) That the Government of Colombia
23 has accomplished the following matters specifi-
24 cally committed to by the President of Colom-
25 bia:

1 “(i) The implementation of necessary
2 reforms to increase the sentences served by
3 drug traffickers so that the penalties be
4 commensurate with the serious nature of
5 their crimes and to remove loopholes for
6 such traffickers to enter into lenient plea
7 bargaining arrangements.

8 “(ii) The creation of an effective in-
9 vestigation unit to detect and bring to
10 prosecution individuals in Colombia who
11 engage in corrupt activities related to
12 drugs and drug trafficking.

13 “(iii) The implementation of legisla-
14 tion to prohibit money laundering.

15 “(iv) Implementation of Plan
16 Resplendor, which calls for the destruction
17 of at least 37,000 hectares of coca and
18 poppy plants in Colombia by January 1,
19 1996.

20 “(3) MATTERS REQUIRED TO BE CERTIFIED
21 FOR FISCAL YEAR 1997.—The matters referred to in
22 paragraph (1)(B) are:

23 “(A) That the Government of Colombia
24 continues to make substantial progress with re-

1 spect to the following matters specifically com-
2 mitted to by the President of Colombia:

3 “(i) Investigating contributions by
4 drug traffickers to political parties in Co-
5 lombia and prosecuting those found re-
6 sponsible for such contributions or the ac-
7 ceptance of the same.

8 “(ii) Providing funding for a sustain-
9 able alternative development program to
10 encourage Colombian farmers to grow legal
11 crops.

12 “(iii) Utilizing the law enforcement
13 resources of Colombia to investigate, cap-
14 ture, convict, and imprison major drug
15 lords in Colombia and their accomplices.

16 “(iv) Implementing and funding fully
17 a proposed plan for the improvement of
18 the administration of the Ministry of Jus-
19 tice of Colombia.

20 “(v) Acting effectively to confiscate
21 profits from activities related to illegal
22 drugs and drug trafficking.

23 “(vi) Enforcing effectively a statute
24 prohibiting money laundering.

1 “(vii) Implementing necessary reforms
2 to make drug traffickers’ sentences com-
3 mensurate with the nature of their crimes
4 and to eliminate loopholes by which such
5 traffickers enter into lenient plea bargain-
6 ing arrangements.

7 “(viii) Deploying an effective inves-
8 tigation unit to detect and bring to pros-
9 ecution individuals in Colombia who en-
10 gage in corrupt activities related to illegal
11 drugs and drug trafficking.

12 “(ix) Dismantling the infrastructure
13 in Colombia that is used for processing il-
14 legal drugs, interdicting the chemicals used
15 for such processing, and seizing or dis-
16 abling vehicles (including airplanes and
17 ships) used to transport processed illegal
18 drugs.

19 “(x) Investing in technology to im-
20 prove surveillance of airports, waterways,
21 and seaports in Colombia.

22 “(xi) Improving the aircraft detection
23 and interception systems of Colombia and
24 utilizing such systems.

1 “(xii) Encouraging the adoption of an
2 Inter-American convention to ban the es-
3 tablishment of a financial safe haven in
4 any country in the Western Hemisphere.

5 “(B) That the Government of Colombia
6 has accomplished the following matters specifi-
7 cally committed to by the President of Colom-
8 bia:

9 “(i) The enactment of legislation to
10 implement the United Nations Convention
11 Against Illicit Traffic in Narcotic Drugs
12 and Psychotropic Substances.

13 “(ii) The destruction of all illicit
14 crops, estimated at 70,000 hectares.

15 “(iii) The construction of an installa-
16 tion for the Colombia Coast Guard on San
17 Andres Island, Colombia, in order to pro-
18 vide effective surveillance of airplane and
19 ship traffic that departs from the island.

20 “(4) REPORTS.—The Secretary of State shall
21 submit to the appropriate congressional committees
22 a report—

23 “(A) not later than September 1, 1995, on
24 the progress and accomplishments made by the

1 Government of Colombia in the matters set
2 forth in paragraph (2); and

3 “(B) not later than September 1, 1996, on
4 the progress and accomplishments made by the
5 Government of Colombia in the matters set
6 forth in paragraph (3).

7 “(i) ADDITIONAL SANCTIONS.—

8 “(1) APPLICABILITY.—Notwithstanding any
9 other provision of law, and after transmitting the
10 notice provided for in paragraph (3), in any instance
11 where the President does not make a determination
12 regarding a major illicit drug-producing country or
13 major drug-transit country pursuant to subsection
14 (b) or (h), or the Congress enacts a joint resolution
15 disapproving such certification, the President, in ad-
16 dition to those actions required by subsection (a),
17 may take any or all of the following actions that the
18 President deems appropriate to achieve the objec-
19 tives of this section:

20 “(A) SUSPENSION OF BILATERAL ASSIST-
21 ANCE.—Suspend all funds, or any combination
22 of funds, activities, or programs, authorized
23 under the Foreign Assistance Act of 1961 or
24 the Arms Export Control Act.

1 “(B) EXPORT-IMPORT BANK.—Suspend fi-
2 nancing by the Export-Import Bank of the
3 United States under the Export-Import Bank
4 Act of 1945.

5 “(C) LICENSES FOR COMMERCIAL ARMS
6 EXPORTS.—Suspend the obligation or expendi-
7 ture of all funds to license the commercial ex-
8 port of items on the United States Munitions
9 List under section 38 of the Arms Export Con-
10 trol Act.

11 “(D) MILITARY ACTIVITIES.—Suspend the
12 obligation and expenditure of all funds ex-
13 pended for purposes of carrying out military ac-
14 tivities in Colombia or that benefit Colombia,
15 including joint military activities.

16 “(E) EXCLUSION FROM ENTRY INTO THE
17 UNITED STATES.—Take all reasonable steps
18 provided by law to ensure that public officials
19 of such country, regardless of rank, who are im-
20 plicated in drug-related corruption, their imme-
21 diate relatives, and their business partners are
22 not permitted entry into the United States, con-
23 sistent with the provisions of the Immigration
24 and Nationality Act (8 U.S.C. 1101 et seq.),
25 until the completion by the government of that

1 country of an investigation into the drug-related
2 corruption of the official that is satisfactory to
3 the Secretary of State and the Attorney Gen-
4 eral of the United States.

5 “(F) TRADE PREFERENCES.—

6 “(i) ANDEAN TRADE PREFERENCE
7 ACT.—Withdraw the designation of such
8 country as a beneficiary country under sec-
9 tion 203 of the Andean Trade Preference
10 Act (19 U.S.C. 3202), if applicable, pursu-
11 ant to the procedures set forth in sub-
12 section (e) of that section.

13 “(ii) TRADE ACT OF 1974.—Terminate
14 the designation of such country as a bene-
15 ficiary developing country under section
16 502 of the Trade Act of 1974 (19 U.S.C.
17 2462), pursuant to the procedures set
18 forth in subsection (a)(2) of that section.

19 “(iii) FREE TRADE AGREEMENTS.—
20 Deny such country participation in the dis-
21 cussion or implementation of a free trade
22 agreement involving Western Hemisphere
23 countries, if applicable.

1 “(2) SENSE OF THE CONGRESS REGARDING
2 PARTICIPATION IN FREE TRADE AGREEMENTS.—It
3 is the sense of the Congress that—

4 “(A) the United States should not extend
5 tariff or quota treatment equivalent to that ac-
6 corded to members of the North American Free
7 Trade Agreement, or extend participation in the
8 North American Free Trade Agreement, to any
9 major drug-producing country or major drug-
10 transit country not certified under subsection
11 (b) or (h); and

12 “(B) such a country should not be allowed
13 to participate in the discussion or implementa-
14 tion of a free trade agreement involving West-
15 ern Hemisphere countries.

16 “(3) REQUIREMENTS FOR IMPOSITION AND
17 TERMINATION OF SANCTIONS.—

18 “(A) IMPOSITION OF SANCTIONS.—

19 “(i) CONGRESSIONAL NOTIFICA-
20 TION.—The President shall impose sanc-
21 tions under this subsection by transmitting
22 to the appropriate congressional commit-
23 tees a notice setting forth the sanctions to
24 be imposed.

1 “(ii) EFFECTIVE DATE.—Any sanc-
2 tions selected by the President to be im-
3 posed under this subsection shall take ef-
4 fect 7 calendar days after the notice has
5 been received by the Congress.

6 “(B) TERMINATION OF SANCTIONS.—(i)
7 Sanctions imposed under this subsection shall
8 terminate 15 calendar days after the date on
9 which the President transmits to the appro-
10 priate congressional committees a notice termi-
11 nating the sanctions.

12 “(ii) Upon the termination of sanctions
13 under paragraph (1)(F), any trade designation
14 withdrawn or terminated under paragraph
15 (1)(F) shall be reinstated pursuant to the provi-
16 sions of the applicable law under which the
17 trade benefits were extended.”.

18 **SEC. 507. REPORT ON ISRAELI DEBT.**

19 Not later than 90 days after the date of enactment
20 of this Act, and on October 1 of each year thereafter, the
21 Secretary of State, in consultation with the Secretary of
22 the Treasury, the Secretary of Defense, and the Secretary
23 of Agriculture, shall submit to the appropriate congres-
24 sional committees a report itemizing all United States
25 Government held and guaranteed debt owed by the Gov-

1 ernment of Israel to the United States, including but not
2 limited to, an accounting of—

3 (1) United States guaranteed debt held by com-
4 mercial banks;

5 (2) debt held by the Federal Financing Bank;

6 (3) maturity dates of loans, the amount of an-
7 nual interest payments, and amounts of principal
8 and interest; and

9 (4) the estimated budgetary cost to the United
10 States Government of canceling Israeli government
11 debt to the United States held by the United States
12 Government and the Federal Financing Bank.

13 **SEC. 508. REPORT ON INVOLVEMENT BY SENIOR MEXICAN**
14 **GOVERNMENT OFFICIALS IN ILLEGAL DRUG**
15 **TRAFFICKING.**

16 (a) REPORT.—Not later than 30 days after the date
17 of enactment of this Act, the President shall transmit a
18 report to the appropriate congressional committees setting
19 forth all information available to the United States Gov-
20 ernment with respect to the involvement, since March 1,
21 1991, by senior officials of the Government of Mexico,
22 their relatives, and close associates in the illegal traffick-
23 ing in controlled substances (as defined in section 102(6)
24 of the Controlled Substances Act (21 U.S.C. 802(6)) or
25 in any act to aid or abet such illegal trafficking.

1 (b) DEFINITIONS.—As used in this section:

2 (1) AID OR ABET.—The phrase “aid or abet”
3 includes any act to facilitate illegal trafficking in
4 controlled substances, including any solicitation or
5 receipt of anything of value in consideration of aid-
6 ing a person to engage in illegal trafficking of such
7 substances.

8 (2) TRAFFICKING.—The term “trafficking”
9 means transporting, transferring, or otherwise dis-
10 posing of, to another, as consideration for anything
11 of value, or making or obtaining control of with the
12 intent to so transport, transfer, or dispose of.

13 **SEC. 509. PROHIBITION ON ANTI-NARCOTICS ASSISTANCE**
14 **TO BURMA.**

15 (a) PROHIBITION.—None of the funds made available
16 under this or any other Act may be used to provide assist-
17 ance to the State Law Order Restoration Council
18 (SLORC) to support efforts to combat illicit narcotics pro-
19 duction and trafficking in Burma (Myanmar).

20 (b) EXCEPTIONS.—Subsection (a) shall not apply
21 to—

22 (1) United States funded crop-substitution
23 projects funded through nongovernmental organiza-
24 tions in an area controlled by a Burmese ethnic mi-
25 nority; or

1 (2) antinarcotics training conducted by any
2 agency of the United States Government, as long as
3 the training does not involve the transfer of equip-
4 ment, lethal, or nonlethal.

5 (c) INTELLIGENCE SHARING.—None of the funds
6 made available under this or any other Act may be used
7 to provide intelligence information based on sensitive
8 sources and methods of intelligence gathering to the State
9 Law and Order Restoration Council (SLORC) in Burma
10 (Myanmar).

11 **SEC. 510. CLARIFICATION OF RESTRICTIONS UNDER SEC-**
12 **TION 620E OF THE FOREIGN ASSISTANCE ACT**
13 **OF 1961.**

14 Section 620E of the Foreign Assistance Act of 1961
15 (22 U.S.C. 2375) is amended—

16 (1) in subsection (e)—

17 (A) by striking “No assistance” and insert-
18 ing “No military assistance”;

19 (B) by striking “in which assistance is to
20 be furnished or military equipment or tech-
21 nology” and inserting “in which military assist-
22 ance is to be furnished or military equipment or
23 technology”;

1 (C) by striking “the proposed United
2 States assistance” and inserting “the proposed
3 United States military assistance”;

4 (D) by inserting “(1)” immediately after
5 “(e)”; and

6 (E) by adding at the end the following new
7 paragraph:

8 “(2) The prohibitions in this subsection do not apply
9 to any assistance or transfer provided for the purposes
10 of—

11 “(A) international narcotics control (including
12 chapter 8 of part I of this Act) or any other provi-
13 sion of law available for providing assistance for
14 counternarcotics purposes;

15 “(B) facilitating military-to-military contact,
16 training (including chapter 5 of part II of this Act),
17 or humanitarian or civic assistance projects;

18 “(C) peacekeeping and other multilateral oper-
19 ations (including chapter 6 of part II of this Act, re-
20 lating to peacekeeping) or any provisions of law
21 available for providing assistance for peacekeeping
22 purposes, except that any lethal military equipment
23 provided under this subparagraph shall be provided
24 on a lease or loan basis only and shall be returned

1 upon completion of the operation for which it was
2 provided; or

3 “(D) antiterrorism assistance (including chap-
4 ter 8 of part II of this Act, relating to antiterrorism
5 assistance) or any other provision of law available
6 for antiterrorism assistance purposes.”; and

7 (2) by adding at the end the following new sub-
8 sections:

9 “(f) STORAGE COSTS.—The President may release
10 the Government of Pakistan of its contractual obligation
11 to pay the United States Government for the storage costs
12 of items purchased prior to October 1, 1990, but not deliv-
13 ered by the United States Government by virtue of the
14 application of subsection (e) and may reimburse the Gov-
15 ernment of Pakistan for any such amounts paid, on such
16 terms and conditions as the President may prescribe, if
17 such payments would have no impact on the scoring of
18 United States budget authority or outlays.

19 “(g) RETURN OF MILITARY EQUIPMENT.—The
20 President may return to the Government of Pakistan mili-
21 tary equipment paid for and delivered to Pakistan and
22 subsequently transferred for repair or upgrade to the
23 United States but not returned to Pakistan by virtue of
24 the application of subsection (e). Such equipment or its
25 equivalent may be returned to the Government of Pakistan

1 if the President determines and so certifies to the appro-
2 priate congressional committees that such equipment or
3 equivalent neither constitutes nor has received any signifi-
4 cant qualitative upgrade since being transferred to the
5 United States.

6 “(h) SENSE OF CONGRESS; REPORT.—

7 “(1) SENSE OF CONGRESS.—It is the sense of
8 the Congress that—

9 “(A) fundamental United States policy in-
10 terests in South Asia include—

11 “(i) resolving underlying disputes that
12 create the conditions for nuclear prolifera-
13 tion, missile proliferation, and the threat of
14 regional catastrophe created by weapons of
15 mass destruction;

16 “(ii) achieving cooperation with the
17 United States on counterterrorism,
18 counternarcotics, international peacekeep-
19 ing, and other United States international
20 efforts; and

21 “(iii) achieving mutually verifiable
22 limitations on fissile material production,
23 expansion and enhancement of the mutual
24 ‘no first strike pledge’, and a commitment
25 to work with the United States to limit,

1 rollback, and eliminate all nuclear weapons
2 programs in South Asia;

3 “(B) to create the conditions for lasting
4 peace in South Asia, United States policy to-
5 ward the region must be balanced and should
6 not reward any country for actions inimical to
7 the United States interest;

8 “(C) the President should initiate a re-
9 gional peace process in South Asia with both bi-
10 lateral and multilateral tracks that includes
11 both India and Pakistan; and

12 “(D) the South Asian peace process should
13 have on its agenda the resolution of the follow-
14 ing:

15 “(i) South Asian nuclear proliferation,
16 including mutually verifiable limitations on
17 fissile material production, expansion, and
18 enhancement of the mutual ‘no first strike’
19 pledge, and a commitment to work with
20 the United States to limit, rollback, and
21 eliminate all nuclear weapons programs in
22 South Asia.

23 “(ii) South Asian missile proliferation.

24 “(iii) Indian and Pakistani coopera-
25 tion with Iran.

1 “(iv) The resolution of existing terri-
2 torial disputes, including Kashmir.

3 “(v) Regional economic cooperation.

4 “(vi) Regional threats, including
5 threats posed by Russia and China.

6 “(2) REPORT.—Whenever a report is required
7 to be submitted under section 620F(c) of the For-
8 eign Assistance Act of 1961, the President shall sub-
9 mit a report to the appropriate congressional com-
10 mittees on the progress of the South Asian peace
11 process described in paragraph (1). Each report
12 shall describe—

13 “(A) whether South Asian countries are
14 working to further United States interests;

15 “(B) proposed United States actions to
16 further the resolution of the conflict in South
17 Asia as described in paragraph (1) and to fur-
18 ther United States international interests;

19 “(C) the degree and extent of cooperation
20 by South Asian countries with all United States
21 international efforts, including voting support
22 within the United Nations; and

23 “(D) whether withholding of military as-
24 sistance, dual-use technology, economic assist-

1 ance, and trade sanctions would further United
2 States interests.”.

3 **SEC. 511. STATEMENT OF POLICY AND REQUIREMENT FOR**
4 **REPORT ON OIL PIPELINE THROUGH AZER-**
5 **BAIJAN, ARMENIA, GEORGIA, AND TURKEY.**

6 (a) **POLICY.**—It is the sense of the Senate that the
7 United States should support the construction of an oil
8 pipeline through Azerbaijan, Armenia, and Turkey.

9 (b) **REPORT.**—Not later than 60 days after the date
10 of the enactment of this Act, the President shall submit
11 to the Committee on Foreign Relations of the Senate and
12 the Committee on International Relations of the House
13 of Representatives a report analyzing potential routes for
14 the construction of an oil pipeline on and through the ter-
15 ritories of Azerbaijan, Armenia, Georgia, and Turkey. The
16 report shall include a discussion of the advantages and
17 disadvantages of different routes for the pipeline, includ-
18 ing—

19 (1) the amount of oil that could be transported
20 along each route of the pipeline;

21 (2) the cost of constructing the pipeline along
22 each route;

23 (3) options for commercial and public financing
24 of construction of each route of the pipeline; and

1 (4) the impact on regional stability of the oper-
2 ation of the pipeline along each route.

3 **SEC. 512. REPORTS ON ERADICATION OF PRODUCTION AND**
4 **TRAFFICKING IN NARCOTIC DRUGS AND**
5 **MARIJUANA.**

6 Chapter 8 of part I of the Foreign Assistance Act
7 of 1961 (22 U.S.C. 2291 et seq.) is amended by adding
8 at the end the following:

9 **“SEC. 490B. REPORTS ON ERADICATION OF PRODUCTION**
10 **AND TRAFFICKING IN NARCOTIC DRUGS AND**
11 **MARIJUANA.**

12 “(a) IN GENERAL.—Not later than January 30 and
13 June 30 of each year, the President shall submit to the
14 appropriate congressional committees a report on the
15 progress made by the United States in eradicating produc-
16 tion of and trafficking in illicit drugs. The report shall
17 be submitted in unclassified form with a classified annex,
18 if required.

19 “(b) REPORT ELEMENTS.—Each report under sub-
20 section (a) shall include the following:

21 “(1) A description of the actions taken by the
22 United States during the 6-month period preceding
23 the date of the report—

24 “(A) to assist countries in which illicit
25 drugs are produced in arresting, convicting, and

1 imprisoning individuals and groups that
2 produce such drugs; and

3 “(B) to assist countries through which il-
4 licit drugs destined for the United States are
5 shipped in arresting, convicting, and imprison-
6 ing individuals and groups that ship such
7 drugs.

8 “(2) A description of other actions taken by the
9 United States during that period—

10 “(A) to assist countries in which cocaine is
11 produced in eradicating the production of coca;
12 and

13 “(B) to decrease the flow of illicit drugs
14 into the United States.

15 “(3) An assessment of the effectiveness of the
16 actions covered by paragraphs (1) and (2).

17 “(4) A description of the major drug trafficking
18 organizations that operate in the United States and
19 a plan that sets forth the manner in which the law
20 enforcement resources of the United States will be
21 utilized to dismantle such organizations.

22 “(5) A statement of the number of deaths due
23 to illicit drugs (including deaths due to drug-related
24 murders and deaths by drug-induced overdoses) in
25 the United States during that period.

1 “(6) A statement of the number of arrests and
2 incarcerations related to illicit drugs in the United
3 States during that period.

4 “(c) REQUIREMENT FOR JANUARY 30, 1996, RE-
5 PORT.—In addition to the matters set forth in subsection
6 (b), the report submitted by the President under sub-
7 section (a) for January 30, 1996, shall include an assess-
8 ment of the capability of the United States to eradicate
9 coca production in the Western Hemisphere, including—

10 “(1) an assessment of whether or not complete
11 eradication of coca production in the Western Hemi-
12 sphere is technologically feasible; and

13 “(2) if eradication of such production is consid-
14 ered feasible, an assessment of—

15 “(A) the resources (including any herbi-
16 cides and aircraft) required for the eradication;

17 “(B) the environmental consequences of
18 the utilization of any herbicide proposed for use
19 in the eradication;

20 “(C) the time required for completion of
21 the eradication; and

22 “(D) the cost of the eradication.

23 “(d) DEFINITIONS.—As used in this section—

24 “(1) The term ‘illicit drugs’ means marihuana
25 and narcotic drugs.

1 “(2) The term ‘marijuana’ has the meaning
2 given such term in section 102(16) of the Controlled
3 Substances Act (21 U.S.C. 802(16)).

4 “(3) The term ‘narcotic drug’ has the meaning
5 given such term in section 102(17) of such Act (21
6 U.S.C. 802(17)).”.

7 **SEC. 513. REPORTS ON COMMERCIAL DISPUTES WITH PAKI-**
8 **STAN.**

9 (a) **REPORTING REQUIREMENT.**—Thirty days after
10 the date of enactment of this Act, and every 90 days there-
11 after, the Secretary of State, in consultation with the Sec-
12 retary of Commerce, shall report to the Committee on
13 Foreign Relations of the Senate and the Committee on
14 International Relations of the House of Representatives
15 on the status of disputes between the Government of Paki-
16 stan and United States persons with respect to cellular
17 telecommunications, and on the progress of efforts to re-
18 solve such disputes.

19 (b) **TERMINATION OF REPORTING REQUIREMENT.**—
20 The requirement of subsection (a) shall terminate upon
21 certification by the Secretary of State to the Committee
22 on International Relations of the House of Representa-
23 tives and the Committee on Foreign Relations of the Sen-
24 ate that all significant disputes between the Government

1 of Pakistan and United States persons with respect to cel-
2 lular communications have been satisfactorily resolved.

3 **SEC. 514. NONPROLIFERATION AND DISARMAMENT FUND.**

4 (a) IN GENERAL.—There are authorized to be appro-
5 priated \$25,000,000 for each of the fiscal years 1996 and
6 1997 to carry out bilateral and multilateral nonprolifera-
7 tion and disarmament activities for the independent states
8 of the former Soviet Union, countries other than the inde-
9 pendent states of the former Soviet Union, and inter-
10 national organizations under section 504 of the Freedom
11 for Russia and Emerging Eurasian Democracies and Open
12 Markets Support Act of 1992 (22 U.S.C. 5854).

13 (b) SUPERSEDES OTHER LAWS.—Funds made avail-
14 able for fiscal years 1996 and 1997 under subsection (a)
15 may be used notwithstanding any other provision of law.

16 (c) AVAILABILITY OF AMOUNTS.—Amounts author-
17 ized to be appropriated under subsection (a) are author-
18 ized to remain available until expended.

19 **SEC. 515. RUSSIAN NUCLEAR TECHNOLOGY AGREEMENT**
20 **WITH IRAN.**

21 (a) FINDINGS.—The Congress finds that—

22 (1) Iran is aggressively pursuing a program to
23 acquire or develop nuclear weapons, or both;

1 (2) the Director of Central Intelligence, in Sep-
2 tember of 1994, confirmed that Iran is manufactur-
3 ing and stockpiling chemical weapons;

4 (3) Iran has opposed the Middle East peace
5 process and continues to support the terrorist group
6 Hezbollah in Lebanon and radical Palestinian
7 groups;

8 (4) Iran has asserted control over the Persian
9 Gulf island of Abu Musa, which it had been pre-
10 viously sharing with the United Arab Emirates;

11 (5) during the last few years Iran has report-
12 edly acquired several hundred improved Seud mis-
13 siles from North Korea;

14 (6) Iran has moved modern air defense missile
15 systems, tanks, additional troops, artillery, and sur-
16 face-to-surface missiles onto islands in the Persian
17 Gulf, some of which are disputed between Iran and
18 the United Arab Emirates;

19 (7) Iran has already taken delivery of as many
20 as 30 modern MiG-29 fighter aircraft from the Rus-
21 sian Federation;

22 (8) the Russian Federation has sold modern
23 conventionally powered submarines to Iran, which
24 increases Iran's capability to blockade the Straits of
25 Hormuz and the Persian Gulf; and

1 (9) the Russian Federation has continued to
2 pursue a commercial agreement intended to provide
3 Iran with nuclear technology despite being provided
4 with a detailed description by the President of
5 United States of Iran's nuclear weapons program.

6 (b) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that the Russian Federation should be strongly con-
8 demned if it continues with a commercial agreement to
9 provide Iran with nuclear technology which would assist
10 that country in its development of nuclear weapons, and,
11 if such transfer occurs, that the Russian Federation would
12 be ineligible for assistance under the terms of the Freedom
13 Support Act.

14 **SEC. 516. SUPPORTING A RESOLUTION TO THE LONG-**
15 **STANDING DISPUTE REGARDING CYPRUS.**

16 (a) FINDINGS.—The Congress finds that—

17 (1) the long-standing dispute regarding Cyprus
18 remains unresolved;

19 (2) the Turkish military presence in the terri-
20 tory of the Republic of Cyprus has continued for
21 more than 20 years;

22 (3) the status quo on Cyprus remains unaccept-
23 able;

1 (4) the United States attaches great importance
2 to a just and peaceful resolution of the dispute re-
3 garding Cyprus;

4 (5) the United Nations and the United States
5 are using their good offices to resolve such dispute;

6 (6) on January 5, 1995, President Clinton ap-
7 pointed a Special Presidential Emissary for Cyprus;

8 (7) the United Nations has adopted numerous
9 resolutions that set forth the basis of a solution for
10 the dispute regarding Cyprus;

11 (8) paragraph (2) of United Nations Security
12 Council Resolution 939 of July 29, 1994, reaffirms
13 that a solution must be based on a state of Cyprus
14 with a single sovereignty and international personal-
15 ity, and a single citizenship, with its independence
16 and territorial integrity safeguarded, and comprising
17 two politically equal communities as described in the
18 relevant Security Council resolutions, in a
19 bicomunal and bizonal federation, and that such a
20 settlement must exclude union in whole or in part
21 with any other country or any form of partition or
22 secession;

23 (9) the United Nations Secretary General has
24 described the militarily occupied part of Cyprus as
25 one of the most highly militarized areas in the world;

1 (10) the continued Turkish military presence on
2 Cyprus hampers the search for a freely negotiated
3 solution to the dispute regarding Cyprus;

4 (11) the United Nations and the United States
5 have called for the withdrawal of all foreign troops
6 from the territory of the Republic of Cyprus; and

7 (12) comprehensive plans for the demilitariza-
8 tion of the Republic of Cyprus have been proposed.

9 (b) SENSE OF CONGRESS.—The Congress—

10 (1) reaffirms that the status quo on Cyprus is
11 unacceptable;

12 (2) welcomes the appointment of a Special
13 Presidential Emissary for Cyprus;

14 (3) expresses its continued strong support for
15 efforts by the United Nations Secretary General and
16 the United States Government to help resolve the
17 Cyprus problem in a just and viable manner at the
18 earliest possible time;

19 (4) insists that all parties to the dispute regard-
20 ing Cyprus agree to seek a solution based upon the
21 relevant United Nations resolutions, including para-
22 graph (2) of United Nations Security Council Reso-
23 lution 939 of July 29, 1994;

1 (5) reaffirms the position that all foreign troops
2 should be withdrawn from the territory of the Re-
3 public of Cyprus;

4 (6) considers that demilitarization of the Re-
5 public of Cyprus would meet the security concerns of
6 all parties involved, would enhance prospects for a
7 peaceful and lasting resolution of the dispute regard-
8 ing Cyprus, would benefit all of the people of Cy-
9 prus, and merits international support; and

10 (7) encourages the United Nations Security
11 Council and the United States Government to con-
12 sider alternative approaches to promote a resolution
13 of the long-standing dispute regarding Cyprus based
14 upon relevant Security Council resolutions, including
15 incentives to encourage progress in negotiations or
16 effective measures against any recalcitrant party.

17 **SEC. 517. REPORTS ON CERTAIN ACTIVITIES OF THE CITY**
18 **OF MOSCOW GOVERNMENT.**

19 (a) REPORTING REQUIREMENT.—The Secretary of
20 State, in consultation with the United States diplomatic
21 chief of mission in Moscow, shall submit to the appropriate
22 congressional committees an annual report on the activi-
23 ties of the government of the city of Moscow in taking
24 over or seizing control of foreign joint ventures and joint
25 stock companies.

1 (b) CONTENTS OF REPORTS.—Each report submitted
2 under subsection (a) shall contain the following informa-
3 tion or answers to the following questions:

4 (1) Has the Moscow City government increased
5 its control over a foreign joint venture or foreign
6 joint stock company by decrees or other unilateral
7 governmental action since the last report or, in the
8 case of the initial report, since the date of enactment
9 of this Act?

10 (2) Have there been any complaints during the
11 past 12 months from American companies against
12 the Moscow City government with regard to interfer-
13 ing in legal day-to-day management activities of for-
14 eign joint ventures or foreign joint stock companies?

15 (3) Has the Moscow City government refused to
16 reregister joint ventures or joint stock companies in
17 order to renegotiate already signed contracts and
18 agreements?

19 (4) Has the Moscow City government taken ac-
20 tions under its “governmental authority” to abridge
21 contracts or other legal rights of foreign joint ven-
22 tures and foreign stock companies?

23 (5) Has the Moscow City government acted ar-
24 bitrarily or unilaterally to settle a business dispute
25 by using its inherent governmental powers rather

1 than submitting the dispute to a proper arbitration
2 tribunal?

3 (6) Is the Moscow City government's basis for
4 taxation, utilities, licensing, and fees and other city
5 or region-oriented taxes or fees charged on the same
6 basis for Russian-owned or city-owned enterprises as
7 they are to foreign joint ventures or joint stock com-
8 panies?

9 (7) The report shall include a general descrip-
10 tion of any complaints made by American businesses
11 to the United States diplomatic mission in Moscow
12 as to corruption in the city of Moscow government
13 or any other Russian governmental entity.

14 **SEC. 518. STATEMENT OF POLICY ON AFRICA.**

15 (a) FINDINGS.—The Congress makes the following
16 findings:

17 (1) The Sub-Saharan African continent com-
18 prises one-quarter of the world's land mass, and in-
19 cludes 800,000,000 people.

20 (2) Consistent with section 3(b) of this Act,
21 United States assistance to Africa can—

22 (A) enhance the security of the United
23 States;

24 (B) promote United States trade and in-
25 vestment;

1 (C) combat transnational threats to United
2 States security, including health, environment,
3 population, and migration;

4 (D) aid the process of private sector eco-
5 nomic development; and

6 (E) provide urgent humanitarian assist-
7 ance to countries and people suffering from
8 natural disasters.

9 (3) The United States was engaged militarily
10 and financially in some African countries during the
11 Cold War for national security purposes and, there-
12 fore, has demonstrated that Africa is important for
13 American strategic interests.

14 (4) The African continent is rich in natural re-
15 sources, and is the final development frontier for the
16 United States. With the support of the United
17 States, many African countries have taken steps to
18 lift people out of poverty, such as restructuring their
19 economies, beginning to consolidate democratic re-
20 forms, implementing literacy programs, promoting
21 the growth of capitalism, and encouraging free trade
22 and investment. These factors will benefit United
23 States investors and trade.

24 (5) Transnational threats such as narcotics
25 trafficking, weapons proliferation, the spread of

1 HIV/AIDS and other diseases, environmental deg-
2 radation, population explosions, and terrorism, can-
3 not be combatted if Africa is not a willing and able
4 partner.

5 (6) Many humanitarian and natural disasters
6 have occurred in Africa and have cost the United
7 States in money and troops, but with a small invest-
8 ment in conflict resolution capacities as well as ade-
9 quate responses to early warning systems, large ex-
10 penses and crises in Africa may be avoided.

11 (7) Assistance programs focusing on health
12 care, child survival, population, education and train-
13 ing, natural resource management, market reform,
14 and human rights education are necessary compo-
15 nents of sustainable development, and will benefit
16 American business relationships, political partner-
17 ships, and humanitarian conditions.

18 (b) POLICY.—It shall be the policy of the United
19 States that the African continent is relevant to United
20 States security, economic, political, and humanitarian in-
21 terests, and that long-term development assistance to Afri-
22 can nations directly complements United States foreign
23 policy goals and national security interests.

1 **TITLE VI—INTERNATIONAL OR-**
2 **GANIZATIONS AND PRO-**
3 **GRAMS**

4 **SEC. 601. VOLUNTARY CONTRIBUTIONS; UNITED NATIONS**
5 **CHILDREN'S FUND.**

6 Section 302(a) of the Foreign Assistance Act of 1961
7 (22 U.S.C. 2222(a)) is amended to read as follows:

8 “(a)(1) There are authorized to be appropriated to
9 the President, in addition to funds otherwise available for
10 such purpose, \$225,000,000 for fiscal year 1996, and
11 \$225,000,000 for fiscal year 1997, for voluntary contribu-
12 tions under this chapter to international organizations and
13 programs, of which amounts not less than \$103,000,000
14 for each fiscal year shall be available only for the United
15 Nations Children’s Fund (UNICEF).

16 “(2) Funds appropriated pursuant to paragraph (1)
17 are authorized to remain available until expended.”.

18 **SEC. 602. UNITED NATIONS FUND FOR POPULATION AC-**
19 **TIVITIES.**

20 (a) LIMITATION.—(1) Subject to subsections (b), (c),
21 and (d)(2), of the amounts made available for each of the
22 fiscal years 1996 and 1997 to carry out part I of the For-
23 eign Assistance Act of 1961, not more than \$35,000,000
24 shall be available each such fiscal year for the United Na-
25 tions Fund for Population Activities.

1 (2) Amounts made available to the Fund for each of
2 the fiscal years 1996 and 1997 under part I of the Foreign
3 Assistance Act of 1961 shall be available for expenditure
4 without fiscal year limitation.

5 (b) PROHIBITION ON USE OF FUNDS FOR CHINA.—
6 None of the funds made available under this section shall
7 be made available for activities in the People’s Republic
8 of China.

9 (c) CONDITIONS ON AVAILABILITY OF FUNDS.—
10 Amounts made available for each of the fiscal years 1996
11 and 1997 under part I of the Foreign Assistance Act of
12 1961 for the United Nations Fund for Population Activi-
13 ties may not be made available to the Fund unless—

14 (1) the Fund maintains amounts made available
15 to the Fund under this section in an account sepa-
16 rate from accounts of the Fund for other funds; and

17 (2) the Fund does not commingle amounts
18 made available to the Fund under this section with
19 other funds.

20 (d) REPORTS.—(1) Not later than February 15,
21 1996, and February 15, 1997, the Secretary of State shall
22 submit to the appropriate congressional committees a re-
23 port indicating the amount of funds in the United Nations
24 Fund for Population Activities that will be used in the

1 year in which the report is submitted for activities in the
2 People's Republic of China.

3 (2) If a report under paragraph (1) indicates that
4 the amount of funds in the United Nations Fund for Pop-
5 ulation Activities that will be used for activities in the Peo-
6 ple's Republic of China in the year covered by the report
7 exceeds \$7,000,000, then the amount of funds in the Fund
8 available for obligation for the remainder of the fiscal year
9 in which the report is submitted shall be reduced by
10 \$7,000,000.

11 **SEC. 603. WITHHOLDING OF UNITED STATES PROPOR-**
12 **TIONATE SHARE FOR PROGRAMS OF INTER-**
13 **NATIONAL ORGANIZATIONS.**

14 Section 307 of the Foreign Assistance Act of 1961
15 (22 U.S.C. 2227) is amended to read as follows:

16 **“SEC. 307. WITHHOLDING OF UNITED STATES PROPOR-**
17 **TIONATE SHARE FOR PROGRAMS OF INTER-**
18 **NATIONAL ORGANIZATIONS.**

19 “(a) REQUIREMENT TO WITHHOLD.—Funds author-
20 ized to be appropriated by this chapter shall not be avail-
21 able for the United States proportionate share for pro-
22 grams, projects, or activities for countries or organizations
23 described in subsection (d). This prohibition applies not-
24 withstanding any provision of law that earmarks funds

1 under this chapter for a specified international organiza-
2 tion or program.

3 “(b) USE OF FUNDS WITHHELD.—Funds returned
4 or not made available for programs or projects pursuant
5 to subsection (a) shall be returned to the miscellaneous
6 receipts account of the Treasury of the United States.

7 “(c) OBLIGATIONS.—The President—

8 “(1) shall review, at least annually, the budgets
9 and accounts of all international organizations re-
10 ceiving payments of any funds authorized to be ap-
11 propriated by this chapter; and

12 “(2) shall report to the appropriate congres-
13 sional committees the amounts of funds expended by
14 each such organization for programs or projects de-
15 scribed in subsection (d) and the amount contributed
16 by the United States to each such organization.

17 “(d) PROGRAMS AND PROJECTS COVERED.—Sub-
18 section (a) applies with respect to programs, projects, or
19 activities for Cuba, Iran, Libya, Iraq, North Korea,
20 Sudan, Syria, and Burma.”.

21 **SEC. 604. REPORTS ON VOLUNTARY CONTRIBUTIONS TO**
22 **INTERNATIONAL ORGANIZATIONS BY ALL**
23 **UNITED STATES GOVERNMENT AGENCIES.**

24 Section 306 of the Foreign Assistance Act of 1961
25 (22 U.S.C. 2226) is amended—

1 (1) in subsection (b)—

2 (A) in paragraph (1), by striking out the
3 first three sentences and inserting in lieu there-
4 of the following: “Not later than January 31 of
5 each year, the President shall transmit a report
6 to the appropriate congressional committees
7 listing all voluntary contributions by the United
8 States Government to international organiza-
9 tions during the preceding fiscal year.”; and

10 (B) in paragraph (2)—

11 (i) by striking out “promptly”; and

12 (ii) by inserting “on a quarterly
13 basis” after “Budget”; and

14 (2) by adding at the end the following new sub-
15 section:

16 “(c) JUSTIFICATION OF NATIONAL INTEREST.—The
17 President shall transmit as part of each report required
18 by subsection (b)(1) a justification of the manner in which
19 United States voluntary contributions to international or-
20 ganizations benefit United States national security or
21 other national interests. This justification shall include,
22 for each organization, the purpose and objectives of the
23 United States contribution, a description of the benefits
24 to United States national security or other national inter-
25 ests.

1 **SEC. 605. RESTRICTIONS ON FUNDING FOR UNITED NA-**
2 **TIONS DEVELOPMENT PROGRAM.**

3 (a) FUNDS FOR FISCAL YEAR 1996.—(1) Of the
4 funds allocated to the United Nations Development Pro-
5 gram (UNDP) for fiscal year 1996, 20 percent shall be
6 withheld from disbursement until the President certifies
7 to the appropriate Congressional committees that UNDP
8 has terminated its activities in Burma.

9 (2) Upon making a certification under paragraph (1),
10 the funds withheld under that paragraph are authorized
11 to be made available.

12 (b) FUNDS FOR FISCAL YEAR 1997.—Funds allo-
13 cated to the United Nations Development Program for fis-
14 cal year 1997 shall be withheld from disbursement by the
15 amount of funds that the United Nations Development
16 Program made available for activities in Burma in the fis-
17 cal year 1996, unless the President has made the certifi-
18 cation under subsection (a)(1) that the United Nations
19 Development Program has terminated its activities in
20 Burma in fiscal year 1996.

21 **SEC. 606. REPLENISHMENT OF THE ASIAN DEVELOPMENT**
22 **BANK.**

23 The Asian Development Bank Act (22 U.S.C. 285–
24 285aa) is amended by adding at the end the following new
25 section:

1 **“SEC. 31. FOURTH REPLENISHMENT.**

2 “(a) SUBSCRIPTION AUTHORITY.—

3 “(1) IN GENERAL.—The United States Gov-
4 ernor of the Bank may, on behalf of the United
5 States, subscribe to 276,105 shares of the increase
6 in the capital stock of the Bank—

7 “(A) 5,522 of which shall be shares of
8 paid-in capital stock; and

9 “(B) 270,583 of which shall be shares of
10 callable capital stock.

11 “(2) SUBJECT TO APPROPRIATIONS.—The au-
12 thority provided by paragraph (1) shall be effective
13 only to such extent or in such amounts as are pro-
14 vided in advance in appropriations Acts.

15 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
16 PRIATIONS.—For the subscription authorized by sub-
17 section (a), there are authorized to be appropriated to the
18 Secretary of the Treasury \$13,320,000 for each of the fis-
19 cal years 1996 and 1997.”.

20 **SEC. 607. REPUBLIC OF CHINA (TAIWAN'S) PARTICIPATION**
21 **IN THE UNITED NATIONS.**

22 (a) FINDINGS.—The Congress finds that—

23 (1) the Republic of China was the first signa-
24 tory to the Charter of the United Nations in 1945
25 and remained an active member of that world body
26 until 1971;

1 (2) China was divided in 1949, and the Repub-
2 lic of China (hereinafter referred to as “Taiwan”)
3 and the People’s Republic of China (hereinafter re-
4 ferred to as “Mainland China”) have exercised ex-
5 clusive jurisdiction over their respective areas since
6 then;

7 (3) Taiwan has the 19th largest gross national
8 product in the world, a strong and vibrant economy,
9 and one of the largest foreign exchange reserves of
10 any nation;

11 (4) Taiwan has dramatically improved its
12 record on human rights and routinely holds free and
13 fair elections in a multiparty system, as evidenced
14 most recently by the December 3, 1994, balloting for
15 local and provincial officials;

16 (5) the 21,000,000 people in Taiwan have not
17 been represented in the United Nations since 1971
18 and their human rights as citizens of the world have
19 therefor been severely abridged;

20 (6) Taiwan has in recent years repeatedly ex-
21 pressed its strong desire to participate in the United
22 Nations;

23 (7) Taiwan has much to contribute to the work
24 and funding of the United Nations;

1 (8) Taiwan has demonstrated its commitment
2 to the world community by responding to the inter-
3 national disasters and crises such as environmental
4 destruction in the Persian Gulf and famine in Rwan-
5 da by providing financial donations, medical assist-
6 ance, and other forms of aid;

7 (9) the world community has reacted positively
8 to Taiwan's desire for international participation, as
9 shown by Taiwan's continued membership in the
10 Asian Development Bank, the admission of Taiwan
11 into the Asia-Pacific Economic Cooperation Group
12 as a full member, and the accession of Taiwan as an
13 observer at the General Agreement on Tariffs and
14 Trade as the first step toward becoming a contract-
15 ing party to that organization;

16 (10) the United States has supported Taiwan's
17 participation in these bodies and indicated, in its
18 policy review of September 1994, a stronger and
19 more active policy of support for Taiwan's participa-
20 tion in other international organizations;

21 (11) Taiwan has repeatedly stated that its par-
22 ticipation in international organizations is one of
23 parallel representation without prejudice to the cur-
24 rent status of Mainland China in the international

1 community and does not represent a challenge to
2 that status;

3 (12) the United Nations and other international
4 organizations have established precedents concerning
5 parallel representation, such as the cases of South
6 Korea and North Korea and the two former
7 Germanies;

8 (13) the decision of the United States to estab-
9 lish diplomatic relations with Mainland China, as ex-
10 pressed in the Taiwan Relations Act (Public Law
11 96–8), is based “upon the expectation that the fu-
12 ture of Taiwan will be determined by peaceful
13 means”; and

14 (14) Taiwan’s participation in international or-
15 ganizations would not prevent or imperil the even-
16 tual resolution of disputes between Taiwan and
17 Mainland China any more than participation in
18 international organizations by the former West Ger-
19 many and the former East Germany prevented the
20 eventual settlement of Germany’s national status by
21 peaceful and democratic means.

22 (b) SENSE OF CONGRESS.—It is the sense of the
23 Congress that the Government of the United States should
24 immediately encourage the United Nations to take action
25 by considering the unique situation of Taiwan in the inter-

1 national community and adopting a comprehensive solu-
2 tion to accommodate Taiwan in the United Nations and
3 its related agencies.

4 **SEC. 608. REPUBLIC OF CHINA (TAIWAN'S) PARTICIPATION**
5 **IN THE WORLD TRADE ORGANIZATION.**

6 (a) FINDINGS.—The Congress finds that—

7 (1) the purpose of the General Agreement on
8 Tariffs and Trade (hereafter in this section referred
9 to as the “GATT”) and the World Trade Organiza-
10 tion (hereafter in this section referred to as the
11 “WTO”) is to enable member countries to conduct
12 trade based upon free market principles, by limiting
13 government intervention in the form of state sub-
14 sidies, by limiting nontariff barriers, and by encour-
15 aging reciprocal reductions in tariffs among mem-
16 bers;

17 (2) the GATT and the WTO are based on the
18 assumption that the import and export of goods are
19 conducted by independent enterprises responding to
20 profit incentives and market forces;

21 (3) the GATT and the WTO require that
22 nonmarket economies implement significant reforms
23 to change centralized and planned economic systems
24 before becoming a full GATT or WTO member and
25 the existence of a decentralized and a free market

1 economy is considered a precondition to fair trade
2 among GATT and WTO members;

3 (4) the People's Republic of China (hereinafter
4 referred to as "China") and the Republic of China
5 on Taiwan (hereinafter referred to as "Taiwan") ap-
6 plied for membership in the GATT in 1986 and
7 1991, respectively, and Working Parties have been
8 established by the GATT to review their applica-
9 tions;

10 (5) China insists that Taiwan's membership in
11 the GATT or the WTO be granted only after China
12 becomes a full member of the GATT or the WTO;

13 (6) Taiwan has a free market economy that has
14 existed for more than 3 decades, and is currently the
15 14th largest trading nation in the world;

16 (7) Taiwan has a gross national product that is
17 the world's 20th largest, its foreign exchange re-
18 serves are among the largest in the world, and it has
19 become the world's 7th largest outbound investor;

20 (8) Taiwan has made substantive progress in
21 agreeing to reduce upon accession to the GATT or
22 the WTO the tariff level of many products, and non-
23 tariff barriers;

24 (9) Taiwan has also made significant progress
25 in other aspects of international trade, such as in in-

1 intellectual property protection and opening its finan-
2 cial services market;

3 (10) despite some progress in reforming its eco-
4 nomic system, China still retains legal and institu-
5 tional practices that restrict free market competition
6 and are incompatible with GATT and WTO prin-
7 ciples;

8 (11) China still uses an intricate system of tar-
9 iff and nontariff administrative controls to imple-
10 ment its industrial and trade policies, and China's
11 tariffs on foreign goods, such as automobiles, can be
12 as high as 150 percent, even though China has made
13 commitments in the market access memorandum of
14 understanding to reform significant parts of its im-
15 port regime;

16 (12) China continues to use direct and indirect
17 subsidies to promote exports;

18 (13) China often manipulates its exchange rate
19 to impede balance of payments adjustments and
20 gain unfair competitive advantages in trade; and

21 (14) Taiwan's and China's accession to the
22 GATT and the WTO have important implications
23 for the United States and the world trading system.

24 (b) SENSE OF CONGRESS.—It is the sense of the
25 Congress that—

1 (1) the United States should separate Taiwan's
2 application for membership in the GATT and the
3 WTO from China's application for membership in
4 those organizations;

5 (2) the United States should support Taiwan's
6 earliest membership in the GATT and the WTO;

7 (3) the United States should support the mem-
8 bership of China in the GATT and the WTO only
9 if a sound bilateral commercial agreement is reached
10 between the United States and China, and that
11 China makes significant progress in making its eco-
12 nomic system compatible with GATT and WTO
13 principles; and

14 (4) China's application for membership in the
15 GATT and the WTO should be reviewed strictly in
16 accordance with the rules, guidelines, principles,
17 precedents, and practices of the GATT and the
18 WTO.

1 **TITLE VII—SPECIAL AUTHORI-**
2 **TIES AND GENERAL PROVI-**
3 **SIONS**

4 **CHAPTER 1—REPORTING REQUIREMENTS**

5 **SEC. 701. ANNUAL ALLOCATION REPORTS.**

6 Section 653(b) of the Foreign Assistance Act of 1961
7 (22 U.S.C. 2395(b)) is amended by inserting “for a period
8 of less than 90 days” after “continuing appropriations”.

9 **SEC. 702. REPORT ON EXPROPRIATION OF UNITED STATES**
10 **PROPERTY.**

11 (a) REPORTING REQUIREMENT.—At the beginning of
12 each fiscal year, the President shall transmit to the appro-
13 priate congressional committees a report containing the
14 following:

15 (1) A list of every country in which the United
16 States Government is aware that a United States
17 person has an outstanding expropriation claim.

18 (2) The total number of such outstanding ex-
19 propriation claims made by United States persons
20 against each such country.

21 (3) The period of time in which each such claim
22 has been outstanding.

23 (4) The status of each case and efforts made by
24 the United States Government and the government
25 of the country in which such claim has been made,

1 to take one or more of the steps described in section
2 527(a)(2) of the Foreign Relations Authorization
3 Act, Fiscal Years 1994 and 1995 (22 U.S.C.
4 2370a(a)(2)).

5 (5) Each project a United States Executive Di-
6 rector voted against as a result of the action de-
7 scribed in section 527(b) of the Foreign Relations
8 Authorization Act, Fiscal Years 1994 and 1995 (22
9 U.S.C. 2370a(b)).

10 (b) DEFINITION.—For purposes of this section, the
11 term “United States person” means a United States citi-
12 zen or corporation, partnership, or association at least 50
13 percent beneficially owned by United States citizens.

14 **CHAPTER 2—GENERAL PROVISIONS**

15 **SEC. 711. NATIONAL INTEREST, ECONOMIC FREEDOM, AND** 16 **GRADUATION REQUIREMENTS.**

17 (a) POLICY.—It shall be United States assistance pol-
18 icy to recognize that—

19 (1) no amount of foreign assistance can provide
20 sustainable development for the people of a country
21 which is not committed to free market principles and
22 economic freedom; and

23 (2) Congress and the American taxpayers have
24 a right to know how foreign assistance benefits
25 United States national interests, how it supports

1 economic growth in recipient countries, and when
2 United States bilateral assistance to each foreign as-
3 sistance recipient will cease.

4 (b) INCLUSION IN CONGRESSIONAL PRESENTATION
5 DOCUMENTS.—The President shall include in the congres-
6 sional presentation materials on United States bilateral
7 assistance submitted to the appropriate congressional
8 committees for a fiscal year the following information:

9 (1) JUSTIFICATION OF NATIONAL INTEREST.—
10 The manner in which programs, projects, or activi-
11 ties benefit the national interests of the United
12 States and the qualitative and quantitative indica-
13 tors for measuring these benefits.

14 (2) CONDITIONS SUPPORTIVE OF ECONOMIC
15 GROWTH.—Efforts taken by countries receiving
16 United States bilateral assistance to limit the size of
17 the State sector, including—

18 (A) an assessment of policies regarding
19 wage and price controls, State ownership of
20 production and distribution, and control of fi-
21 nancial institutions;

22 (B) encouraging trade and foreign invest-
23 ment, including an assessment of tariff levels,
24 quotas, and the opportunity to repatriate cap-
25 ital and profits; and

1 (C) protection of the private sector, includ-
2 ing an assessment of tax policies and rights of
3 ownership and property.

4 (3) PROGRESS TOWARD GRADUATION.—A de-
5 termination on a country-by-country basis estimat-
6 ing the year in which each foreign country receiving
7 assistance during the preceding calendar year will
8 graduate from United States bilateral assistance.
9 This determination shall include—

10 (A) the number of years the United States
11 has provided assistance to each country;

12 (B) the total amount of United States as-
13 sistance provided to each country, including all
14 grants, loans, credits, and guarantees; and

15 (C) the total amount of assistance provided
16 to that country from all multilateral organiza-
17 tions, including all international financial insti-
18 tutions, the United Nations, and other inter-
19 national organizations.

20 (c) DEFINITIONS.—For purposes of this section, the
21 term “United States bilateral assistance” includes—

22 (A) assistance provided under this Act;
23 and

24 (B) assistance made available pursuant to
25 section 23 of the Arms Export Control Act.

1 **SEC. 712. TERMINATION OF ASSISTANCE.**

2 Section 617 of the Foreign Assistance Act of 1961
3 (22 U.S.C. 2364) is amended to read as follows:

4 **“SEC. 617. TERMINATION OF ASSISTANCE.**

5 “(a) IN GENERAL.—(1) In order to ensure the effec-
6 tiveness of assistance provided under this Act, funds made
7 available under this Act to carry out any program, project,
8 or activity of assistance shall remain available for obliga-
9 tion for a period not to exceed 8 months after the date
10 of termination of such assistance for the necessary ex-
11 penses of winding up such programs, projects, or activities
12 and, notwithstanding any other provision of law, funds so
13 obligated may remain available until expended.

14 “(2) Funds obligated to carry out any program,
15 project, or activity of assistance before the effective date
16 of the termination of such assistance are authorized to be
17 available for expenditure for the necessary expenses of
18 winding up such programs, projects, and activities, not-
19 withstanding any provision of law restricting the expendi-
20 ture of funds, and may be reobligated to meet any other
21 necessary expenses arising from the termination of such
22 assistance.

23 “(3) The necessary expenses of winding up programs,
24 projects, and activities of assistance include the obligation
25 and expenditure of funds to complete the training or stud-
26 ies outside their countries of origin of students whose

1 course of study or training program began before assist-
2 ance was terminated.

3 “(b) LIABILITY TO CONTRACTORS.—For the purpose
4 of making an equitable settlement of termination claims
5 under extraordinary contractual relief standards, the
6 President is authorized to adopt as a contract or other
7 obligation of the United States Government, and assume
8 (in whole or in part) any liabilities arising thereunder, any
9 contract with a United States or third-country contractor
10 to carry out any program, project, or activity of assistance
11 under this Act that was subsequently terminated pursuant
12 to law.

13 “(c) GUARANTEE PROGRAMS.—Provisions of this or
14 any other Act requiring the termination of assistance
15 under this Act shall not be construed to require the termi-
16 nation of guarantee commitments that were entered into
17 before the effective date of the termination of assistance.”.

18 **SEC. 713. PROHIBITION ON ASSISTANCE TO FOREIGN GOV-**
19 **ERNMENTS ENGAGED IN ESPIONAGE**
20 **AGAINST THE UNITED STATES.**

21 Chapter 1 of part III of the Foreign Assistance Act
22 of 1961 (22 U.S.C. 2351 et seq.), as amended by this Act,
23 is further amended by adding at the end the following new
24 section:

1 **“SEC. 620K. PROHIBITION ON ASSISTANCE TO FOREIGN**
2 **GOVERNMENTS ENGAGED IN ESPIONAGE**
3 **AGAINST THE UNITED STATES.**

4 “(a) PROHIBITION.—None of the funds made avail-
5 able to carry out this Act or the Arms Export Control
6 Act (other than humanitarian assistance or assistance for
7 refugees) may be provided to any foreign government
8 which the President determines is engaged in intelligence
9 activities within the United States harmful to the national
10 security of the United States.

11 “(b) PERIODIC REPORTS.—Beginning one year after
12 the date of enactment of this section, and at intervals of
13 one year thereafter, the President shall prepare and trans-
14 mit to the Committee on Foreign Relations and the Select
15 Committee on Intelligence of the Senate and the Commit-
16 tee on International Relations and the Permanent Select
17 Committee on Intelligence of the House of Representatives
18 a report, in classified and unclassified forms, listing all
19 foreign governments which he determines are conducting
20 intelligence activities within the United States harmful to
21 the national security of the United States.

22 “(c) DEFINITION.—As used in this section, the term
23 ‘humanitarian assistance’ means food (including the
24 monetization of food), clothing, medicine, and medical
25 supplies.”.

1 **SEC. 714. FOREIGN STATE SUPPORT FOR ACTS OF INTER-**
2 **NATIONAL TERRORISM.**

3 Section 620A of the Foreign Assistance Act of 1961
4 (22 U.S.C. 2371) is amended—

5 (1) by adding “and” at the end of subsection
6 (c)(1)(B);

7 (2) in subsection (c)(2)(A), by striking “6-
8 month period” and inserting “one-year period”;

9 (3) in subsection (d), in the text above para-
10 graph (1), by striking “to a country” and inserting
11 “to the people of a country”;

12 (4) in subsection (d)(1), by striking “national
13 security” and inserting “vital national security”;

14 (5) in subsection (d)(2)(B), by striking “na-
15 tional security” and inserting “vital national secu-
16 rity”; and

17 (6) by adding at the end the following new sub-
18 section:

19 “(e) DEFINITION.—As used in this section, the
20 phrases “provided support for acts of international terror-
21 ism” and “provided any support for international terror-
22 ism” mean—

23 “(1) to have knowingly assisted, supported, or-
24 dered, planned, executed, or otherwise facilitated in-
25 dividual acts of international terrorism;

1 “(2) to have knowingly provided or facilitated
2 the provision of assistance or support to a group or
3 to members of a group that have committed an act
4 or acts of international terrorism; or

5 “(3) to have knowingly provided safe haven or
6 refuge within any area under its direct or indirect
7 control to a group or to members of a group that
8 have committed an act or acts of international ter-
9 rorism.”.

10 **SEC. 715. RESTRICTION ON ASSISTANCE TO NUCLEAR**
11 **PROLIFERATORS.**

12 (a) **POLICY.**—It is the sense of the Congress that the
13 President should instruct the United States Permanent
14 Representative to the United Nations to enhance the role
15 of that institution in the enforcement of nonproliferation
16 treaties and global non-proliferation. It is further the
17 sense of the Congress that the United States should pur-
18 sue other bilateral and multilateral arrangements to regu-
19 late and, ultimately, to end the production of special nu-
20 clear material (as defined in section 11aa. of the Atomic
21 Energy Act of 1954 (42 U.S.C. 2014aa.)), subject to ver-
22 ification and enforcement by the International Atomic En-
23 ergy Agency, and to impose sanctions on those states pro-
24 ducing such material without the benefit of full-scope safe-
25 guards.

1 (b) PROHIBITION.—Notwithstanding any other provi-
2 sion of law, no military assistance shall be made available
3 under this or any other Act, and no military equipment,
4 technology or services shall be sold, transferred, or li-
5 censed under the Arms Export Control Act, pursuant to
6 the authorities contained in this Act or any other Act, to
7 any non-nuclear weapon state that is found by the Presi-
8 dent to be diverting unsafeguarded special nuclear mate-
9 rial from a civilian to a military use.

10 (c) WAIVER.—The President may waive the applica-
11 tion of subsection (b) for successive 180-day periods if he
12 determines and so certifies to the appropriate congres-
13 sional committees that—

14 (1) the termination of such assistance would
15 have a serious adverse effect on vital United States
16 interests; and

17 (2) he has received reliable assurances that the
18 country in question will not acquire or develop nu-
19 clear weapons or assist other nations in doing so.

20 Such certification shall set forth the reasons supporting
21 such determination in each particular case.

22 (d) DEFINITION.—As used in this section, the term
23 “unsafeguarded special nuclear material” means special
24 nuclear material (as defined in section 11aa of the Atomic
25 Energy Act of 1954 (42 U.S.C. 2014aa)) which is pro-

1 “(2) FOREIGN ASSISTANCE.—The term ‘foreign
2 assistance’ means any funds made available to carry
3 out any program, project, or activity funded under
4 major functional budget category 150 (relating to
5 international affairs).”.

6 (b) EFFECTIVE DATE.—The prohibition contained in
7 the amendment made by subsection (a) applies with re-
8 spect to the provision of foreign or military assistance on
9 or after the date of the enactment of this Act.

10 **SEC. 717. IMPACT ON JOBS IN THE UNITED STATES.**

11 Section 636 of the Foreign Assistance Act of 1961
12 (22 U.S.C. 2396) is amended by adding at the end the
13 following new subsection:

14 “(j)(1) Funds made available to carry out the provi-
15 sions of this Act may not be made available to provide—

16 “(A) any financial incentive to a business enter-
17 prise located in the United States for the purpose of
18 inducing that enterprise to relocate outside the Unit-
19 ed States if such incentive or inducement is likely to
20 reduce the number of individuals employed in the
21 United States by that enterprise because that enter-
22 prise would replace production in the United States
23 with production outside the United States;

24 “(B) assistance for the purpose of establishing
25 or developing in a foreign country any export proc-

1 essing zone or designated area in which the tax, tar-
2 iff, labor, environment, and safety laws of that coun-
3 try do not apply, in part or in whole, to activities
4 carried out within that zone or area, unless the
5 President determines and certifies that such assist-
6 ance is not likely to cause a loss of jobs within the
7 United States; or

8 “(C) subject to paragraph (2), assistance for
9 any project or activity that contributes to the viola-
10 tion of internationally recognized workers rights (as
11 defined in section 502(a)(4) of the Trade Act of
12 1974) of workers in the foreign country, including in
13 any designated zone or area in that country.

14 “(2) Paragraph (1) shall not apply with respect to
15 the provision of assistance for microenterprises and small-
16 scale enterprises, or for small-holder agriculture in the in-
17 formal sector of the foreign country.”.

18 **SEC. 718. NONAPPLICABILITY OF CARGO PREFERENCE RE-**

19 **QUIREMENTS.**

20 Sections 901(b) and 901b of the Merchant Marine
21 Act of 1936 shall not apply to the transportation of agri-
22 cultural commodities as part of any United States Govern-
23 ment-administered program of food assistance to foreign
24 countries.

1 **SEC. 719. PROHIBITION ON FOREIGN ASSISTANCE TO FOR-**
2 **EIGN GOVERNMENTS EMPLOYING MERCE-**
3 **NARY FORCES.**

4 (a) IN GENERAL.—Chapter 1 of part III of the For-
5 eign Assistance Act of 1961 (22 U.S.C. 2351 et seq.), as
6 amended by this Act, is further amended by adding at the
7 end the following new section:

8 **“SEC. 620M. PROHIBITION ON FOREIGN ASSISTANCE TO**
9 **FOREIGN GOVERNMENTS EMPLOYING MER-**
10 **CENARY FORCES.**

11 “(a) REDUCTION OF ASSISTANCE.—The President
12 should reduce United States foreign assistance to the gov-
13 ernment of any country that employs mercenary forces by
14 an amount equal to the sum paid by that government to
15 employ mercenary forces.

16 “(b) DEFINITIONS.—As used in this section:

17 “(1) MERCENARY.—The term ‘mercenary’ has
18 the meaning given such term in Protocol I Addi-
19 tional to the Geneva Conventions of 1949 (1125
20 U.N.T.S. 3, adopted on June 8, 1977, at Geneva),
21 namely any person who—

22 “(A) is specially recruited locally or abroad
23 in order to fight in an armed conflict;

24 “(B) does, in fact, take a direct part in the
25 hostilities;

1 “(C) is motivated to take part in the hos-
2 tilities essentially by the desire for private gain
3 and, in fact, is promised, by or on behalf of a
4 party to the conflict, material compensation
5 substantially in excess of that promised or paid
6 to combatants of similar ranks and functions in
7 the armed forces of that party;

8 “(D) is neither a national of a party to the
9 conflict nor a resident of the territory controlled
10 by a party to the conflict;

11 “(E) is not a member of the armed forces
12 of a party to the conflict; and

13 “(F) has not been sent by a state which is
14 not a party to the conflict on official duty as a
15 member of its armed forces.

16 “(2) FOREIGN ASSISTANCE.—The term ‘foreign
17 assistance’ means any funds made available to carry
18 out any program, project, or activity funded under
19 major functional budget category 150 (relating to
20 international affairs).”.

21 (b) EFFECTIVE DATE.—The prohibition contained in
22 the amendment made by subsection (a) applies with re-
23 spect to the provision of foreign assistance on or after the
24 date of the enactment of this Act.

1 **SEC. 720. TRANSPORTATION EXPENSES FOR DELIVERY OF**
2 **HUMANITARIAN ASSISTANCE.**

3 Chapter 3 of part III of the Foreign Assistance Act
4 of 1961 is amended by inserting after section 667 (22
5 U.S.C. 2427) the following new section:

6 **“SEC. 668. TRANSPORTATION EXPENSES FOR DELIVERY OF**
7 **HUMANITARIAN ASSISTANCE.**

8 “(a) **AUTHORITY.**—The President is authorized to
9 pay the expenses incurred in the transport of humani-
10 tarian assistance which has been privately donated in the
11 United States to the independent states of the former So-
12 viet Union, the Baltic states, and the independent states
13 of the former Yugoslavia (excluding Serbia), with the con-
14 sent of the relevant government.

15 “(b) **AUTHORIZATION OF APPROPRIATIONS.**—(1)
16 There are authorized to be appropriated to the President
17 such sums as may be necessary to carry out this section.

18 “(2) Amounts appropriated pursuant to paragraph
19 (1) are authorized to remain available until expended.

20 “(c) **DEFINITIONS.**—As used in this section:

21 “(1) **HUMANITARIAN ASSISTANCE.**—The term
22 ‘humanitarian assistance’ includes the provision of
23 food, medicine, medical supplies, and clothing. The
24 term does not include construction equipment, in-
25 cluding tractors, scrapers, loaders, graders, bull-
26 dozers, dump trucks, generators, and compressors.

1 “(2) INDEPENDENT STATES OF THE FORMER
2 SOVIET UNION.—The term ‘independent states of
3 the former Soviet Union’ has the same meaning
4 given the term in section 3 of the FREEDOM Sup-
5 port Act (22 U.S.C. 5801).”.

6 **SEC. 721. PROHIBITION ON ASSISTANCE TO COUNTRIES**
7 **BLOCKING OR RESTRICTING HUMANITARIAN**
8 **AID CORRIDORS.**

9 (a) FINDINGS.—The Congress makes the following
10 findings:

11 (1) The United States Federal budget deficit
12 and spending constraints require the maximum effi-
13 ciency in the usage of United States foreign assist-
14 ance.

15 (2) The delivery of humanitarian assistance to
16 people in need is consistent with the fundamental
17 values of our Nation and is an important component
18 of United States foreign policy.

19 (3) As a matter of principle and in furtherance
20 of fiscal prudence, the United States should seek to
21 promote the delivery of humanitarian assistance to
22 people in need in a manner that is both timely and
23 cost effective.

24 (4) Recipients of United States assistance
25 should not hinder or delay the transport or delivery

1 of United States humanitarian assistance to other
2 countries.

3 (b) LIMITATION ON ASSISTANCE TO COUNTRIES
4 THAT RESTRICT THE TRANSPORT OR DELIVERY OF
5 UNITED STATES HUMANITARIAN ASSISTANCE.—

6 (1) PROHIBITION ON ASSISTANCE.—Notwith-
7 standing any other provision of law, funds appro-
8 priated or otherwise made available for United
9 States assistance may not be made available for any
10 country whose government prohibits or otherwise re-
11 stricts, directly or indirectly, the transport or deliv-
12 ery of United States humanitarian assistance.

13 (2) WAIVER.—The prohibition on United States
14 assistance contained in paragraph (1) shall not
15 apply if the President determines and notifies Con-
16 gress in writing that providing such assistance to a
17 country is in the national interest of the United
18 States.

19 (3) RESUMPTION OF ASSISTANCE.—A suspen-
20 sion or termination of United States assistance for
21 any country under paragraph (1) shall cease to be
22 effective when the President certifies in writing to
23 the Speaker of the House of Representatives and the
24 Committee on Foreign Relations of the Senate that
25 such country is no longer prohibiting or otherwise

1 restricting, either directly or indirectly, the transport
2 or delivery of United States humanitarian assist-
3 ance.

4 (c) REPORT.—

5 (1) IN GENERAL.—At the time of the annual
6 budget submission to Congress, the President shall
7 submit a report to Congress describing any informa-
8 tion available to the President concerning prohibi-
9 tions or restrictions, direct or indirect, on the trans-
10 port or delivery of United States humanitarian as-
11 sistance by the government of any country receiving
12 or eligible to receive United States foreign assistance
13 during the current or preceding fiscal year.

14 (2) APPLICABILITY OF LAW.—The President
15 shall include in the report required by paragraph (1)
16 a statement as to whether the prohibition in sub-
17 section (b)(1) is being applied to each country for
18 which the President has information available to him
19 concerning prohibitions or restrictions, direct or in-
20 direct, on the transport or delivery of United States
21 humanitarian assistance.

22 (d) DEFINITION.—As used in this section, the term
23 “United States assistance” has the same meaning given
24 that term in section 481(e)(4) of the Foreign Assistance
25 Act of 1961.

1 **CHAPTER 3—REPEALS**

2 **SEC. 731. REPEAL OF OBSOLETE PROVISIONS.**

3 (a) 1986 ASSISTANCE ACT.—The Special Foreign
4 Assistance Act of 1986 (Public Law 99–529) is repealed
5 except for section 1 and section 204.

6 (b) 1985 ASSISTANCE ACT.—The International Secu-
7 rity and Development Cooperation Act of 1985 (Public
8 Law 99–83) is repealed except for section 1(a), section
9 131, section 132, section 504, section 505, part B of title
10 V (other than sections 558 and 559), section 1302, section
11 1303, and section 1304.

12 (c) 1985 JORDAN SUPPLEMENTAL ACT.—The Jor-
13 dan Supplemental Economic Assistance Authorization Act
14 of 1985 (title IV of Public Law 99–88) is repealed.

15 (d) 1985 AFRICAN FAMINE ACT.—The African Fam-
16 ine Relief and Recovery Act of 1985 (22 U.S.C. 2292q
17 note) is repealed.

18 (e) 1983 ASSISTANCE ACT.—The International Secu-
19 rity and Development Assistance Authorization Act of
20 1983 (as contained in section 101(b)(2) of Public Law 98–
21 151) is repealed.

22 (f) 1983 LEBANON ASSISTANCE ACT.—The Lebanon
23 Emergency Assistance Act of 1983 (Public Law 98–43)
24 is repealed.

1 (g) 1981 ASSISTANCE ACT.—The International Secu-
 2 rity and Development Cooperation Act of 1981 (Public
 3 Law 97–113) is repealed except for section 1, section 709,
 4 and section 714.

5 (h) SAVINGS PROVISION.—Except as otherwise pro-
 6 vided in this Act, the repeal by this Act of any provision
 7 of law that amended or repealed another provision of law
 8 does not affect in any way that amendment or repeal.

9 **TITLE VIII—EFFECTIVE DATE**

10 **SEC. 801. EFFECTIVE DATE.**

11 Except as otherwise provided, this Act, and the
 12 amendments made by this Act, shall take effect on Octo-
 13 ber 1, 1995.

S 961 PCS—2

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S 961 PCS—4

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S 961 PCS—6

S 961 PCS—7

S 961 PCS—8

S 961 PCS—9

S 961 PCS—10

S 961 PCS—11