

Union Calendar No. 59

105TH CONGRESS
1ST Session

H. R. 1486

[Report No. 105-94]

A BILL

To consolidate international affairs agencies, to reform foreign assistance programs, to authorize appropriations for foreign assistance programs and for the Department of State and related agencies for fiscal years 1998 and 1999, and for other purposes.

MAY 9, 1997

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1997

Mr. GILMAN introduced the following bill; which was referred to the
Committee on International Relations

MAY 9, 1997

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on April 29, 1997]

A BILL

To consolidate international affairs agencies, to reform foreign assistance programs, to authorize appropriations for foreign assistance programs and for the Department of State and related agencies for fiscal years 1998 and 1999, 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 Policy Reform*
 5 *Act”.*

6 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**
 7 **CONTENTS.**

8 *(a) DIVISIONS.—This Act is organized into three divi-*
 9 *sions as follows:*

10 *(1) Division A—International Affairs Agency*
 11 *Consolidation, Foreign Assistance Reform, and For-*
 12 *foreign Assistance Authorizations.*

13 *(2) Division B—Foreign Relations Authoriza-*
 14 *tions.*

15 *(3) Division C—Funding Levels.*

16 *(b) TABLE OF CONTENTS.—The table of contents for*
 17 *this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

DIVISION A—INTERNATIONAL AFFAIRS AGENCY CONSOLI-
DATION, FOREIGN ASSISTANCE REFORM, AND FOREIGN
ASSISTANCE AUTHORIZATIONS

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title.

Sec. 102. Declaration of policy.

TITLE II—CONSOLIDATION OF CERTAIN INTERNATIONAL AFFAIRS
AGENCIES

CHAPTER 1—GENERAL PROVISIONS

Sec. 201. Short title

Sec. 202. Definitions.

CHAPTER 2—UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION
AGENCY

SUBCHAPTER A—ABOLITION OF UNITED STATES INTERNATIONAL DEVELOPMENT
COOPERATION AGENCY AND TRANSFER OF FUNCTIONS TO UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT

Sec. 211. Abolition of United States International Development Cooperation Agency.

Sec. 212. Transfer of functions to United States Agency for International Development.

Sec. 213. Transition provisions.

SUBCHAPTER B—CONTINUATION OF UNITED STATES AGENCY FOR INTER-
NATIONAL DEVELOPMENT AND PLACEMENT OF ADMINISTRATOR OF AGENCY
UNDER THE DIRECTION OF THE SECRETARY OF STATE

Sec. 221. Continuation of United States Agency for International Development and placement of Administrator of Agency under the direction of the Secretary of State.

SUBCHAPTER C—CONFORMING AMENDMENTS

Sec. 231. Conforming amendments.

Sec. 232. Other references.

Sec. 233. Effective date.

TITLE III—FOREIGN ASSISTANCE REFORM

Sec. 301. Graduation from development assistance.

Sec. 302. Limitation on government-to-government assistance.

Sec. 303. Micro- and small enterprise development credits.

Sec. 304. Microenterprise development grant assistance.

Sec. 305. Private sector enterprise funds.

Sec. 306. Development credit authority.

Sec. 307. Foreign government parking fines.

Sec. 308. Withholding United States assistance to countries that aid the Government of Cuba.

TITLE IV—DEFENSE AND SECURITY ASSISTANCE

CHAPTER 1—NARCOTICS CONTROL ASSISTANCE

Sec. 401. Definition.

Sec. 402. Authorization of appropriations.

Sec. 403. Authority to withhold bilateral assistance and oppose multilateral development assistance for major illicit drug producing countries, drug-transit countries, and money laundering countries.

CHAPTER 2—NONPROLIFERATION, ANTITERRORISM, DEMINING, AND RELATED
PROGRAMS

Sec. 411. Nonproliferation, antiterrorism, demining, and related programs.

CHAPTER 3—FOREIGN MILITARY FINANCING PROGRAM

Sec. 421. Authorization of appropriations.

Sec. 422. Assistance for Israel.

Sec. 423. Assistance for Egypt.

- Sec. 424. Authorization of assistance to facilitate transition to NATO membership under NATO Participation Act of 1994.*
- Sec. 425. Loans for Greece and Turkey.*
- Sec. 426. Limitations on loans.*
- Sec. 427. Administrative expenses.*

CHAPTER 4—INTERNATIONAL MILITARY EDUCATION AND TRAINING

- Sec. 431. Authorization of appropriations.*
- Sec. 432. IMET eligibility for Panama and Haiti.*

CHAPTER 5—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

- Sec. 441. Authority to transfer naval vessels.*
- Sec. 442. Costs of transfers.*
- Sec. 443. Expiration of authority.*
- Sec. 444. Repair and refurbishment of vessels in United States shipyards.*

CHAPTER 6—INDONESIA MILITARY ASSISTANCE ACCOUNTABILITY ACT

- Sec. 451. Short title.*
- Sec. 452. Findings.*
- Sec. 453. Limitation on military assistance to the Government of Indonesia.*
- Sec. 454. United States military assistance and arms transfers defined.*

CHAPTER 7—OTHER PROVISIONS

- Sec. 461. Excess defense articles for certain European countries.*
- Sec. 462. Transfer of certain obsolete or surplus defense articles in the war reserve allies stockpile to the Republic of Korea.*
- Sec. 463. Additional requirements relating to stockpiling of defense articles for foreign countries.*
- Sec. 464. Delivery of drawdown by commercial transportation services.*
- Sec. 465. Cash Flow Financing Notification.*
- Sec. 466. Multinational arms sales code of conduct.*

TITLE V—ECONOMIC ASSISTANCE

CHAPTER 1—ECONOMIC SUPPORT ASSISTANCE

- Sec. 501. Economic support fund.*
- Sec. 502. Assistance for Israel.*
- Sec. 503. Assistance for Egypt.*
- Sec. 504. International Fund for Ireland.*
- Sec. 505. Assistance for training of civilian personnel of the Ministry of Defense of the Government of Nicaragua.*
- Sec. 506. Availability of amounts for Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 and the Cuban Democracy Act of 1992.*

CHAPTER 2—DEVELOPMENT ASSISTANCE

SUBCHAPTER A—DEVELOPMENT ASSISTANCE AUTHORITIES

- Sec. 511. Authorization of appropriations.*
- Sec. 512. Child survival activities.*
- Sec. 513. Requirement on assistance for Russian Federation.*
- Sec. 514. Humanitarian assistance for Armenia and Azerbaijan.*

- Sec. 515. Agricultural development and research assistance.*
Sec. 516. Activities and programs in Latin America and the Caribbean region and the Asia and the Pacific region.
Sec. 517. Support for agricultural development assistance.

SUBCHAPTER B—OPERATING EXPENSES

- Sec. 521. Operating expenses generally.*
Sec. 522. Operating expenses of the Office of the Inspector General.

CHAPTER 3—URBAN AND ENVIRONMENTAL CREDIT PROGRAM

- Sec. 531. Urban and environmental credit program.*

CHAPTER 4—THE PEACE CORPS

- Sec. 541. Authorization of appropriations.*
Sec. 542. Activities of the Peace Corps in the former Soviet Union and Mongolia.
Sec. 543. Amendments to the Peace Corps Act.

CHAPTER 5—INTERNATIONAL DISASTER ASSISTANCE

- Sec. 551. Authority to provide reconstruction assistance.*
Sec. 552. Authorizations of appropriations.

CHAPTER 6—DEBT RELIEF

- Sec. 561. Debt restructuring for foreign assistance.*
Sec. 562. Debt buybacks or sales for debt swaps.

CHAPTER 7—OTHER ASSISTANCE PROVISIONS

- Sec. 571. Exemption from restrictions on assistance through nongovernmental organizations.*
Sec. 572. Funding requirements relating to United States private and voluntary organizations.
Sec. 573. Documentation requested of private and voluntary organizations.
Sec. 574. Encouragement of free enterprise and private participation.
Sec. 575. Sense of the Congress relating to United States cooperatives and credit unions.
Sec. 576. Food assistance to the Democratic People's Republic of Korea.
Sec. 577. Withholding of assistance to countries that provide nuclear fuel to Cuba.

TITLE VI—TRADE AND DEVELOPMENT AGENCY

- Sec. 601. Authorization of appropriations.*

TITLE VII—SPECIAL AUTHORITIES AND OTHER PROVISIONS

CHAPTER 1—SPECIAL AUTHORITIES

- Sec. 701. Enhanced transfer authority.*
Sec. 702. Authority to meet unanticipated contingencies.
Sec. 703. Special waiver authority.
Sec. 704. Termination of assistance.
Sec. 705. Local assistance to human rights groups in Cuba.

CHAPTER 2—REPEALS

- Sec. 711. Repeal of obsolete provisions.*

DIVISION B—FOREIGN RELATIONS AUTHORIZATIONS ACT*TITLE X—GENERAL PROVISIONS*

- Sec. 1001. Short title.*
Sec. 1002. Statement of history of legislation.
Sec. 1003. Definitions.

TITLE XI—AUTHORIZATION OF APPROPRIATIONS FOR DEPARTMENT OF STATE AND CERTAIN INTERNATIONAL AFFAIRS FUNCTIONS AND ACTIVITIES

- Sec. 1101. Administration of Foreign Affairs.*
Sec. 1102. International organizations, programs, and conferences.
Sec. 1103. International commissions.
Sec. 1104. Migration and refugee assistance.
Sec. 1105. Asia Foundation.
Sec. 1106. United States informational, educational, and cultural programs.
Sec. 1107. United States arms control and disarmament.

*TITLE XII—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES**CHAPTER 1—AUTHORITIES AND ACTIVITIES*

- Sec. 1201. Revision of Department of State rewards program.*
Sec. 1202. Foreign Service National Separation Liability Trust Fund.
Sec. 1203. Capital Investment Fund.
Sec. 1204. International Center reserve funds.
Sec. 1205. Proceeds of sale of foreign properties.
Sec. 1206. Reduction of reporting.
Sec. 1207. Contracting for local guards services overseas.
Sec. 1208. Preadjudication of claims.
Sec. 1209. Expenses relating to certain international claims and proceedings.
Sec. 1210. Establishment of fee account and providing for passport information services.
Sec. 1211. Establishment of machine readable fee account.
Sec. 1212. Retention of additional defense trade controls registration fees.
Sec. 1213. Training.
Sec. 1214. Recovery of costs of health care services.
Sec. 1215. Fee for use of diplomatic reception rooms.
Sec. 1216. Fees for commercial services.
Sec. 1217. Budget presentation documents.
Sec. 1218. Extension of certain adjudication provisions.
Sec. 1219. Grants to overseas educational facilities.
Sec. 1220. Grants to remedy international child abductions.

CHAPTER 2—CONSULAR AUTHORITIES OF THE DEPARTMENT OF STATE

- Sec. 1241. Use of certain passport processing fees for enhanced passport services.*
Sec. 1242. Consular officers.
Sec. 1243. Repeal of outdated consular receipt requirements.
Sec. 1244. Elimination of duplicate publication requirements.

CHAPTER 3—REFUGEES AND MIGRATION

- Sec. 1261. Report to Congress concerning Cuban emigration policies.*
Sec. 1262. Reprogramming of migration and refugee assistance funds.

*TITLE XIII—ORGANIZATION OF THE DEPARTMENT OF STATE;
DEPARTMENT OF STATE PERSONNEL; THE FOREIGN SERVICE*

CHAPTER 1—ORGANIZATION OF THE DEPARTMENT OF STATE

- Sec. 1301. Coordinator for counterterrorism.*
Sec. 1302. Elimination of statutory establishment of certain positions of the Department of State.
Sec. 1303. Establishment of Assistant Secretary of State for Human Resources.
Sec. 1304. Establishment of Assistant Secretary of State for Diplomatic Security.
Sec. 1305. Special envoy for Tibet.
Sec. 1306. Responsibilities for bureau charged with refugee assistance.

CHAPTER 2—PERSONNEL OF THE DEPARTMENT OF STATE; THE FOREIGN SERVICE

- Sec. 1321. Authorized strength of the Foreign Service.*
Sec. 1322. Nonovertime differential pay.
Sec. 1323. Authority of Secretary to separate convicted felons from service.
Sec. 1324. Career counseling.
Sec. 1325. Report concerning minorities and the Foreign Service.
Sec. 1326. Retirement benefits for involuntary separation.
Sec. 1327. Availability pay for certain criminal investigators within the diplomatic security service.
Sec. 1328. Labor management relations.
Sec. 1329. Office of the Inspector General.

TITLE XIV—UNITED STATES PUBLIC DIPLOMACY: AUTHORITIES AND ACTIVITIES FOR UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

- Sec. 1401. Extension of au pair programs.*
Sec. 1402. Retention of interest.
Sec. 1403. Center for Cultural and Technical Interchange Between North and South.
Sec. 1404. Use of selected program fees.
Sec. 1405. Muskie fellowship program.
Sec. 1406. Working group on United States Government sponsored international exchanges and training.
Sec. 1407. Educational and cultural exchanges and scholarships for Tibetans and Burmese.
Sec. 1408. United States-Japan commission.
Sec. 1409. Surrogate broadcasting studies.
Sec. 1410. Authority to administer summer travel/work programs.
Sec. 1411. Permanent administrative authorities regarding appropriations.
Sec. 1412. Authorities of the broadcasting board of governors.

TITLE XV—INTERNATIONAL ORGANIZATIONS; UNITED NATIONS AND RELATED AGENCIES

CHAPTER 1—GENERAL PROVISIONS

- Sec. 1501. Service in international organizations.*
Sec. 1502. Organization of American States.

CHAPTER 2—UNITED NATIONS AND RELATED AGENCIES

- Sec. 1521. Reform in budget decisionmaking procedures of the United Nations and its specialized agencies.*
- Sec. 1522. Reports on efforts to promote full equality at the United Nations for Israel.*
- Sec. 1523. United Nations Population Fund.*
- Sec. 1524. Continued extension of privileges, exemptions, and immunities of the International Organizations Immunities Act to UNIDO.*

TITLE XVI—ARMS CONTROL AND DISARMAMENT AGENCY

- Sec. 1601. Comprehensive compilation of arms control and disarmament studies.*
- Sec. 1602. Use of funds.*

TITLE XVII—FOREIGN POLICY PROVISIONS

- Sec. 1701. United States policy regarding the involuntary return of refugees.*
- Sec. 1702. United States policy with respect to the involuntary return of persons in danger of subjection to torture.*
- Sec. 1703. Reports on claims by United States firms against the Government of Saudi Arabia.*
- Sec. 1704. Human rights reports.*
- Sec. 1705. Reports on determinations under title IV of the Libertad Act.*
- Sec. 1706. Reports and policy concerning diplomatic immunity.*
- Sec. 1707. Congressional statement with respect to efficiency in the conduct of foreign policy.*
- Sec. 1708. Congressional statement concerning Radio Free Europe/Radio Liberty.*
- Sec. 1709. Programs or projects of the International Atomic Energy Agency in Cuba.*
- Sec. 1710. United States policy with respect to Jerusalem as the capital of Israel.*
- Sec. 1711. Report on compliance with the Hague Convention on International Child Abduction.*
- Sec. 1712. Sense of Congress relating to recognition of the ecumenical patriarchate by the government of Turkey.*
- Sec. 1713. Return of Hong Kong to People's Republic of China.*
- Sec. 1714. Development of democracy in the Republic of Serbia.*
- Sec. 1715. Relations with Vietnam.*
- Sec. 1716. Statement concerning return of or compensation for wrongly confiscated foreign properties.*

DIVISION C—FUNDING LEVELS

- Sec. 2001. Authorization of appropriations for certain programs.*

1 **DIVISION A—INTERNATIONAL**
2 **AFFAIRS AGENCY CONSOLIDA-**
3 **TION, FOREIGN ASSISTANCE**
4 **REFORM, AND FOREIGN AS-**
5 **SISTANCE AUTHORIZATIONS**
6 **TITLE I—GENERAL PROVISIONS**

7 **SEC. 101. SHORT TITLE.**

8 *This division may be cited as the “Foreign Assistance*
9 *Reform Act of 1997”.*

10 **SEC. 102. DECLARATION OF POLICY.**

11 *The Congress declares the following:*

12 *(1) United States leadership overseas must be*
13 *maintained to support America’s vital national secu-*
14 *rity, economic, and humanitarian overseas interests.*

15 *(2) As part of this leadership, United States for-*
16 *ign assistance programs are essential to support*
17 *America’s overseas interests.*

18 *(3) Following the end of the Cold War, foreign*
19 *assistance programs must be reformed to take advan-*
20 *tage of the opportunities for the United States in the*
21 *21st century.*

1 **TITLE II—CONSOLIDATION OF**
2 **CERTAIN INTERNATIONAL AF-**
3 **FAIRS AGENCIES**

4 **CHAPTER 1—GENERAL PROVISIONS**

5 **SEC. 201. SHORT TITLE**

6 *This title may be cited as the “International Affairs*
7 *Agency Consolidation Act of 1997”.*

8 **SEC. 202. DEFINITIONS.**

9 *The following terms have the following meanings for*
10 *the purposes of this title:*

11 *(1) The term “USAID” means the United States*
12 *Agency for International Development.*

13 *(2) The term “Federal agency” has the meaning*
14 *given to the term “agency” by section 551(1) of title*
15 *5, United States Code.*

16 *(3) The term “function” means any duty, obliga-*
17 *tion, power, authority, responsibility, right, privilege,*
18 *activity, or program.*

1 **CHAPTER 2—UNITED STATES INTER-**
2 **NATIONAL DEVELOPMENT COOPERA-**
3 **TION AGENCY**

4 ***Subchapter A—Abolition of United States***
5 ***International Development Cooperation***
6 ***Agency and Transfer of Functions to Unit-***
7 ***ed States Agency for International Devel-***
8 ***opment***

9 **SEC. 211. ABOLITION OF UNITED STATES INTERNATIONAL**
10 **DEVELOPMENT COOPERATION AGENCY.**

11 (a) *IN GENERAL.*—*The United States International*
12 *Development Cooperation Agency is hereby abolished.*

13 (b) *CONFORMING AMENDMENTS.*—*The following shall*
14 *cease to be effective:*

15 (1) *Reorganization Plan Numbered 2 of 1979 (5*
16 *U.S.C. App.).*

17 (2) *Sections 1–101 through 1–103, sections 1–*
18 *401 through 1–403, and such other provisions that re-*
19 *late to the United States International Development*
20 *Cooperation Agency or the Director of such Agency,*
21 *of Executive Order 12163 (22 U.S.C. 2381 note; relat-*
22 *ing to administration of foreign assistance and relat-*
23 *ed functions).*

24 (3) *The International Development Cooperation*
25 *Agency Delegation of Authority Numbered 1 (44 Fed.*

1 *Reg. 57521), except for section 1–6 of such Delegation*
2 *of Authority.*

3 (4) *Section 3 of Executive Order 12884 (58 Fed.*
4 *Reg. 64099; relating to the delegation of functions*
5 *under the Freedom for Russia and Emerging Eur-*
6 *asian Democracies and Open Markets Support Act of*
7 *1992, the Foreign Assistance Act of 1961, the Foreign*
8 *Operations, Export Financing and Related Programs*
9 *Appropriations Act, 1993, and section 301 of title 3,*
10 *United States Code).*

11 (c) *EFFECTIVE DATE.*—*This section shall take effect*
12 *6 months after the date of the enactment of this Act.*

13 **SEC. 212. TRANSFER OF FUNCTIONS TO UNITED STATES**
14 **AGENCY FOR INTERNATIONAL DEVELOP-**
15 **MENT.**

16 (a) *IN GENERAL.*—*There are transferred to the Admin-*
17 *istrator of the United States Agency for International De-*
18 *velopment all functions of the Director of United States*
19 *International Development Cooperation Agency and all*
20 *functions of such Agency and any officer or component of*
21 *such agency under any statute, reorganization plan, Execu-*
22 *tive order, or other provision of law before the effective date*
23 *of this title.*

24 (b) *EFFECTIVE DATE.*—*This section shall take effect*
25 *6 months after the date of the enactment of this Act.*

1 **SEC. 213. TRANSITION PROVISIONS.**

2 (a) *TRANSFER OF PERSONNEL, PROPERTY, RECORDS,*
3 *AND UNEXPENDED BALANCES.—*

4 (1) *PERSONNEL, PROPERTY, AND RECORDS.—So*
5 *much of the personnel, property, and records of the*
6 *United States International Development Cooperation*
7 *Agency as the Director of the Office of Management*
8 *and Budget shall determine shall be transferred to the*
9 *United States Agency for International Development*
10 *at such time or times as the Director of the Office of*
11 *Management and Budget shall provide.*

12 (2) *UNEXPENDED BALANCES.—To the extent pro-*
13 *vided in advance in appropriations Acts, so much of*
14 *the unexpended balances of appropriations, alloca-*
15 *tions, and other funds employed, used, held, available,*
16 *or to be made available to the United States Inter-*
17 *national Development Cooperation Agency as the Di-*
18 *rector of the Office of Management and Budget shall*
19 *determine shall be transferred to the United States*
20 *Agency for International Development at such time or*
21 *times as the Director of Office of Management and*
22 *Budget shall provide, except that no such unexpended*
23 *balances transferred shall be used for purposes other*
24 *than those for which the appropriation was originally*
25 *made.*

1 (b) *TERMINATING AGENCY AFFAIRS.*—*The Director of*
2 *the Office of Management and Budget shall provide for ter-*
3 *minating the affairs of the United States International De-*
4 *velopment Cooperation Agency and for such further meas-*
5 *ures and dispositions as such Director deems necessary to*
6 *accomplish the purposes of this subchapter.*

7 ***Subchapter B—Continuation of United States***
8 ***Agency for International Development***
9 ***and Placement of Administrator of Agen-***
10 ***cy under the Direction of the Secretary of***
11 ***State***

12 ***SEC. 221. CONTINUATION OF UNITED STATES AGENCY FOR***
13 ***INTERNATIONAL DEVELOPMENT AND PLACE-***
14 ***MENT OF ADMINISTRATOR OF AGENCY***
15 ***UNDER THE DIRECTION OF THE SECRETARY***
16 ***OF STATE.***

17 (a) *CONTINUATION OF USAID AS FEDERAL AGEN-*
18 *CY.*—*The United States Agency for International Develop-*
19 *ment, established in the Department of State pursuant to*
20 *the State Department Delegation of Authority Numbered*
21 *104 (26 Fed. Reg. 10608) and subsequently transferred to*
22 *the United States International Development Cooperation*
23 *Agency pursuant to the International Development Co-*
24 *operation Agency Delegation of Authority Numbered 1 (44*

1 *Fed. Reg. 57521), shall be continued in existence as a Fed-*
2 *eral agency of the United States.*

3 (b) *PLACEMENT OF ADMINISTRATOR OF USAID*
4 *UNDER DIRECTION OF SECRETARY OF STATE.—*

5 (1) *IN GENERAL.—The Administrator of the*
6 *United States Agency for International Development,*
7 *appointed pursuant to section 624(a) of the Foreign*
8 *Assistance Act of 1961 (22 U.S.C. 2384(a))—*

9 (A) *shall continue to head such Agency; and*
10 (B) *shall be under the direction of the Sec-*
11 *retary of State.*

12 (2) *OTHER REQUIREMENTS.—Except to the ex-*
13 *tent inconsistent with other provisions of this Act, the*
14 *Administrator—*

15 (A) *shall continue to exercise all functions*
16 *that the Administrator exercised before the effec-*
17 *tive date of this Act; and*

18 (B) *shall exercise all functions transferred*
19 *to the Administrator pursuant to section 212.*

20 (c) *OTHER OFFICERS OF AID.—The other officers of*
21 *the United States Agency for International Development,*
22 *appointed pursuant to section 624(a) of the Foreign Assist-*
23 *ance Act of 1961 (22 U.S.C. 2384(a)), shall continue to ex-*
24 *ercise such functions as the Administrator deems appro-*
25 *priate.*

1 ***Subchapter C—Conforming Amendments***

2 ***SEC. 231. CONFORMING AMENDMENTS.***

3 (a) *TITLE 5, UNITED STATES CODE.*—Section
4 *7103(a)(2)(iv)* of title 5, United States Code, is amended
5 *by striking “the United States International Development*
6 *Cooperation Agency” and inserting “the United States*
7 *Agency for International Development”.*

8 (b) *INSPECTOR GENERAL ACT OF 1978.*—Section 8A
9 *of the Inspector General Act of 1978 (5 U.S.C. App. 8A)*
10 *is amended—*

11 (1) *in subsection (a)—*

12 (A) *by striking paragraph (2);*

13 (B) *by striking “Agency for International*
14 *Development—” and all that follows through*
15 *“shall supervise” and inserting “Agency for*
16 *International Development shall supervise”; and*

17 (C) *by striking “; and” at the end and in-*
18 *serting a period;*

19 (2) *by striking subsection (c); and*

20 (3) *by striking subsection (f).*

21 (c) *INTERNATIONAL SECURITY AND DEVELOPMENT CO-*
22 *OPERATION ACT OF 1980.*—Section 316 of the *International*
23 *Security and Development Cooperation Act of 1980 (22*
24 *U.S.C. 2151 note)* is amended—

25 (1) *in subsection (a)—*

1 (A) *in the first sentence, by striking “Director*
2 *of the United States International Develop-*
3 *ment Cooperation Agency” and inserting “Ad-*
4 *ministrato*r of the United States Agency for
5 *International Development”*; and

6 (B) *in the second sentence, by striking “Di-*
7 *rector” and inserting “Administrator”*; and

8 (2) *in subsection (b), by striking “Director” and*
9 *inserting “Administrator”*.

10 (d) *STATE DEPARTMENT BASIC AUTHORITIES ACT OF*
11 *1956.—(1) Section 25(f) of the State Department Basic Au-*
12 *thorities Act of 1956 (22 U.S.C. 2697(f)) is amended by*
13 *striking “Director of the United States International Devel-*
14 *opment Cooperation Agency” and inserting “Administrator*
15 *of the United States Agency for International Develop-*
16 *ment”*.

17 (2) *Section 26(b) of such Act (22 U.S.C. 2698(b)) is*
18 *amended by striking “Director of the United States Inter-*
19 *national Development Cooperation Agency” and inserting*
20 *“Administrator of the United States Agency for Inter-*
21 *national Development”*.

22 (3) *Section 32 of such Act (22 U.S.C. 2704) is amend-*
23 *ed in the second sentence by striking “Director of the United*
24 *States International Development Cooperation Agency”*

1 *and inserting “Administrator of the United States Agency*
2 *for International Development”.*

3 (e) *FOREIGN SERVICE ACT OF 1980.—(1) Section*
4 *202(a)(1) of the Foreign Service Act of 1980 (22 U.S.C.*
5 *3922(a)(1)) is amended by striking “Director of the United*
6 *States International Development Cooperation Agency”*
7 *and inserting “Administrator of the United States Agency*
8 *for International Development”.*

9 (2) *Section 210 of such Act (22 U.S.C. 3930) is amend-*
10 *ed in the second sentence by striking “United States Inter-*
11 *national Development Cooperation Agency” and inserting*
12 *“United States Agency for International Development”.*

13 (3) *Section 1003(a) of such Act (22 U.S.C. 4103(a))*
14 *is amended by striking “United States International Devel-*
15 *opment Cooperation Agency” and inserting “United States*
16 *Agency for International Development”.*

17 (4) *Section 1101(c) of such Act (22 U.S.C. 4131(c))*
18 *is amended by striking “United States International Devel-*
19 *opment Cooperation Agency” and inserting “United States*
20 *Agency for International Development”.*

21 (f) *INTERNAL REVENUE CODE OF 1986.—(1) Section*
22 *170(m)(7) of the Internal Revenue Code of 1986, is amended*
23 *by striking “Director of the United States International De-*
24 *velopment Cooperation Agency” and inserting “Adminis-*

1 *trator of the United States Agency for International Devel-*
2 *opment”.*

3 (2) *Section 2055(g)(6) of the Internal Revenue Code*
4 *of 1986, is amended by striking “Director of the United*
5 *States International Development Cooperation Agency”*
6 *and inserting “Administrator of the United States Agency*
7 *for International Development”.*

8 (g) *TITLE 49, UNITED STATES CODE.—Section*
9 *40118(d) of title 49, United States Code, is amended by*
10 *striking “Director of the United States International Devel-*
11 *opment Cooperation Agency” and inserting “Administrator*
12 *of the United States Agency for International Develop-*
13 *ment”.*

14 (h) *EXPORT ADMINISTRATION ACT OF 1979.—Section*
15 *6(g) of the Export Administration Act of 1979 (50 U.S.C.*
16 *App. 2405(g)) is amended—*

17 (1) *in the third sentence, by striking “Director*
18 *of the United States International Development Co-*
19 *operation Agency” and inserting “Administrator of*
20 *the United States Agency for International Develop-*
21 *ment”;*

22 (2) *in the fourth sentence, by striking “Director”*
23 *and inserting “Administrator”;* and

24 (3) *in the sixth sentence, by striking “Director of*
25 *the United States International Development Co-*

1 *operation Agency” and inserting “Administrator of*
2 *the United States Agency for International Develop-*
3 *ment”.*

4 **SEC. 232. OTHER REFERENCES.**

5 *Any reference in any statute, reorganization plan, Ex-*
6 *ecutive order, regulation, agreement, determination, or*
7 *other official document or proceeding to—*

8 *(1) the Director of the United States Inter-*
9 *national Development Cooperation Agency or any*
10 *other officer or employee of the United States Inter-*
11 *national Development Cooperation Agency shall be*
12 *deemed to refer to the Administrator of the United*
13 *States Agency for International Development; and*

14 *(2) the United States International Development*
15 *Cooperation Agency shall be deemed to refer to the*
16 *United States Agency for International Development.*

17 **SEC. 233. EFFECTIVE DATE.**

18 *This subchapter shall take effect 6 months after the*
19 *date of the enactment of this Act.*

20 **TITLE III—FOREIGN ASSISTANCE**
21 **REFORM**

22 **SEC. 301. GRADUATION FROM DEVELOPMENT ASSISTANCE.**

23 *Section 634 of the Foreign Assistance Act of 1961 (22*
24 *U.S.C. 2394) is amended to read as follows:*

1 **“SEC. 634. CONGRESSIONAL PRESENTATION DOCUMENTS.**

2 “(a) *REQUIREMENT FOR SUBMISSION.*—As part of the
3 *annual requests for enactment of authorizations and appro-*
4 *priations for foreign assistance programs for each fiscal*
5 *year, the President shall prepare and transmit to the Con-*
6 *gress annual congressional presentation documents for the*
7 *programs authorized under this Act and the Arms Export*
8 *Control Act (22 U.S.C. 2751 et seq.).*

9 “(b) *MATERIALS TO BE INCLUDED.*—The documents
10 *submitted pursuant to subsection (a) shall include—*

11 “(1) *the rationale and direct United States na-*
12 *tional interest for the allocation of assistance or con-*
13 *tributions to each country, regional, or centrally-*
14 *funded program, or organization, as the case may be;*

15 “(2) *a description of how each such program or*
16 *contribution supports the objectives of this Act or the*
17 *Arms Export Control Act, as the case may be;*

18 “(3) *a description of planned country, regional,*
19 *or centrally-funded programs or contributions to*
20 *international organizations and programs for the*
21 *coming fiscal year; and*

22 “(4) *for each country for which assistance is re-*
23 *quested under this Act or the Arms Export Control*
24 *Act—*

25 “(A) *the total number of years since 1946*
26 *that the United States has provided assistance;*

1 “(B) the total amount of bilateral assistance
2 provided by the United States since 1946, in-
3 cluding the principal amount of all loans, cred-
4 its, and guarantees; and

5 “(C) the total amount of assistance provided
6 to such country from all multilateral organiza-
7 tions to which the United States is a member,
8 including all international financial institu-
9 tions, the United Nations, and other inter-
10 national organizations.

11 “(c) *GRADUATION FROM DEVELOPMENT ASSIST-*
12 *ANCE.*—

13 “(1) *DETERMINATION.*—As part of the congres-
14 sional presentation documents transmitted to the Con-
15 gress under this section, the President shall make a
16 separate determination for each country identified in
17 such documents for which bilateral development as-
18 sistance is requested, estimating the year in which
19 each such country will no longer be receiving bilateral
20 development assistance.

21 “(2) *DEVELOPMENT ASSISTANCE DEFINED.*—For
22 purposes of this section, the term ‘development assist-
23 ance’ means assistance under—

24 “(A) chapter 1 of part I of this Act;

25 “(B) chapter 10 of part I of this Act;

1 “(C) chapter 11 of part I of this Act; and
2 “(D) the Support for East European De-
3 mocracy (SEED) Act of 1989 (22 U.S.C. 5401 et
4 seq.).”.

5 **SEC. 302. LIMITATION ON GOVERNMENT-TO-GOVERNMENT**
6 **ASSISTANCE.**

7 (a) *IN GENERAL.*—For each of the fiscal years 1998
8 and 1999, the President should allocate an aggregate level
9 to private and voluntary organizations and cooperatives
10 under the Foreign Assistance Act of 1961 (22 U.S.C. 2151
11 et seq.) which reflects an increasing level allocated to such
12 organizations and cooperatives under such Act since fiscal
13 year 1995.

14 (b) *DEFINITION.*—For purposes of this section, the
15 term “private and voluntary organization” means a pri-
16 vate non-governmental organization which—

17 (1) is organized under the laws of a country;

18 (2) receives funds from private sources;

19 (3) operates on a not-for-profit basis with appro-
20 priate tax-exempt status if the laws of the country
21 grant such status to not-for-profit organizations;

22 (4) is voluntary in that it receives voluntary
23 contributions of money, time, or in-kind support from
24 the public; and

1 (5) *is engaged or intends to be engaged in vol-*
2 *untary, charitable, development, or humanitarian as-*
3 *istance activities.*

4 (c) *REPORT.—*

5 (1) *IN GENERAL.—Not later than September 30,*
6 *1997, the United States Agency for International De-*
7 *velopment shall submit a report to the Congress on*
8 *the amount of its funding being channeled through*
9 *and private and voluntary organizations.*

10 (2) *ADDITIONAL REQUIREMENTS.—(A) The re-*
11 *port should use fiscal year 1995 as a baseline and in-*
12 *clude an implementation plan for steadily increasing*
13 *the percentage of assistance channeled through such*
14 *organizations, consistent with the funding commit-*
15 *ment announced by Vice President Gore in March*
16 *1995.*

17 (B) *The report should also indicate the propor-*
18 *tion of funds made available under the following pro-*
19 *visions and channeled through such organizations:*

20 (i) *Chapter 11 of part I of the Foreign As-*
21 *istance Act of 1961 (22 U.S.C. 2295 et seq.).*

22 (ii) *The Support for East European Democ-*
23 *cracy (SEED) Act of 1989 (22 U.S.C. 5401 et*
24 *seq.).*

1 (iii) Chapter 4 of part II of the Foreign As-
2 sistance Act of 1961 (22 U.S.C. 2346).

3 **SEC. 303. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**

4 **CREDITS.**

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

7 **“SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**

8 **CREDITS.**

9 “(a) *FINDINGS AND POLICY.*—The Congress finds and
10 declares that—

11 “(1) *the development of micro- and small enter-*
12 *prise, including cooperatives, is a vital factor in the*
13 *stable growth of developing countries and in the devel-*
14 *opment and stability of a free, open, and equitable*
15 *international economic system;*

16 “(2) *it is, therefore, in the best interests of the*
17 *United States to assist the development of the private*
18 *sector in developing countries and to engage the Unit-*
19 *ed States private sector in that process;*

20 “(3) *the support of private enterprise can be*
21 *served by programs providing credit, training, and*
22 *technical assistance for the benefit of micro- and*
23 *small enterprises; and*

24 “(4) *programs that provide credit, training, and*
25 *technical assistance to private institutions can serve*

1 *as a valuable complement to grant assistance pro-*
2 *vided for the purpose of benefiting micro- and small*
3 *private enterprise.*

4 “(b) PROGRAM.—*To carry out the policy set forth in*
5 *subsection (a), the President is authorized to provide assist-*
6 *ance to increase the availability of credit to micro- and*
7 *small enterprises lacking full access to credit, including*
8 *through—*

9 “(1) *loans and guarantees to credit institutions*
10 *for the purpose of expanding the availability of credit*
11 *to micro- and small enterprises;*

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

15 “(3) *training programs for micro- and small en-*
16 *trepreneurs in order to enable them to make better use*
17 *of credit and to better manage their enterprises.*

18 “(c) AUTHORIZATION OF APPROPRIATIONS.—

19 “(1) IN GENERAL.—*There is authorized to be ap-*
20 *propriated the following amounts for the following*
21 *purposes (in addition to amounts otherwise available*
22 *for such purposes):*

23 “(A)(i) *\$1,500,000 for each of the fiscal*
24 *years 1998 and 1999 to carry out subsection*
25 *(b)(1).*

1 “(i) Funds authorized to be appropriated
2 under this subparagraph shall be made available
3 for the subsidy cost, as defined in section 502(5)
4 of the Federal Credit Reform Act of 1990, for ac-
5 tivities under such subsection.

6 “(B) \$500,000 for each of the fiscal years
7 1998 and 1999 to carry out paragraphs (2) and
8 (3) of subsection (b).

9 “(2) AVAILABILITY OF AMOUNTS.—Amounts au-
10 thorized to be appropriated under paragraph (1) are
11 authorized to remain available until expended.”.

12 **SEC. 304. MICROENTERPRISE DEVELOPMENT GRANT AS-**
13 **SISTANCE.**

14 Chapter 1 of part I of the Foreign Assistance Act of
15 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after
16 section 108, as amended by this Act, the following new sec-
17 tion:

18 **“SEC. 108A. MICROENTERPRISE DEVELOPMENT GRANT AS-**
19 **SISTANCE.**

20 “(a) AUTHORIZATION.—(1) In carrying out this part,
21 the Administrator of the United States Agency for Inter-
22 national Development is authorized to provide grant assist-
23 ance for programs of credit and other assistance for micro
24 enterprises in developing countries.

1 “(2) Assistance authorized under paragraph (1) shall
2 be provided through organizations that have a capacity to
3 develop and implement microenterprise programs, includ-
4 ing particularly—

5 “(A) United States and indigenous private
6 and voluntary organizations;

7 “(B) United States and indigenous credit
8 unions and cooperative organizations; or

9 “(C) other indigenous governmental and
10 nongovernmental organizations.

11 “(3) Approximately one-half of the credit assistance
12 authorized under paragraph (1) shall be used for poverty
13 lending programs, including the poverty lending portion of
14 mixed programs. Such programs—

15 “(A) shall meet the needs of the very poor mem-
16 bers of society, particularly poor women; and

17 “(B) should provide loans of \$300 or less in 1995
18 United States dollars to such poor members of society.

19 “(4) The Administrator should continue support for
20 mechanisms that—

21 “(A) provide technical support for field missions;

22 “(B) strengthen the institutional development of
23 the intermediary organizations described in para-
24 graph (2); and

1 “(C) share information relating to the provision
2 of assistance authorized under paragraph (1) between
3 such field missions and intermediary organizations.

4 “(b) *MONITORING SYSTEM.*—In order to maximize the
5 sustainable development impact of the assistance authorized
6 under subsection (a)(1), the Administrator shall, in accord-
7 ance with section 1115 of title 31, United States Code (re-
8 lating to performance plans), establish a monitoring system
9 that—

10 “(1) establishes performance goals for such assist-
11 ance and expresses such goals in an objective and
12 quantifiable form, to the extent feasible;

13 “(2) establishes performance indicators to be
14 used in measuring or assessing the achievement of the
15 goals and objectives of such assistance; and

16 “(3) provides a basis for recommendations for
17 adjustments to such assistance to enhance the sustain-
18 able development impact of such assistance, particu-
19 larly the impact of such assistance on the very poor,
20 particularly poor women.”.

21 **SEC. 305. PRIVATE SECTOR ENTERPRISE FUNDS.**

22 *The Foreign Assistance Act of 1961 (22 U.S.C. 2151*
23 *et seq.) is amended by inserting after section 601 the follow-*
24 *ing new section:*

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

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

6 “(A) *development of the private sectors of eligible*
7 *countries, including small businesses, the agricultural*
8 *sector, and joint ventures with United States and host*
9 *country participants; and*

10 “(B) *policies and practices conducive to private*
11 *sector development in eligible countries;*

12 *on the same basis as funds and support may be provided*
13 *with respect to Enterprise Funds for Poland and Hungary*
14 *under the Support for East European Democracy (SEED)*
15 *Act of 1989 (22 U.S.C. 5401 et seq.).*

16 “(2) *Funds may be made available under this section*
17 *notwithstanding any other provision of law, except sections*
18 *502B and 490 of this Act.*

19 “(b) *COUNTRIES ELIGIBLE FOR ENTERPRISE*
20 *FUNDS.—(1) Except as provided in paragraph (2), the*
21 *President is authorized to designate a private, nonprofit or-*
22 *ganization as eligible to receive funds and support pursuant*
23 *to this section with respect to any country eligible to receive*
24 *assistance under part I of this Act in the same manner and*
25 *with the same limitations as set forth in section 201(d) of*

1 *the Support for East European Democracy (SEED) Act of*
2 *1989 (22 U.S.C. 5421(d)).*

3 “(2) *The authority of paragraph (1) shall not apply*
4 *to any country with respect to which the President is au-*
5 *thorized to designate an enterprise fund under section*
6 *498B(c) of this Act or section 201 of the Support for East*
7 *European Democracy (SEED) Act of 1989 (22 U.S.C.*
8 *5421).*

9 “(c) *TREATMENT EQUIVALENT TO ENTERPRISE FUNDS*
10 *FOR POLAND AND HUNGARY.—Except as otherwise specifi-*
11 *cally provided in this section, the provisions contained in*
12 *section 201 of the Support for East European Democracy*
13 *(SEED) Act of 1989 (22 U.S.C. 5421) (excluding the au-*
14 *thorizations of appropriations provided in subsection (b) of*
15 *that section) shall apply to any Enterprise Fund that re-*
16 *ceives Funds and support under this section. The officers,*
17 *members, or employees of an Enterprise Fund that receive*
18 *funds and support under this section shall enjoy the same*
19 *status under law that is applicable to officers, members, or*
20 *employees of the Enterprise Funds for Poland and Hungary*
21 *under section 201 of the Support for East European Democ-*
22 *racy (SEED) Act of 1989 (22 U.S.C. 5421).*

23 “(d) *REPORTING REQUIREMENT.—Notwithstanding*
24 *any other provision of this section, the requirement of sec-*
25 *tion 201(p) of the Support for East European Democracy*

1 *(SEED) Act of 1989 (22 U.S.C. 5421(p)), that an Enter-*
2 *prise Fund shall be required to publish an annual report*
3 *not later than January 31 each year, shall not apply with*
4 *respect to an Enterprise Fund that receives funds and sup-*
5 *port under this section for the first twelve months after it*
6 *is designated as eligible to receive such funds and support.*

7 “(e) *FUNDING.—(1) Amounts made available for a fis-*
8 *cal year to carry out chapter 1 of part I of this Act (relating*
9 *to development assistance) and to carry out chapter 4 of*
10 *part II of this Act (relating to the economic support fund)*
11 *shall be available for such fiscal year to carry out this sec-*
12 *tion, in addition to amounts otherwise available for such*
13 *purposes.*

14 “(2) *In addition to amounts available under para-*
15 *graph (1) for a fiscal year, amounts made available for such*
16 *fiscal year to carry out chapter 10 of part I of this Act*
17 *(relating to the Development Fund for Africa) shall be*
18 *available for such fiscal year to carry out this section with*
19 *respect to countries in Africa.”.*

20 **SEC. 306. DEVELOPMENT CREDIT AUTHORITY.**

21 *The Foreign Assistance Act of 1961 (22 U.S.C. 2151*
22 *et seq.) is amended by inserting after section 106 the follow-*
23 *ing:*

1 **“SEC. 107A. DEVELOPMENT CREDIT AUTHORITY.**

2 “(a) *GENERAL AUTHORITY.*—*The President is author-*
3 *ized to use credit authority (loans, loan guarantees, and*
4 *other investments involving the extension of credit) to*
5 *achieve any of the development purposes of this part in*
6 *cases where—*

7 “(1) *the borrowers or activities are deemed suffi-*
8 *ciently creditworthy and do not otherwise have access*
9 *to such credit; and*

10 “(2) *the use of credit authority would be appro-*
11 *priate to the achievement of such development pur-*
12 *poses.*

13 “(b) *PRIORITY SECTOR POLICIES AND ACTIVITIES.*—

14 “(1) *IN GENERAL.*—*To the maximum extent*
15 *practicable, preference shall be given to the use of*
16 *credit authority to promote—*

17 “(A) *micro- and small enterprise develop-*
18 *ment policies of section 108;*

19 “(B) *sustainable urban and environmental*
20 *activities pursuant to the policy directives set*
21 *forth in this part; and*

22 “(C) *other development activities that will*
23 *support and enhance grant-financed policy and*
24 *institutional reforms under this part.*

1 “(2) *DEVELOPMENT CREDIT AUTHORITY.*—*The*
2 *credit authority described in paragraph (1) shall be*
3 *known as the ‘Development Credit Authority’.*

4 “(c) *GENERAL AUTHORITY.*—

5 “(1) *AUTHORITY.*—*Of the amounts made avail-*
6 *able to carry out this chapter, chapters 10 and 11 of*
7 *this part, chapter 4 of part II of this Act, and the*
8 *Support for East European Democracy (SEED) Act*
9 *of 1989 for fiscal years 1998 and 1999, not more than*
10 *\$13,000,000 for each such fiscal year may be made*
11 *available to carry out this section.*

12 “(2) *LIMITATIONS.*—(A) *Funds made available*
13 *under paragraph (1) shall be used for activities in the*
14 *same geographic region for which such funds were*
15 *originally allocated.*

16 “(B) *The President shall notify the congressional*
17 *committees specified in section 634A at least fifteen*
18 *days in advance of each transfer of funds under para-*
19 *graph (1) in accordance with procedures applicable to*
20 *reprogramming notifications under such section.*

21 “(3) *SUBSIDY COST.*—*Amounts made available*
22 *under paragraph (1) shall be made available for the*
23 *subsidy cost, as defined in section 502(5) of the Fed-*
24 *eral Credit Reform Act of 1990, for activities under*
25 *this section.*

1 “(4) *ADMINISTRATIVE EXPENSES.*—

2 “(A) *AMOUNTS MADE AVAILABLE.*—Of the
3 *amounts made available under paragraph (1) for*
4 *a fiscal year, not more than \$1,500,000 may be*
5 *made available for administrative expenses to*
6 *carry out this section.*

7 “(B) *AUTHORIZATION OF APPROPRIA-*
8 *TIONS.*—In addition to amounts made available
9 *under subparagraph (A), there are authorized to*
10 *be appropriated for administrative expenses to*
11 *carry out this section and section 221 \$6,000,000*
12 *for each of the fiscal years 1998 and 1999.*

13 “(C) *TRANSFER AUTHORITY.*—Amounts
14 *made available under and subparagraph (A) and*
15 *amounts authorized to be appropriated under*
16 *subparagraph (B) may be transferred and*
17 *merged with amounts made available for ‘Oper-*
18 *ating Expenses of the Agency for International*
19 *Development’.*

20 “(5) *AVAILABILITY.*—Amounts made available
21 *under paragraph (1) are authorized to remain avail-*
22 *able until expended.*

23 “(d) *GENERAL PROVISIONS APPLICABLE TO DEVELOP-*
24 *MENT CREDIT AUTHORITY.*—

1 “(1) *POLICY PROVISIONS.*—*In providing the*
2 *credit assistance authorized by this section, the Presi-*
3 *dent should apply, as appropriate, the policy provi-*
4 *sions in this part applicable to development assist-*
5 *ance activities.*

6 “(2) *DEFAULT AND PROCUREMENT PROVI-*
7 *SIONS.*—

8 “(A) *DEFAULT PROVISION.*—*The provisions*
9 *of section 620(q) of this Act, or any comparable*
10 *provisions of law, shall not be construed to pro-*
11 *hibit assistance to a country in the event that a*
12 *private sector recipient of assistance furnished*
13 *under this section is in default in its payment*
14 *to the United States for the period specified in*
15 *such section.*

16 “(B) *PROCUREMENT PROVISION.*—*Assist-*
17 *ance may be provided under this section without*
18 *regard to section 604(a) of this Act.*

19 “(3) *TERMS AND CONDITIONS OF CREDIT ASSIST-*
20 *ANCE.*—(A) *Assistance provided under this section*
21 *shall be offered on such terms and conditions, includ-*
22 *ing fees charged, as the President may determine.*

23 “(B) *The principal amount of loans made or*
24 *guaranteed under this section in any fiscal year, with*

1 *respect to any single country or borrower, may not*
2 *exceed \$100,000,000.*

3 *“(C) No payment may be made under any guar-*
4 *antee issued under this section for any loss arising*
5 *out of fraud or misrepresentation for which the party*
6 *seeking payment is responsible.*

7 *“(4) FULL FAITH AND CREDIT.—All guarantees*
8 *issued under this section shall constitute obligations,*
9 *in accordance with the terms of such guarantees, of*
10 *the United States of America and the full faith and*
11 *credit of the United States of America is hereby*
12 *pledged for the full payment and performance of such*
13 *obligations to the extent of the guarantee.*

14 *“(5) CO-FINANCING AND RISK SHARING.—*

15 *“(A) IN GENERAL.—(i) Assistance provided*
16 *under this section shall be in the form of co-fi-*
17 *nancing or risk sharing.*

18 *“(ii) Credit assistance may not be provided*
19 *to a borrower under this section unless the Ad-*
20 *ministrator of the United States Agency for*
21 *International Development determines that there*
22 *are reasonable prospects of repayment by such*
23 *borrower.*

24 *“(B) ADDITIONAL REQUIREMENT.—The in-*
25 *vestment or risk of the United States in any one*

1 *development activity may not exceed 80 percent*
2 *of the total outstanding investment or risk.*

3 “(6) *ELIGIBLE BORROWERS.*—

4 “(A) *IN GENERAL.*—*In order to be eligible*
5 *to receive credit assistance under this section, a*
6 *borrower shall be sufficiently credit worthy so*
7 *that the estimated costs (as defined in section*
8 *502 of the Federal Credit Reform Act of 1990)*
9 *of the proposed credit assistance for the borrower*
10 *does not exceed 30 percent of the principal*
11 *amount of credit assistance to be received.*

12 “(B) *ADDITIONAL REQUIREMENT.*—*(i) In*
13 *addition, with respect to the eligibility of foreign*
14 *governments as an eligible borrowers under this*
15 *section, the Administrator of the United States*
16 *Agency for International Development shall*
17 *make a determination that the additional debt of*
18 *the government will not exceed the debt repay-*
19 *ment capacity of the government.*

20 “(i) *In making the determination under*
21 *clause (i), the Administrator shall consult, as ap-*
22 *propriate, with international financial institu-*
23 *tions and other institutions or agencies that as-*
24 *sess debt service capacity.*

1 “(7) *ASSESSMENT OF CREDIT RISK.*—(A) *The*
2 *Administrator of the United States Agency for Inter-*
3 *national Development shall use the Interagency Coun-*
4 *try Risk Assessment System (ICRAS) and the meth-*
5 *odology approved by the Office of Management and*
6 *Budget to assess the cost of risk credit assistance pro-*
7 *vided under this section to foreign governments.*

8 “(B) *With respect to the provision of credit to*
9 *nongovernmental organizations, the Administrator—*

10 “(i) *shall consult with appropriate private*
11 *sector institutions, including the two largest*
12 *United States private sector debt rating agencies,*
13 *prior to establishing the risk assessment stand-*
14 *ards and methodologies to be used; and*

15 “(ii) *shall periodically consult with such in-*
16 *stitutions in reviewing the performance of such*
17 *standards and methodologies.*

18 “(C) *In addition, if the anticipated share of fi-*
19 *nancing attributable to public sector owned or con-*
20 *trolled entities, including the United States Agency*
21 *for International Development, exceeds 49 percent, the*
22 *Administrator shall determine the cost (as defined in*
23 *section 502(5) of the Federal Credit Reform Act of*
24 *1990) of such assistance by using the cost and risk as-*

1 *assessment determinations of the private sector co-fi-*
2 *nancing entities.*

3 “(8) *USE OF UNITED STATES TECHNOLOGY,*
4 *FIRMS, AND EQUIPMENT.—Activities financed under*
5 *this section shall, to the maximum extent practicable,*
6 *use or employ United States technology, firms, and*
7 *equipment.”.*

8 **SEC. 307. FOREIGN GOVERNMENT PARKING FINES.**

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

13 **“SEC. 620K. FOREIGN GOVERNMENT PARKING FINES.**

14 “(a) *IN GENERAL.—An amount equivalent to 110 per-*
15 *cent of the total unpaid fully adjudicated parking fines and*
16 *penalties owed to the District of Columbia, Virginia, Mary-*
17 *land, New York, and New York City by the government of*
18 *a foreign country as of the end of a fiscal year, as certified*
19 *and transmitted to the President by the chief executive offi-*
20 *cer of each State, City, or District, shall be withheld from*
21 *obligation for such country out of funds available in the*
22 *next fiscal year to carry out part I of this Act, until the*
23 *requirement of subsection (b) is satisfied.*

24 “(b) *REQUIREMENT.—The requirement of this sub-*
25 *section is satisfied when the Secretary of State determines*

1 *and certifies to the appropriate congressional committees*
2 *that such fines and penalties are fully paid to the govern-*
3 *ments of the District of Columbia, Virginia, Maryland, and*
4 *New York.*

5 “(c) *APPROPRIATE CONGRESSIONAL COMMITTEES DE-*
6 *FINED.*—*For purposes of this section, the term ‘appropriate*
7 *congressional committees’ means the Committee on Inter-*
8 *national Relations and the Committee on Appropriations*
9 *of the House of Representatives and the Committee on For-*
10 *ign Relations and the Committee on Appropriations of the*
11 *Senate.”.*

12 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
13 *section (a) shall apply with respect to fines certified as of*
14 *the end of fiscal year 1998 or any fiscal year thereafter.*

15 (c) *TECHNICAL AMENDMENT.*—*The second section*
16 *620G of the Foreign Assistance Act of 1961, as added by*
17 *section 149 of Public Law 104–164 (110 Stat. 1436), is*
18 *amended—*

19 (1) *by redesignating such section as section 620J*
20 *of such Act; and*

21 (2) *by inserting such section after section 620I*
22 *of such Act.*

1 **SEC. 308. WITHHOLDING UNITED STATES ASSISTANCE TO**
2 **COUNTRIES THAT AID THE GOVERNMENT OF**
3 **CUBA.**

4 (a) *IN GENERAL.*—*Except as provided in subsection*
5 *(b), not later than 180 days after the date of the enactment*
6 *of this Act, the President shall withhold assistance under*
7 *the Foreign Assistance Act of 1961 to any foreign govern-*
8 *ment providing economic, development, or security assist-*
9 *ance for, or engaging in nonmarket based trade with the*
10 *Government of Cuba.*

11 (b) *WAIVER.*—*The President may waive the provisions*
12 *of subsection (a) if the President certifies to the appropriate*
13 *congressional committees that the provision of United*
14 *States assistance is important to the national security of*
15 *the United States.*

16 (c) *NONMARKET BASED TRADE DEFINED.*—*For the*
17 *purpose of this section, the term “nonmarket based trade”*
18 *means exports, imports, exchanges, or other arrangements*
19 *that are provided for goods and services on terms more fa-*
20 *vorable than those generally available in applicable markets*
21 *or for comparable commodities, including—*

22 (1) *exports to the Cuban Government on terms*
23 *that involve a grant, concessional price, guaranty, in-*
24 *surance, or subsidy;*

25 (2) *imports from the Cuban Government at pref-*
26 *erential tariff rates;*

1 (3) *exchange arrangements that include advance*
2 *delivery of commodities, arrangements in which the*
3 *Cuban Government is not held accountable for*
4 *unfulfilled exchange contracts, and arrangements*
5 *under which Cuba does not pay appropriate trans-*
6 *portation, insurance, or finance costs; and*

7 (4) *the exchange, reduction, or forgiveness of debt*
8 *of the Cuban Government in exchange for a grant by*
9 *the Cuban Government of an equity interest in a*
10 *property, investment, or operation of the Cuban Gov-*
11 *ernment or of a Cuban national.*

12 **TITLE IV—DEFENSE AND**
13 **SECURITY ASSISTANCE**

14 **CHAPTER 1—NARCOTICS CONTROL**
15 **ASSISTANCE**

16 **SEC. 401. DEFINITION.**

17 (a) *IN GENERAL.*—Section 481(e)(4) of the Foreign
18 *Assistance Act of 1961 (22 U.S.C. 2291(e)(4)) is amended—*

19 (1) *in subparagraph (A)(ii), inserting “or under*
20 *chapter 5 of part II” after “(including chapter 4 of*
21 *part II)”*; and

22 (2) *in subparagraph (B), by inserting before the*
23 *semicolon at the end the following: “, other than sales*
24 *or financing provided for narcotics-related purposes*
25 *following notification in accordance with procedures*

1 **“SEC. 490. AUTHORITY TO WITHHOLD BILATERAL ASSIST-**
2 **ANCE AND OPPOSE MULTILATERAL DEVELOP-**
3 **MENT ASSISTANCE FOR MAJOR ILLICIT DRUG**
4 **PRODUCING COUNTRIES, DRUG-TRANSIT**
5 **COUNTRIES, AND MONEY LAUNDERING COUN-**
6 **TRIES.**

7 *“(a) IN GENERAL.—For every country identified in*
8 *the report under section 489(a)(3), the President shall, on*
9 *or after March 1, 1998, and March 1 of each succeeding*
10 *year, to the extent considered necessary by the President*
11 *to achieve the purposes of this chapter, take one or more*
12 *of the following actions:*

13 *“(1) Withhold from obligation and expenditure*
14 *any or all United States assistance allocated each fis-*
15 *cal year in the report required by section 653 for each*
16 *such country.*

17 *“(2) Instruct the Secretary of the Treasury to in-*
18 *struct the United States Executive Director of each*
19 *multilateral development bank to vote, on and after*
20 *March 1 of each year, against any loan or other utili-*
21 *zation of the funds of their respective institution to or*
22 *for any such country.*

23 *“(b) CONSIDERATIONS.—In determining whether or*
24 *not take one or more actions described in subsection (a),*
25 *the President shall consider the extent to which—*

26 *“(1) the country has—*

1 “(A) met the goals and objectives of the
2 *United Nations Convention Against Illicit Traf-*
3 *fic in Narcotic Drugs and Psychotropic Sub-*
4 *stances, including action on such issues as illicit*
5 *cultivation, production, distribution, sale, trans-*
6 *port and financing, and money laundering, asset*
7 *seizure, extradition, mutual legal assistance, law*
8 *enforcement and transit cooperation, precursor*
9 *chemical control, and demand reduction;*

10 “(B) accomplished the goals described in an
11 *applicable bilateral narcotics agreement with the*
12 *United States or a multilateral agreement;*

13 “(C) reached agreement, or is negotiating in
14 *good faith to reach agreement, to ensure that*
15 *banks and other financial institutions of the*
16 *country maintain adequate records of large*
17 *United States currency transactions;*

18 “(D) reached agreement, or is negotiating
19 *in good faith to reach agreement, to establish a*
20 *mechanism for exchanging adequate records on*
21 *international currency transactions in connec-*
22 *tion with narcotics investigations and proceed-*
23 *ings; and*

24 “(E) taken legal and law enforcement meas-
25 *ures to prevent and punish public corruption, es-*

1 *pecially by senior government officials, that fa-*
2 *ilitates the production, processing, or shipment*
3 *of narcotic and psychotropic drugs and other*
4 *controlled substances, or that discourages the in-*
5 *vestigation or prosecution of such acts; and*

6 “(2) *such actions will—*

7 “(A) *promote the purposes of this chapter;*

8 *and*

9 “(B) *affect other United States national in-*

10 *terests.*

11 “(c) *CONSULTATIONS WITH THE CONGRESS.—*

12 “(1) *CONSULTATIONS.—The President shall con-*
13 *sult with the Congress on the status of counter-narcot-*
14 *ics cooperation between the United States and each*
15 *major illicit drug producing country, major drug-*
16 *transit country, or major money laundering country.*

17 “(2) *PURPOSE.—*

18 “(A) *IN GENERAL.—The purpose of the con-*
19 *sultations under paragraph (1) shall be to facili-*
20 *tate improved discussion and understanding be-*
21 *tween the Congress and the President on United*
22 *States counter-narcotics goals and objectives with*
23 *regard to the countries described in paragraph*
24 *(1), including the strategy for achieving such*
25 *goals and objectives.*

1 “(B) *REGULAR AND SPECIAL CONSULTA-*
2 *TIONS.—In order to carry out subparagraph (A),*
3 *the President (or senior officials designated by*
4 *the President who are responsible for inter-*
5 *national narcotics programs and policies) shall*
6 *meet with Members of Congress—*

7 “(i) *on a quarterly basis for discus-*
8 *sions and consultations; and*

9 “(ii) *whenever time-sensitive issues*
10 *arise.*

11 “(d) *DEFINITION.—For purposes of this section, the*
12 *term ‘multilateral development bank’ means the Inter-*
13 *national Bank for Reconstruction and Development, the*
14 *International Development Association, the Inter-American*
15 *Development Bank, the Asian Development Bank, the Afri-*
16 *can Development Bank, and the European Bank for Recon-*
17 *struction and Development.’”.*

18 (b) *CONFORMING AMENDMENTS.—(1) Section*
19 *481(e)(8) of such Act (22 U.S.C. 2291(e)(8)) is amended*
20 *by striking “Committee on Foreign Affairs” and inserting*
21 *“Committee on International Relations”.*

22 (2) *Section 485(b) of such Act (22 U.S.C. 2291d(b))*
23 *is amended by striking “Committee on Foreign Affairs”*
24 *and inserting “Committee on International Relations”.*

1 (3) Section 488(a)(3) of such Act (22 U.S.C.
2 2291g(a)(3)) is amended by striking “Committee on For-
3 eign Affairs” and inserting “Committee on International
4 Relations”.

5 (4) Section 489(a) of such Act (22 U.S.C. 2291h(a))
6 is amended—

7 (A) in paragraph (3)(A), by striking “as deter-
8 mined under section 490(h)”; and

9 (B) in the matter preceding subparagraph (A) of
10 paragraph (7), by striking “paragraph (3)(D)” and
11 inserting “paragraph (3)(C)”.

12 **CHAPTER 2—NONPROLIFERATION,**
13 **ANTITERRORISM, DEMINING, AND RE-**
14 **LATED PROGRAMS**

15 **SEC. 411. NONPROLIFERATION, ANTITERRORISM,**
16 **DEMINING, AND RELATED PROGRAMS.**

17 (a) *IN GENERAL.*—Part II of the Foreign Assistance
18 Act of 1961 (22 U.S.C. 2301 et seq.) is amended by adding
19 at the end the following:

20 **“CHAPTER 9—NONPROLIFERATION,**
21 **ANTITERRORISM, DEMINING AND RE-**
22 **LATED PROGRAMS**

23 **“SEC. 581. NONPROLIFERATION AND DISARMAMENT FUND.**

24 “(a) *ESTABLISHMENT OF FUND.*—The President shall
25 establish a Nonproliferation and Disarmament Fund,

1 *which may be used notwithstanding any other provision of*
2 *law, to promote bilateral and multilateral nonproliferation*
3 *and disarmament activities—*

4 “(1) *to halt the proliferation of nuclear, biological,*
5 *and chemical weapons, their delivery systems, re-*
6 *lated technologies, and other weapons;*

7 “(2) *to dismantle and destroy nuclear, biological,*
8 *and chemical weapons, their delivery systems, and*
9 *conventional weapons;*

10 “(3) *to prevent the diversion of weapons-related*
11 *scientific and technical expertise; and*

12 “(4) *to support science and technology centers in*
13 *Russia and the Ukraine.*

14 “(b) *PROHIBITED ACTIVITIES.—Amounts made avail-*
15 *able to carry out subsection (a) may not be used to imple-*
16 *ment United States obligations pursuant to bilateral or*
17 *multilateral arm control treaties or nonproliferation ac-*
18 *cords, including the payment of salaries and expenses.*

19 “(c) *ADDITIONAL REQUIREMENTS.—*

20 “(1) *NOTIFICATION.—Amounts made available to*
21 *carry out subsection (a) may be provided only if the*
22 *congressional committees specified in section 634A of*
23 *this Act are notified at least fifteen days before pro-*
24 *viding funds under such subsection in accordance*

1 *with procedures applicable to reprogramming notifi-*
2 *cations under such section.*

3 “(2) *ASSISTANCE FOR THE INDEPENDENT*
4 *STATES OF THE FORMER SOVIET UNION AND INTER-*
5 *NATIONAL ORGANIZATIONS.—Amounts made available*
6 *to carry out subsection (a) may only be provided for*
7 *the independent states of the former Soviet Union and*
8 *international organizations if the Secretary of*
9 *State—*

10 “(A) *determines it is in the national inter-*
11 *est of the United States to do so; and*

12 “(B) *includes such determination in the no-*
13 *tification described in paragraph (1).*

14 “(d) *AVAILABILITY OF AMOUNTS.—*

15 “(1) *IN GENERAL.—Of the amounts made avail-*
16 *able to carry out this chapter for fiscal years 1998*
17 *and 1999—*

18 “(A) *not less than \$15,000,000 for each such*
19 *fiscal year may be made available to carry out*
20 *subsection (a); and*

21 “(B) *not more than \$5,000,000 of the*
22 *amount made available under subparagraph (A)*
23 *for fiscal year 1998, and not more than*
24 *\$3,000,000 of such amount made available in fis-*

1 *cal year 1999, may be used to support export*
2 *control programs.*

3 “(2) *AVAILABILITY.*—*Amounts made available*
4 *under paragraph (1) are authorized to remain avail-*
5 *able until expended.*

6 **“SEC. 582. ASSISTANCE FOR ANTITERRORISM.**

7 *“Amounts made available to carry out this chapter for*
8 *fiscal years 1998 and 1999 may be made available to carry*
9 *out chapter 8 of part II of this Act.*

10 **“SEC. 583. ASSISTANCE FOR DEMINING.**

11 *“The President is authorized to provide assistance for*
12 *demining activities, notwithstanding any other provision of*
13 *law, including—*

14 *“(1) to enhance the ability of countries, inter-*
15 *national organizations, and nongovernmental organi-*
16 *zations to detect and clear landmines; and*

17 *“(2) to educate affected populations about the*
18 *dangers of landmines.*

19 **“SEC. 584. ASSISTANCE FOR RELATED PROGRAMS.**

20 *“(a) IN GENERAL.*—*Amounts made available to carry*
21 *out this chapter for fiscal years 1998 and 1999 may be*
22 *made available to carry out section 301 of this Act for vol-*
23 *untary contributions to the International Atomic Energy*
24 *Agency (IAEA) and the Korean Peninsula Energy Develop-*

1 ment Organization (KEDO) and to programs administered
2 by such organizations. —

3 “(b) *LIMITATION.*—Of the amounts made available
4 under subsection (a) for fiscal years 1998 and 1999, not
5 more than \$30,000,000 may be made available for each fis-
6 cal year to KEDO for the administrative expenses and
7 heavy fuel oil costs associated with implementation of the
8 Agreed Framework.

9 **“SEC. 585. DEFINITIONS.**

10 “As used in this chapter—

11 “(1) *AGREED FRAMEWORK.*—The term ‘Agreed
12 Framework’ means the documents agreed to between
13 the United States and the Democratic People’s Repub-
14 lic of Korea on October 21, 1994, regarding elimi-
15 nation of the nuclear weapons program of the Demo-
16 cratic People’s Republic of Korea and the provision of
17 certain assistance to that country.

18 “(2) *INDEPENDENT STATES OF THE FORMER SO-*
19 *VIET UNION.*—The term ‘independent states of the
20 former Soviet Union’ has the meaning given such
21 term in section 3 of the Freedom for Russia and
22 Emerging Eurasian Democracies and Open Markets
23 Support Act of 1992 (22 U.S.C. 5801).

1 **“SEC. 586. AUTHORIZATION OF APPROPRIATIONS.**

2 “(a) *AUTHORIZATION OF APPROPRIATIONS.*—*There*
3 *are authorized to be appropriated \$110,000,000 for fiscal*
4 *year 1998 and \$111,000,000 for fiscal year 1999, in addi-*
5 *tion to amounts otherwise available for such purposes, to*
6 *carry out the purpose of this chapter. —*

7 “(b) *ADMINISTRATIVE AUTHORITIES.*—*Any agency of*
8 *the United States Government may utilize such funds in*
9 *accordance with authority granted under this Act or under*
10 *authority governing the activities of that agency.*

11 “(c) *DESIGNATION OF ACCOUNT.*—*Appropriations*
12 *pursuant to subsection (a) may be referred to as the ‘Non-*
13 *proliferation, Antiterrorism, Demining and Related Pro-*
14 *grams Account’ or ‘NADR Account’.*”.

15 “(b) *REFERENCE IN OTHER PROVISIONS OF LAW.*—*A*
16 *reference in any other provision of law to section 504 of*
17 *the Freedom for Russia and Emerging Eurasian Democ-*
18 *racies and Open Markets Support Act of 1992 (22 U.S.C.*
19 *5854) shall be deemed to include a reference to chapter 9*
20 *of part II of the Foreign Assistance Act of 1961, as added*
21 *by subsection (a).*

22 “(c) *CONFORMING AMENDMENTS.*—(1) *Section 504 of*
23 *the Freedom for Russia and Emerging Eurasian Democ-*
24 *racies and Open Markets Support Act of 1992 (22 U.S.C.*
25 *5854) is hereby repealed.*

1 (2) *The table of contents of such Act is amended by*
2 *striking the item relating to section 504.*

3 **CHAPTER 3—FOREIGN MILITARY**

4 **FINANCING PROGRAM**

5 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS.**

6 *There are authorized to be appropriated to the Presi-*
7 *dent for grant assistance under section 23 of the Arms Ex-*
8 *port Control Act (22 U.S.C. 2763) and for the subsidy cost,*
9 *as defined in section 502(5) of the Federal Credit Reform*
10 *Act of 1990, of direct loans under such section—*

11 (1) *\$3,318,000,000 for fiscal year 1998; and*

12 (2) *\$3,274,250,000 for fiscal year 1999.*

13 **SEC. 422. ASSISTANCE FOR ISRAEL.**

14 (a) **MINIMUM ALLOCATION.**—*Of the amounts made*
15 *available for fiscal years 1998 and 1999 for assistance*
16 *under section 23 of the Arms Export Control Act (22 U.S.C.*
17 *2763; relating to the “Foreign Military Financing Pro-*
18 *gram”), not less than \$1,800,000,000 for each such fiscal*
19 *year shall be available only for Israel.*

20 (b) **TERMS OF ASSISTANCE.**—

21 (1) **GRANT BASIS.**—*The assistance provided for*
22 *Israel for each fiscal year under subsection (a) shall*
23 *be provided on a grant basis.*

24 (2) **EXPEDITED DISBURSEMENT.**—*Such assist-*
25 *ance shall be disbursed—*

1 (A) with respect to fiscal year 1998, not
2 later than 30 days after the date of the enact-
3 ment of the Foreign Operations, Export Financ-
4 ing, and Related Programs Appropriations Act,
5 1998, or by October 31, 1997, whichever is later;
6 and

7 (B) with respect to fiscal year 1999, not
8 later than 30 days after the date of the enact-
9 ment of the Foreign Operations, Export Financ-
10 ing, and Related Programs Appropriations Act,
11 1999, or by October 31, 1998, whichever is later.

12 (3) *ADVANCED WEAPONS SYSTEMS.*—*To the ex-*
13 *tent that the Government of Israel requests that funds*
14 *be used for such purposes, funds described in sub-*
15 *section (a) shall, as agreed by the Government of Is-*
16 *rael and the Government of the United States, be*
17 *available for advanced weapons systems, of which not*
18 *less than \$475,000,000 for each fiscal year shall be*
19 *available only for procurement in Israel of defense ar-*
20 *ticles and defense services, including research and de-*
21 *velopment.*

22 **SEC. 423. ASSISTANCE FOR EGYPT.**

23 (a) *MINIMUM ALLOCATION.*—*Of the amounts made*
24 *available for fiscal years 1998 and 1999 for assistance*
25 *under section 23 of the Arms Export Control Act (22 U.S.C.*

1 2763; relating to the “Foreign Military Financing Pro-
2 gram” account), not less than \$1,300,000,000 for each such
3 fiscal year shall be available only for Egypt.

4 (b) *TERMS OF ASSISTANCE.*—The assistance provided
5 for Egypt for each fiscal year under subsection (a) shall
6 be provided on a grant basis.

7 **SEC. 424. AUTHORIZATION OF ASSISTANCE TO FACILITATE**
8 **TRANSITION TO NATO MEMBERSHIP UNDER**
9 **NATO PARTICIPATION ACT OF 1994.**

10 (a) *MINIMUM ALLOCATION.*—Of the amounts made
11 available for fiscal years 1998 and 1999 for assistance
12 under section 23 of the Arms Export Control Act (22 U.S.C.
13 2763; relating to the “Foreign Military Financing Pro-
14 gram”), not less than \$50,900,000 for each such fiscal year
15 shall be made available for the program established under
16 section 203(a) of the NATO Participation Act of 1994 (title
17 II of Public Law 103–447; 22 U.S.C. 1928 note).

18 (b) *TERMS OF ASSISTANCE.*—The assistance provided
19 under subsection (a) may be provided on a grant basis, and
20 may also be made available for the subsidy cost, as defined
21 in section 502(5) of the Federal Credit Reform Act of 1990,
22 of direct loans to countries eligible for assistance under the
23 program established under section 203(a) of the NATO Par-
24 ticipation Act of 1994 (title II of Public Law 103–447; 22
25 U.S.C. 1928 note).

1 **SEC. 425. LOANS FOR GREECE AND TURKEY.**

2 *Of the amounts made available for fiscal year 1998*
3 *under section 23 of the Arms Export Control Act (22 U.S.C.*
4 *2763)—*

5 *(1) not more than \$12,850,000 shall be made*
6 *available for the subsidy cost, as defined in section*
7 *502(5) of the Federal Credit Reform Act of 1990, of*
8 *direct loans for Greece; and*

9 *(2) not more than \$33,150,000 shall be made*
10 *available for such subsidy cost of direct loans for Tur-*
11 *key.*

12 **SEC. 426. LIMITATIONS ON LOANS.**

13 *Of the amounts made available for fiscal year 1999*
14 *under section 23 of the Arms Export Control (22 U.S.C.*
15 *2763) for the subsidy cost, as defined in section 502(5) of*
16 *the Federal Credit Reform Act of 1990, of direct loans, no*
17 *such amounts shall be made available to any country which*
18 *has an Inter-Agency Country Risk Assessment Systems*
19 *(ICRAS) rating of less than grade C-.*

20 **SEC. 427. ADMINISTRATIVE EXPENSES.**

21 *Of the amounts made available for fiscal years 1998*
22 *and 1999 for assistance under section 23 of the Arms Ex-*
23 *port Control Act (22 U.S.C. 2763; relating to the “Foreign*
24 *Military Financing Program”), not more than \$23,250,000*
25 *for each of the fiscal years 1998 and 1999 may be made*
26 *available for necessary expenses for the general costs of ad-*

1 *ministration of military assistance and sales, including ex-*
2 *penses incurred in purchasing passenger motor vehicles for*
3 *replacement for use outside the United States.*

4 **CHAPTER 4—INTERNATIONAL MILITARY**
5 **EDUCATION AND TRAINING**

6 **SEC. 431. AUTHORIZATION OF APPROPRIATIONS.**

7 *Section 542 of the Foreign Assistance Act of 1961 (22*
8 *U.S.C. 2347a) is amended by striking “\$56,221,000 for the*
9 *fiscal year 1986 and \$56,221,000 for the fiscal year 1987”*
10 *and inserting “\$50,000,000 for each of the fiscal years 1998*
11 *and 1999”.*

12 **SEC. 432. IMET ELIGIBILITY FOR PANAMA AND HAITI.**

13 *Notwithstanding section 660(c) of the Foreign Assist-*
14 *ance Act of 1961 (22 U.S.C. 2420(c)), assistance under*
15 *chapter 5 of part II of such Act (22 U.S.C. 2347) may be*
16 *provided to Panama and Haiti for each of the fiscal years*
17 *1998 and 1999.*

18 **CHAPTER 5—TRANSFER OF NAVAL VES-**
19 **SELS TO CERTAIN FOREIGN COUN-**
20 **TRIES**

21 **SEC. 441. AUTHORITY TO TRANSFER NAVAL VESSELS.**

22 *(a) BRAZIL.—The Secretary of the Navy is authorized*
23 *to transfer to the Government of Brazil the “HUNLEY”*
24 *class submarine tender HOLLAND (AS 32).*

1 (b) *CHILE*.—The Secretary of the Navy is authorized
2 to transfer to the Government of Chile the “KAISER” class
3 oiler *ISHERWOOD* (T-AO 191).

4 (c) *EGYPT*.—The Secretary of the Navy is authorized
5 to transfer to the Government of Egypt the “KNOX” class
6 frigates *PAUL* (FF 1080), *MILLER* (FF 1091), *JESSE*
7 *L. BROWN* (FFT 1089), and *MOINESTER* (FFT 1097),
8 and the “*OLIVER HAZARD PERRY*” class frigates
9 *FAHRION* (FFG 22) and *LEWIS B. PULLER* (FFG 23).

10 (d) *ISRAEL*.—The Secretary of the Navy is authorized
11 to transfer to the Government of Israel the “*NEWPORT*”
12 class tank landing ship *PEORIA* (LST 1183).

13 (e) *MALAYSIA*.—The Secretary of the Navy is author-
14 ized to transfer to the Government of Malaysia the “*NEW-*
15 *PORT*” class tank landing ship *BARBOUR COUNTY*
16 (*LST 1195*).

17 (f) *MEXICO*.—The Secretary of the Navy is authorized
18 to transfer to the Government of Mexico the “*KNOX*” class
19 frigate *ROARK* (FF 1053).

20 (g) *TAIWAN*.—The Secretary of the Navy is authorized
21 to transfer to the Taipei Economic and Cultural Represent-
22 ative Office in the United States (which is the Taiwan in-
23 strumentality designated pursuant to section 10(a) of the
24 Taiwan Relations Act) the “*KNOX*” class frigates *WHIP-*
25 *PLE* (FF 1062) and *DOWNES* (FF 1070).

1 (h) *THAILAND.*—*The Secretary of the Navy is author-*
2 *ized to transfer to the Government of Thailand the “NEW-*
3 *PORT” class tank landing ship SCHENECTADY (LST*
4 *1185).*

5 (i) *FORM OF TRANSFERS.*—*Each transfer authorized*
6 *by this section shall be on a sales basis under section 21*
7 *of the Arms Export Control Act (22 U.S.C. 2761; relating*
8 *to the foreign military sales program).*

9 **SEC. 442. COSTS OF TRANSFERS.**

10 *Any expense of the United States in connection with*
11 *a transfer authorized by this chapter shall be charged to*
12 *the recipient.*

13 **SEC. 443. EXPIRATION OF AUTHORITY.**

14 *The authority granted by section 451 shall expire at*
15 *the end of the 2-year period beginning on the date of the*
16 *enactment of this Act.*

17 **SEC. 444. REPAIR AND REFURBISHMENT OF VESSELS IN**
18 **UNITED STATES SHIPYARDS.**

19 *The Secretary of the Navy shall require, to the maxi-*
20 *mum extent possible, as a condition of a transfer of a vessel*
21 *under this chapter, that the country to which the vessel is*
22 *transferred have such repair or refurbishment of the vessel*
23 *as is needed, before the vessel joins the naval forces of that*
24 *country, performed at a shipyard located in the United*
25 *States, including a United States Navy shipyard.*

1 **CHAPTER 6—INDONESIA MILITARY**
2 **ASSISTANCE ACCOUNTABILITY ACT**

3 **SEC. 451. SHORT TITLE.**

4 *This chapter may be cited as the “Indonesia Military*
5 *Assistance Accountability Act”.*

6 **SEC. 452. FINDINGS.**

7 *The Congress finds the following:*

8 (1)(A) *Despite a surface adherence to democratic*
9 *forms, the Indonesian political system remains*
10 *strongly authoritarian.*

11 (B) *The government is dominated by an elite*
12 *comprising President Soeharto (now in his sixth 5-*
13 *year term), his close associates, and the military.*

14 (C) *The government requires allegiance to a state*
15 *ideology known as “Pancasila”, which stresses con-*
16 *sultation and consensus, but is also used to limit dis-*
17 *sent, to enforce social and political cohesion, and to*
18 *restrict the development of opposition elements.*

19 (2) *The Government of Indonesia recognizes only*
20 *one official trade union, has refused to register inde-*
21 *pendent trade unions such as the Indonesian Prosper-*
22 *ity Trade Union (SBSI), has arrested Muchtar*
23 *Pakpahan, the General Chairman of the SBSI, on*
24 *charges of subversion, and other labor activists, and*

1 *has closed the offices and confiscated materials of the*
2 *SBSI.*

3 *(3) Civil society organizations in Indonesia, such*
4 *as environmental organizations, election-monitoring*
5 *organizations, legal aid organizations, student orga-*
6 *nizations, trade union organizations, and community*
7 *organizations, have been harassed by the Government*
8 *of Indonesia through such means as detentions, inter-*
9 *rogations, denial of permission for meetings, banning*
10 *of publications, repeated orders to report to security*
11 *forces or judicial courts, and illegal seizure of docu-*
12 *ments.*

13 *(4)(A) The armed forces of Indonesia continue to*
14 *carry out torture and other severe violations of*
15 *human rights in East Timor, Irian Jaya, and other*
16 *parts of Indonesia, to detain and imprison East*
17 *Timorese and others for nonviolent expression of po-*
18 *litical views, and to maintain unjustifiably high*
19 *troop levels in East Timor.*

20 *(B) Indonesian civil authorities must improve*
21 *their human rights performance in East Timor, Irian*
22 *Jaya, and elsewhere in Indonesia, and aggressively*
23 *prosecute violations.*

24 *(5) The Nobel Prize Committee awarded the 1996*
25 *Nobel Peace Prize to Bishop Carlos Felipe Ximenes*

1 *Belo and Jose Ramos Horta for their tireless efforts*
2 *to find a just and peaceful solution to the conflict in*
3 *East Timor.*

4 (6) *In 1992, the Congress suspended the inter-*
5 *national military and education training (IMET)*
6 *program for Indonesia in response to a November 12,*
7 *1991, shooting incident in East Timor by Indonesian*
8 *security forces against peaceful Timorese demonstra-*
9 *tors in which no progress has been made in account-*
10 *ing for the missing persons either in that incident or*
11 *others who disappeared in 1995–96.*

12 (7) *On August 1, 1996, then Secretary of State*
13 *Warren Christopher stated in testimony before the*
14 *Committee on Foreign Relations of the Senate, “I*
15 *think there’s a strong interest in seeing an orderly*
16 *transition of power there [in Indonesia] that will rec-*
17 *ognize the pluralism that should exist in a country of*
18 *that magnitude and importance.”.*

19 (8) *The United States has important economic,*
20 *commercial, and security interests in Indonesia be-*
21 *cause of its growing economy and markets and its*
22 *strategic location astride a number of key inter-*
23 *national straits which will only be strengthened by*
24 *democratic development in Indonesia and a policy*

1 *which promotes political pluralism and respect for*
2 *universal human rights.*

3 **SEC. 453. LIMITATION ON MILITARY ASSISTANCE TO THE**
4 **GOVERNMENT OF INDONESIA.**

5 *(a) IN GENERAL.—The United States shall not provide*
6 *military assistance and arms transfers programs for a fis-*
7 *cal year to the Government of Indonesia unless the Presi-*
8 *dent determines and certifies to the Congress for that fiscal*
9 *year that the Government of Indonesia meets the following*
10 *requirements:*

11 *(1) DOMESTIC MONITORING OF ELECTIONS.—(A)*
12 *The Government of Indonesia provides official accred-*
13 *itation to independent election-monitoring organiza-*
14 *tions, including the Independent Election Monitoring*
15 *Committee (KIPP), to observe national elections with-*
16 *out interference by personnel of the Government or of*
17 *the armed forces.*

18 *(B) In addition, such organizations are allowed*
19 *to assess such elections and to publicize or otherwise*
20 *disseminate the assessments throughout Indonesia.*

21 *(2) PROTECTION OF NONGOVERNMENTAL ORGANI-*
22 *ZATIONS.—The police or military of Indonesia do not*
23 *confiscate materials from or otherwise engage in ille-*
24 *gal raids on the offices or homes of members of both*
25 *domestic or international nongovernmental organiza-*

1 *tions, including election-monitoring organizations,*
2 *legal aid organizations, student organizations, trade*
3 *union organizations, community organizations, envi-*
4 *ronmental organizations, and religious organizations.*

5 (3) *ACCOUNTABILITY FOR ATTACK ON PDI HEAD-*
6 *QUARTERS.—As recommended by the Government of*
7 *Indonesia’s National Human Rights Commission, the*
8 *Government of Indonesia has investigated the attack*
9 *on the headquarters of the Democratic Party of Indo-*
10 *nesia (PDI) on July 27, 1996, prosecuted individuals*
11 *who planned and carried out the attack, and made*
12 *public the postmortem examination of the five indi-*
13 *viduals killed in the attack.*

14 (4) *RESOLUTION OF CONFLICT IN EAST TIMOR.—*

15 (A) *ESTABLISHMENT OF DIALOGUE.—The*
16 *Government of Indonesia is doing everything*
17 *possible to enter into a process of dialogue, under*
18 *the auspices of the United Nations, with Por-*
19 *tugal and East Timorese leaders of various view-*
20 *points to discuss ideas toward a resolution of the*
21 *conflict in East Timor and the political status of*
22 *East Timor.*

23 (B) *REDUCTION OF TROOPS.—The Govern-*
24 *ment of Indonesia has established and imple-*

1 *mented a plan to reduce the number of Indo-*
2 *nesian troops in East Timor.*

3 (C) *RELEASE OF POLITICAL PRISONERS.—*
4 *Individuals detained or imprisoned for the non-*
5 *violent expression of political views in East*
6 *Timor have been released from custody.*

7 (5) *IMPROVEMENT IN LABOR RIGHTS.—The Gov-*
8 *ernment of Indonesia has taken the following actions*
9 *to improve labor rights in Indonesia:*

10 (A) *The Government has dropped charges of*
11 *subversion, and previous charges against the*
12 *General Chairman of the SBSI trade union,*
13 *Muchtar Pakpahan, and released him from cus-*
14 *tody.*

15 (B) *The Government has substantially re-*
16 *duced the requirements for legal recognition of*
17 *the SBSI or other legitimate worker organiza-*
18 *tions as a trade union.*

19 (b) *WAIVERS.—*

20 (1) *IN GENERAL.—The limitation on United*
21 *States military assistance and arms transfers under*
22 *subsection (a) shall not apply if the President deter-*
23 *mines and notifies the Congress that—*

1 (A) an emergency exists that requires pro-
2 viding such assistance or arms transfers for the
3 Government of Indonesia; or

4 (B) subject to paragraph (2), it is in the
5 national interest of the United States to provide
6 such assistance or arms transfers for the Govern-
7 ment of Indonesia.

8 (2) *APPLICABILITY.*—A determination under
9 paragraph (1)(B) shall not become effective until 15
10 days after the date on which the President notifies the
11 Congress in accordance with such paragraph.

12 (c) *EFFECTIVE DATE.*—The limitation on United
13 States military assistance and arms transfers under sub-
14 section (a) shall apply only with respect to assistance pro-
15 vided for, and arms transfers made pursuant to agreements
16 entered into, fiscal years beginning after the date of enact-
17 ment of this Act.

18 **SEC. 454. UNITED STATES MILITARY ASSISTANCE AND**

19 **ARMS TRANSFERS DEFINED.**

20 As used in this chapter, the term “military assistance
21 and arms transfers” means—

22 (1) small arms, crowd control equipment, ar-
23 mored personnel carriers, and such other items that
24 can commonly be used in the direct violation of
25 human rights; and

1 (2) *assistance under chapter 5 of part II of the*
2 *Foreign Assistance Act of 1961 (22 U.S.C. 2347 et*
3 *seq.; relating to international military education and*
4 *training or “IMET”), except such term shall not in-*
5 *clude Expanded IMET, pursuant to section 541 of*
6 *such Act.*

7 **CHAPTER 7—OTHER PROVISIONS**

8 **SEC. 461. EXCESS DEFENSE ARTICLES FOR CERTAIN EURO-**
9 **PEAN COUNTRIES.**

10 *Section 105 of Public Law 104–164 (110 Stat. 1427)*
11 *is amended by striking “1996 and 1997” and inserting*
12 *“1998 and 1999”.*

13 **SEC. 462. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**
14 **DEFENSE ARTICLES IN THE WAR RESERVE AL-**
15 **LIES STOCKPILE TO THE REPUBLIC OF**
16 **KOREA.**

17 (a) *AUTHORITY.—*

18 (1) *IN GENERAL.—Notwithstanding section 514*
19 *of the Foreign Assistance Act of 1961 (22 U.S.C.*
20 *2321h), the President is authorized to transfer to the*
21 *Republic of Korea, in return for concessions to be ne-*
22 *gotiated by the Secretary of Defense, with the concur-*
23 *rence of the Secretary of State, any or all of the items*
24 *described in paragraph (2).*

1 (2) *ITEMS DESCRIBED.*—*The items described in*
2 *this paragraph are equipment, tanks, weapons, repair*
3 *parts, and ammunition that—*

4 (A) *are obsolete or surplus items;*

5 (B) *are in the inventory of the Department*
6 *of Defense;*

7 (C) *are intended for use as reserve stocks for*
8 *the Republic of Korea; and*

9 (D) *as of the date of enactment of this Act,*
10 *are located in a stockpile in the Republic of*
11 *Korea.*

12 (b) *CONCESSIONS.*—*The value of the concessions nego-*
13 *tiated pursuant to subsection (a) shall be at least equal to*
14 *the fair market value of the items transferred. The conces-*
15 *sions may include cash compensation, services, waiver of*
16 *charges otherwise payable by the United States, and other*
17 *items of value.*

18 (c) *ADVANCE NOTIFICATION OF TRANSFER.*—*Not less*
19 *than 30 days before making a transfer under the authority*
20 *of this section, the President shall transmit to the Commit-*
21 *tee on Foreign Relations of the Senate, the Committee on*
22 *International Relations of the House of Representatives,*
23 *and the congressional defense committees a notification of*
24 *the proposed transfer. The notification shall identify the*
25 *items to be transferred and the concessions to be received.*

1 (d) *EXPIRATION OF AUTHORITY.*—No transfer may be
2 made under the authority of this section more than two
3 years after the date of the enactment of this Act.

4 **SEC. 463. ADDITIONAL REQUIREMENTS RELATING TO**
5 **STOCKPILING OF DEFENSE ARTICLES FOR**
6 **FOREIGN COUNTRIES.**

7 (a) *VALUE OF ADDITIONS TO STOCKPILES.*—Section
8 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22
9 U.S.C. 2321h(b)(2)(A)) is amended by inserting before the
10 period at the end the following: “and \$60,000,000 for fiscal
11 year 1998”.

12 (b) *REQUIREMENTS RELATING TO THE REPUBLIC OF*
13 *KOREA AND THAILAND.*—Section 514(b)(2)(B) of such Act
14 (22 U.S.C 2321h(b)(2)(B)) is amended by adding at the end
15 the following: “Of the amount specified in subparagraph
16 (A) for fiscal year 1998, not more than \$40,000,000 may
17 be made available for stockpiles in the Republic of Korea
18 and not more than \$20,000,000 may be made available for
19 stockpiles in Thailand.”.

20 **SEC. 464. DELIVERY OF DRAWDOWN BY COMMERCIAL**
21 **TRANSPORTATION SERVICES.**

22 Section 506 of the Foreign Assistance Act of 1961 (22
23 U.S.C.2318) is amended—

24 (1) in subsection (b)(2), by striking the period
25 and inserting the following: “, including providing

1 *the Congress with a report detailing all defense arti-*
2 *cles, defense services, and military education and*
3 *training delivered to the recipient country or inter-*
4 *national organization upon delivery of such articles*
5 *or upon completion of such services or education and*
6 *training. Such report shall also include whether any*
7 *savings were realized by utilizing commercial trans-*
8 *port services rather than acquiring those services from*
9 *United States Government transport assets.”;*

10 (2) *by redesignating subsection (c) as subsection*
11 *(d); and*

12 (3) *by inserting after subsection (b) the follow-*
13 *ing:*

14 *“(c) For the purposes of any provision of law that au-*
15 *thorizes the drawdown of defense or other articles or com-*
16 *modities, or defense or other services from an agency of the*
17 *United States Government, such drawdown may include the*
18 *supply of commercial transportation and related services*
19 *that are acquired by contract for the purposes of the*
20 *drawdown in question if the cost to acquire such commer-*
21 *cial transportation and related services is less than the cost*
22 *to the United States Government of providing such services*
23 *from existing agency assets.”.*

1 **SEC. 465. CASH FLOW FINANCING NOTIFICATION.**

2 *Section 25 of the Arms Export Control Act (22 U.S.C.*
3 *2765) is amended—*

4 *(1) in the second subsection (d)—*

5 *(A) by striking “(d)” and inserting “(e)”;*

6 *and*

7 *(B) by striking the semicolon at the end and*
8 *inserting a period; and*

9 *(2) by adding at the end the following:*

10 *“(f) For each country that has been approved for cash*
11 *flow financing (as defined in subsection (e)) under section*
12 *23 of this Act (relating to the ‘Foreign Military Financing*
13 *Program’), any letter of offer and acceptance or other pur-*
14 *chase agreement, or any amendment thereto, for a procure-*
15 *ment in excess of \$100,000,000 that is to be financed in*
16 *whole or in part with funds made available under this Act*
17 *shall be submitted in accordance with the procedures appli-*
18 *cable to reprogramming notifications pursuant to section*
19 *634A of this Act and through the regular notification proce-*
20 *dures of the Committee on Appropriations.”.*

21 **SEC. 466. MULTINATIONAL ARMS SALES CODE OF CON-**
22 **DUCT.**

23 *(a) IN GENERAL.—Not later than 180 days after the*
24 *date of the enactment of this Act, the President shall convene*
25 *negotiations with all Wassenaar Arrangement countries for*

1 *the purpose of establishing a multinational arms sales code*
2 *of conduct.*

3 (b) *CONDUCT OF NEGOTIATIONS.*—*Such negotiations*
4 *shall achieve agreement on restricting or prohibiting arms*
5 *transfers to countries that—*

6 (1) *do not respect democratic processes and the*
7 *rule of law;*

8 (2) *do not adhere to internationally-recognized*
9 *norms on human rights; or*

10 (3) *are engaged in acts of armed aggression.*

11 (c) *REPORT.*—*Not later than 1 year after the date of*
12 *the enactment of this Act, the President shall prepare and*
13 *transmit to the Committee on International Relations of the*
14 *House of Representative and the Committee on Foreign Re-*
15 *lations of the Senate a report on—*

16 (1) *efforts to establish a multinational arms sales*
17 *code of conduct;*

18 (2) *progress toward establishing such code of con-*
19 *duct; and*

20 (3) *any obstacles that impede the establishment*
21 *of such code of conduct.*

1 **TITLE V—ECONOMIC**
2 **ASSISTANCE**
3 **CHAPTER 1—ECONOMIC SUPPORT**
4 **ASSISTANCE**

5 **SEC. 501. ECONOMIC SUPPORT FUND.**

6 *Section 532(a) of the Foreign Assistance Act of 1961*
7 *(22 U.S.C. 2346a(a)) is amended to read as follows:*

8 “(a) *There are authorized to be appropriated to the*
9 *President to carry out the purposes of this chapter*
10 *\$2,388,350,000 for fiscal year 1998 and \$2,350,600,000 for*
11 *fiscal year 1999.”.*

12 **SEC. 502. ASSISTANCE FOR ISRAEL.**

13 (a) *MINIMUM ALLOCATION.*—*Of the amounts made*
14 *available for fiscal years 1998 and 1999 for assistance*
15 *under chapter 4 of part II of the Foreign Assistance Act*
16 *of 1961 (22 U.S.C. 2346; relating to the economic support*
17 *fund), not less than \$1,200,000,000 for each such fiscal year*
18 *shall be available only for Israel.*

19 (b) *TERMS OF ASSISTANCE.*—

20 (1) *CASH TRANSFER.*—*The total amount of funds*
21 *allocated for Israel for each fiscal year under sub-*
22 *section (a) shall be made available on a grant basis*
23 *as a cash transfer.*

24 (2) *EXPEDITED DISBURSEMENT.*—*Such funds*
25 *shall be disbursed—*

1 (A) with respect to fiscal year 1998, not
2 later than 30 days after the date of the enact-
3 ment of the *Foreign Operations, Export Financ-*
4 *ing, and Related Programs Appropriations Act,*
5 *1998, or by October 31, 1997, whichever is later;*
6 *and*

7 (B) with respect to fiscal year 1999, not
8 later than 30 days after the date of the enact-
9 ment of the *Foreign Operations, Export Financ-*
10 *ing, and Related Programs Appropriations Act,*
11 *1999, or by October 31, 1998, whichever is later.*

12 (3) *ADDITIONAL REQUIREMENT.—In exercising*
13 *the authority of this subsection, the President shall*
14 *ensure that the amount of funds provided as a cash*
15 *transfer to Israel does not cause an adverse impact on*
16 *the total level of nonmilitary exports from the United*
17 *States to Israel.*

18 **SEC. 503. ASSISTANCE FOR EGYPT.**

19 (a) *MINIMUM ALLOCATION.—Of the amounts made*
20 *available for fiscal years 1998 and 1999 for assistance*
21 *under chapter 4 of part II of the Foreign Assistance Act*
22 *of 1961 (22 U.S.C. 2346; relating to the economic support*
23 *fund), not less than \$815,000,000 for each such fiscal year*
24 *shall be available only for Egypt.*

1 (b) *ADDITIONAL REQUIREMENT.*—*In exercising the*
2 *authority of this section, the President shall ensure that the*
3 *amount of funds provided as a cash transfer to Egypt does*
4 *not cause an adverse impact on the total level of non-*
5 *military exports from the United States to Egypt.*

6 (c) *DECLARATION OF POLICY.*—*The Congress declares*
7 *the following:*

8 (1) *Assistance to Egypt is based in great meas-*
9 *ure upon Egypt’s continued implementation of the*
10 *Camp David accords and the Egyptian-Israeli peace*
11 *treaty.*

12 (2) *Fulfillment by Egypt of its obligations under*
13 *the agreements described in paragraph (1) has been*
14 *disappointing, particularly the failure by Egypt to*
15 *meet fully its commitment made at Camp David to*
16 *establish with Israel “relationships normal to states*
17 *at peace with one another”, and in its recent support*
18 *for reimposing the Arab economic boycott of Israel.*

19 (3) *Support for future funding levels of assist-*
20 *ance for Egypt will be determined largely on whether*
21 *Egypt fulfills its obligations to develop normal rela-*
22 *tions with Israel and to promote peace with Israel*
23 *and other critical United States interests both in*
24 *Egypt and the wider Arab world.*

1 **SEC. 504. INTERNATIONAL FUND FOR IRELAND.**

2 (a) *FUNDING.*—Of the amounts made available for fis-
3 cal years 1998 and 1999 for assistance under chapter 4 of
4 part II of the Foreign Assistance Act of 1961 (22 U.S.C.
5 2346; relating to the economic support fund), not more than
6 \$19,600,000 for each of the fiscal years 1998 and 1999 shall
7 be available for the United States contribution to the Inter-
8 national Fund for Ireland in accordance with the Anglo-
9 Irish Agreement Support Act of 1986 (Public Law 99–415).

10 (b) *ADDITIONAL REQUIREMENTS.*—

11 (1) *PURPOSES.*—Section 2(b) of the Anglo-Irish
12 Agreement Support Act of 1986 (Public Law 99–415;
13 100 Stat. 947) is amended by adding at the end the
14 following new sentences: “United States contributions
15 shall be used in a manner that effectively increases
16 employment opportunities in communities with rates
17 of unemployment significantly higher than the local
18 or urban average of unemployment in Northern Ire-
19 land. In addition, such contributions shall be used to
20 benefit individuals residing in such communities.”.

21 (2) *CONDITIONS AND UNDERSTANDINGS.*—Sec-
22 tion 5(a) of such Act is amended—

23 (A) in the first sentence—

24 (i) by striking “The United States”
25 and inserting the following:

26 “(1) *IN GENERAL.*—The United States”;

1 (ii) by striking “in this Act may be
2 used” and inserting the following: “in this
3 Act—

4 “(A) may be used”;

5 (iii) by striking the period and insert-
6 ing “; and”; and

7 (iv) by adding at the end the following:

8 “(B) may be provided to an individual or
9 entity in Northern Ireland only if such individ-
10 ual or entity is in compliance with the prin-
11 ciples of economic justice.”; and

12 (B) in the second sentence, by striking “The
13 restrictions” and inserting the following:

14 “(2) *ADDITIONAL REQUIREMENTS.*—The restric-
15 tions”.

16 (3) *PRIOR CERTIFICATIONS.*—Section 5(c)(2) of
17 such Act is amended—

18 (A) in subparagraph (A), by striking “prin-
19 ciple of equality” and all that follows and insert-
20 ing “principles of economic justice; and”; and

21 (B) in subparagraph (B), by inserting be-
22 fore the period at the end the following: “and
23 will create employment opportunities in regions
24 and communities of Northern Ireland suffering
25 the highest rates of unemployment”.

1 (4) *ANNUAL REPORTS*.—Section 6 of such Act is
2 amended—

3 (A) in paragraph (2), by striking “and” at
4 the end;

5 (B) in paragraph (3), by striking the period
6 and inserting “; and”; and

7 (C) by adding at the end the following new
8 paragraph:

9 “(4) each individual or entity receiving assist-
10 ance from United States contributions to the Inter-
11 national Fund has agreed in writing to comply with
12 the principles of economic justice.”.

13 (5) *REQUIREMENTS RELATING TO FUNDS*.—Sec-
14 tion 7 of such Act is amended by adding at the end
15 the following:

16 “(c) *PROHIBITION*.—Nothing included herein shall re-
17 quire quotas or reverse discrimination or mandate their
18 use.”.

19 (6) *DEFINITIONS*.—Section 8 of such Act is
20 amended—

21 (A) in paragraph (1), by striking “and” at
22 the end;

23 (B) in paragraph (2), by striking the period
24 at the end and inserting a semicolon; and

1 (C) by adding at the end the following new
2 paragraphs:

3 “(3) the term ‘Northern Ireland’ includes the
4 counties of Antrim, Armagh, Derry, Down, Tyrone,
5 and Fermanagh; and

6 “(4) the term ‘principles of economic justice’
7 means the following principles:

8 “(A) Increasing the representation of indi-
9 viduals from underrepresented religious groups
10 in the workforce, including managerial, super-
11 visory, administrative, clerical, and technical
12 jobs.

13 “(B) Providing adequate security for the
14 protection of minority employees at the work-
15 place.

16 “(C) Banning provocative sectarian or po-
17 litical emblems from the workplace.

18 “(D) Providing that all job openings be ad-
19 vertised publicly and providing that special re-
20 cruitment efforts be made to attract applicants
21 from underrepresented religious groups.

22 “(E) Providing that layoff, recall, and ter-
23 mination procedures do not favor a particular
24 religious group.

1 “(F) *Abolishing job reservations, appren-*
2 *ticeship restrictions, and differential employment*
3 *criteria which discriminate on the basis of reli-*
4 *gion.*

5 “(G) *Providing for the development of*
6 *training programs that will prepare substantial*
7 *numbers of minority employees for skilled jobs,*
8 *including the expansion of existing programs*
9 *and the creation of new programs to train, up-*
10 *grade, and improve the skills of minority em-*
11 *ployees.*

12 “(H) *Establishing procedures to assess,*
13 *identify, and actively recruit minority employees*
14 *with the potential for further advancement.*

15 “(I) *Providing for the appointment of a*
16 *senior management staff member to be respon-*
17 *sible for the employment efforts of the entity and,*
18 *within a reasonable period of time, the imple-*
19 *mentation of the principles described in subpara-*
20 *graphs (A) through (H).”.*

21 (7) *EFFECTIVE DATE.*—*The amendments made*
22 *by this subsection shall take effect 180 days after the*
23 *date of the enactment of this Act.*

1 **SEC. 505. ASSISTANCE FOR TRAINING OF CIVILIAN PERSON-**
2 **NEL OF THE MINISTRY OF DEFENSE OF THE**
3 **GOVERNMENT OF NICARAGUA.**

4 *Notwithstanding section 531(e) of the Foreign Assist-*
5 *ance Act of 1961 (22 U.S.C. 2346(e)), amounts made avail-*
6 *able for fiscal years 1998 and 1999 for assistance under*
7 *chapter 4 of part II of such Act (22 U.S.C. 2346; relating*
8 *to the economic support fund) may be made available for*
9 *assistance and training for civilian personnel of the Min-*
10 *istry of Defense of the Government of Nicaragua if, prior*
11 *to the provision of such assistance, the Secretary of State*
12 *determines and reports to the Congress that such assistance*
13 *is necessary to establishing a civilian Ministry of Defense*
14 *capable of effective oversight and management of the Nica-*
15 *raguan armed forces and ensuring respect for civilian au-*
16 *thority and human rights.*

17 **SEC. 506. AVAILABILITY OF AMOUNTS FOR CUBAN LIBERTY**
18 **AND DEMOCRATIC SOLIDARITY (LIBERTAD)**
19 **ACT OF 1996 AND THE CUBAN DEMOCRACY**
20 **ACT OF 1992.**

21 *Of the amounts made available for fiscal years 1998*
22 *and 1999 for assistance under chapter 4 of part II of the*
23 *Foreign Assistance Act of 1961 (22 U.S.C. 2346; relating*
24 *to the economic support fund), not less than \$2,000,000 for*
25 *each such fiscal year shall be made available to carry out*
26 *the programs and activities under the Cuban Liberty and*

1 *Democratic Solidarity (LIBERTAD) Act of 1996 (22*
2 *U.S.C. 6021 et seq.) and the Cuban Democracy Act of 1992*
3 *(22 U.S.C. 6001 et seq.).*

4 **CHAPTER 2—DEVELOPMENT ASSISTANCE**

5 **Subchapter A—Development Assistance**

6 **Authorities**

7 **SEC. 511. AUTHORIZATION OF APPROPRIATIONS.**

8 *(a) DEVELOPMENT ASSISTANCE FUND.—The Foreign*
9 *Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended*
10 *by inserting after section 106 and before section 107A, as*
11 *added by this Act, the following:*

12 **“SEC. 107. DEVELOPMENT ASSISTANCE FUND.**

13 *“(a) AUTHORIZATION OF APPROPRIATIONS.—There*
14 *are authorized to be appropriated to the President to carry*
15 *out sections 103 through 106, in addition to amounts other-*
16 *wise available for such purposes, \$1,203,000,000 for each*
17 *of the fiscal years 1998 and 1999.*

18 *“(b) ADDITIONAL USE OF AMOUNTS.—Of the amounts*
19 *authorized to be appropriated under subsection (a)—*

20 *“(1) the President may use such amounts as he*
21 *deems appropriate to carry out the provisions of sec-*
22 *tion 316 of the International Security and Develop-*
23 *ment Cooperation Act of 1980;*

24 *“(2) \$2,500,000 for fiscal year 1998 and*
25 *\$4,000,000 for fiscal year 1999 may be made avail-*

1 *able to carry out section 510 of the International Se-*
2 *curity and Development Cooperation Act of 1980 (re-*
3 *lating to the African Development Foundation) (such*
4 *amounts are in addition to amounts otherwise made*
5 *available to carry out section 510 of such Act); and*

6 *“(3) \$2,000,000 for fiscal year 1998 and*
7 *\$7,000,000 for fiscal year 1999 may be made avail-*
8 *able to carry out section 401 of the Foreign Assistance*
9 *Act of 1969 (relating to the Inter-American Founda-*
10 *tion) (such amounts are in addition to amounts oth-*
11 *erwise made available to carry out section 401 of such*
12 *Act).*

13 *“(c) AVAILABILITY.—The amounts authorized to be ap-*
14 *propriated under subsection (a) are authorized to remain*
15 *available until expended.”.*

16 *(b) DEVELOPMENT FUND FOR AFRICA.—Section 497*
17 *of the Foreign Assistance Act of 1961 (22 U.S.C. 2294) is*
18 *amended to read as follows:*

19 **“SEC. 497. AVAILABILITY OF AMOUNTS.**

20 *“(a) IN GENERAL.—Of the amounts made available to*
21 *carry out sections 103 through 106 (including section*
22 *104(c)) for fiscal years 1998 and 1999, not less than*
23 *\$700,000,000 for each of the fiscal years 1998 and 1999*
24 *shall be made available to carry out this chapter (in addi-*
25 *tion to amounts otherwise available for such purposes).*

1 “(b) *AVAILABILITY.*—Amounts made available under
2 subsection (a) are authorized to remain available until ex-
3 pended.”.

4 (c) *ASSISTANCE FOR THE INDEPENDENT STATES OF*
5 *THE FORMER SOVIET UNION.*—Section 498C(a) of the For-
6 eign Assistance Act of 1961 (22 U.S.C. 2295c(a)) is amend-
7 ed by striking “for fiscal year 1993 \$410,000,000” and in-
8 serting “for economic assistance and related programs,
9 \$839,900,000 for fiscal year 1998 and \$789,900,000 for fis-
10 cal year 1999”.

11 (d) *ASSISTANCE FOR EAST EUROPEAN COUNTRIES.*—

12 (1) *IN GENERAL.*—There are authorized to be ap-
13 propriated to the President, in addition to amounts
14 otherwise available for such purposes, \$471,000,000
15 for fiscal year 1998 and \$337,000,000 for fiscal year
16 1999 for economic assistance and related programs
17 for Eastern Europe and the Baltic states under the
18 Foreign Assistance Act of 1961 (22 U.S.C. 2151 et
19 seq.) and the Support for East European Democracy
20 (SEED) Act of 1989 (22 U.S.C. 5401 et seq.).

21 (2) *DEBT RELIEF FOR BOSNIA AND*
22 *HERZEGOVINA.*—Notwithstanding any other provision
23 of law, of the amounts authorized to be appropriated
24 for fiscal years 1998 and 1999 under paragraph (1),
25 not more than \$5,000,000 may be made available for

1 *the cost, as defined in section 502 of the Federal Cred-*
2 *it Reform Act of 1990, of modifying direct loans and*
3 *loan guarantees for Bosnia and Herzegovina.*

4 (3) *AVAILABILITY.—Amounts authorized to be*
5 *appropriated under paragraph (1) are authorized to*
6 *remain available until expended.*

7 (e) *INTER-AMERICAN FOUNDATION.—Section 401(s)(2)*
8 *of the Foreign Assistance Act of 1969 (22 U.S.C. 290f(s)(2))*
9 *is amended to read as follows:*

10 “(2)(A) *There are authorized to be appropriated to the*
11 *President to carry out programs under this section, in addi-*
12 *tion to amounts otherwise available for such purposes,*
13 *\$20,000,000 for fiscal year 1998 and \$15,000,000 for fiscal*
14 *year 1999.*

15 “(B) *Amounts authorized to be appropriated under*
16 *subparagraph (A) are authorized to remain available until*
17 *expended.”.*

18 (f) *AFRICAN DEVELOPMENT FOUNDATION.—The first*
19 *sentence of section 510 of the International Security and*
20 *Development Cooperation Act of 1980 (22 U.S.C. 290h–8)*
21 *is amended by striking “\$3,872,000 for fiscal year 1986 and*
22 *\$3,872,000 for fiscal year 1987” and inserting*
23 *“\$11,500,000 for fiscal year 1998 and \$10,000,000 for fiscal*
24 *year 1999.”.*

1 **SEC. 512. CHILD SURVIVAL ACTIVITIES.**

2 *Section 104(c) of the Foreign Assistance Act of 1961*
3 *(22 U.S.C. 2151b(c)) is amended to read as follows:*

4 *“(c) ASSISTANCE FOR CHILD SURVIVAL, HEALTH,*
5 *BASIC EDUCATION FOR CHILDREN, AND DISEASE PREVEN-*
6 *TION.—*

7 *“(1) AUTHORITY.—The President is authorized*
8 *to furnish assistance, on such terms and conditions as*
9 *he may determine, for child survival and health pro-*
10 *grams, including programs that address the special*
11 *health and nutrition needs of children and mothers,*
12 *and basic education programs for children. Assistance*
13 *under this subsection may be used for the following:*

14 *“(A) Activities whose primary purpose is to*
15 *reduce child morbidity and child mortality and*
16 *which have a substantial, direct, and measurable*
17 *impact on child morbidity and child mortality,*
18 *such as—*

19 *“(i) immunization;*

20 *“(ii) oral rehydration;*

21 *“(iii) activities relating to Vitamin A*
22 *deficiency, iodine deficiency, and other*
23 *micronutrients;*

24 *“(iv) programs designed to reduce child*
25 *malnutrition;*

1 “(v) programs to prevent and treat
2 acute respiratory infections;

3 “(vi) programs for the prevention,
4 treatment, and control of, and research on,
5 polio, malaria and other diseases primarily
6 affecting children; and

7 “(vii) programs whose primary pur-
8 pose is to prevent neonatal mortality.

9 “(B) Other child survival activities such
10 as—

11 “(i) basic integrated health services;

12 “(ii) assistance for displaced and or-
13 phaned children;

14 “(iii) safe water and sanitation;

15 “(iv) health programs, and related edu-
16 cation programs, which primarily address
17 the needs of mothers and children; and

18 “(v) related health planning and re-
19 search.

20 “(C) Basic education programs for mothers
21 and children.

22 “(D) Other disease activities such as pro-
23 grams for the prevention, treatment and control
24 of, and research on, tuberculosis, HIV/AIDS, and
25 other diseases.

1 “(2) *PRIORITY.*—*Child survival activities ad-*
2 *ministered by the United States Agency for Inter-*
3 *national Development under this subsection shall be*
4 *primarily devoted to activities of the type described in*
5 *paragraph (1)(A).*

6 “(3) *APPLICATION OF OTHER AUTHORITIES.*—
7 *Funds made available to carry out this subsection*
8 *that are provided for countries receiving assistance*
9 *under chapters 10 and 11 of part I of this Act or the*
10 *Support for East European Democracy (SEED) Act*
11 *of 1989, may be made available—*

12 “(A) *only for the activities described in of*
13 *paragraph (1); and*

14 “(B) *except to the extent inconsistent with*
15 *subparagraph (A), pursuant to the authorities*
16 *otherwise applicable to the provision of assist-*
17 *ance for such countries.*

18 “(4) *INTERNATIONAL ORGANIZATIONS.*—*Funds*
19 *made available to carry out this subsection may be*
20 *used to make contributions on a grant basis to the*
21 *United Nations Children’s Fund (UNICEF) pursuant*
22 *to section 301 of this Act.*

23 “(5) *PVO/CHILD SURVIVAL GRANTS PROGRAM.*—
24 *Of amounts made available to carry out this sub-*
25 *section for a fiscal year, not less than \$30,000,000*

1 *should be provided to the private and voluntary orga-*
2 *nizations under the PVO/Child Survival grants pro-*
3 *gram carried out by the United States Agency for*
4 *International Development.*

5 “(6) *REPORT.—The Administrator of the United*
6 *States Agency for International Development shall re-*
7 *port to Congress, as part of the congressional presen-*
8 *tation document required under section 634 of this*
9 *Act, the total amounts to be provided for activities*
10 *under each subparagraph of paragraph (1).*

11 “(7) *AUTHORIZATION OF APPROPRIATIONS.—(A)*
12 *In addition to amounts otherwise available for such*
13 *purposes, and in addition to amounts made available*
14 *under section 107, there are authorized to be appro-*
15 *riated to the President \$600,000,000 for each of the*
16 *fiscal years 1998 and 1999 for use in carrying out*
17 *this subsection.*

18 “(B) *Amounts appropriated under this para-*
19 *graph are authorized to remain available until ex-*
20 *pended.*

21 “(8) *DESIGNATION OF FUND.—Appropriations*
22 *pursuant to this subsection may be referred to as the*
23 *‘Child Survival and Disease Programs Fund’.*”.

1 **SEC. 513. REQUIREMENT ON ASSISTANCE TO THE RUSSIAN**
2 **FEDERATION.**

3 (a) *IN GENERAL.*—*Of the amounts made available to*
4 *carry out chapter 11 of part I of the Foreign Assistance*
5 *Act of 1961 (22 U.S.C. 2295 et seq.) for fiscal years 1998*
6 *and 1999, not more than \$95,000,000 for each such fiscal*
7 *year may be provided to the Russian Federation unless the*
8 *President determines and reports to the Congress for each*
9 *such fiscal year that—*

10 (1) *the Government of the Russian Federation*
11 *has terminated all official cooperation with, and*
12 *transfers of goods and technology to, ballistic missile*
13 *or nuclear programs in Iran, and has taken all ap-*
14 *propriate steps to prevent cooperation with, and*
15 *transfers of goods and technology to, such programs*
16 *in Iran by persons and entities subject to its jurisdic-*
17 *tion; and*

18 (2) *the Government of the Russian Federation*
19 *has terminated all official cooperation with, and*
20 *transfers of goods and technology to, nuclear reactor*
21 *projects in Cuba, and has taken all appropriate steps*
22 *to prevent cooperation with, and transfers of goods*
23 *and technology to, such projects in Cuba by persons*
24 *and entities subject to its jurisdiction.*

25 (b) *ADDITIONAL LIMITATION.*—

1 (1) *IN GENERAL.*—Notwithstanding subsection
2 (a), none of the funds made available to carry out
3 chapter 11 of part I of the Foreign Assistance Act of
4 1961 (22 U.S.C. 2295 et seq.) for fiscal years 1998
5 and 1999 may be made available for the Russian
6 Federation if the Russian Federation, on or after the
7 date of the enactment of this Act, transfers an SS-
8 N-22 missile system to the People’s Republic of
9 China.

10 (2) *EXCEPTION.*—Paragraph (1) shall not apply
11 if the President determines that making such funds
12 available is important to the national security inter-
13 est of the United States. Any such determination shall
14 cease to be effective 6 months after being made unless
15 the President determines that its continuation is im-
16 portant to the national security interest of the United
17 States.

18 **SEC. 514. HUMANITARIAN ASSISTANCE FOR ARMENIA AND**
19 **AZERBAIJAN.**

20 (a) *SENSE OF THE CONGRESS.*—It is the sense of the
21 Congress that the President should seek cooperation from
22 the governments of Armenia and Azerbaijan to ensure that
23 humanitarian assistance, including assistance delivered
24 through nongovernmental organizations and private and
25 voluntary organizations, shall be available to all needy citi-

1 *zens within Armenia and Azerbaijan, including those indi-*
2 *viduals in the region of Nagorno-Karabakh.*

3 *(b) REPORT.—The President shall prepare and trans-*
4 *mit a report to the Congress on humanitarian needs*
5 *throughout Armenia and Azerbaijan and the provision of*
6 *assistance to meet such needs by United States and other*
7 *donor organizations and states.*

8 **SEC. 515. AGRICULTURAL DEVELOPMENT AND RESEARCH**
9 **ASSISTANCE.**

10 *(a) FINDINGS.—The Congress finds that the proportion*
11 *of United States development assistance devoted to agricul-*
12 *tural development and research has declined sharply from*
13 *17 percent in 1990 to 8 percent in 1996.*

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

16 *(1) United States investment in international*
17 *agricultural development and research has been a*
18 *critical part of many economic development successes;*

19 *(2) agricultural development and research ad-*
20 *vance food security, thereby reducing poverty, increas-*
21 *ing political stability, and promoting United States*
22 *exports; and*

23 *(3) the United States Agency for International*
24 *Development should increase the emphasis it places on*
25 *agricultural development and research and expand*

1 *the role of agricultural development and research in*
 2 *poverty relief, child survival, and environmental pro-*
 3 *grams.*

4 **SEC. 516. ACTIVITIES AND PROGRAMS IN LATIN AMERICA**
 5 **AND THE CARIBBEAN REGION AND THE ASIA**
 6 **AND THE PACIFIC REGION.**

7 *Of the amounts made available for fiscal years 1998*
 8 *and 1999 for assistance under sections 103 through 106 of*
 9 *the Foreign Assistance Act of 1961 (22 U.S.C. 2151a*
 10 *through 2151d), including assistance under section 104(c)*
 11 *of such Act (22 U.S.C. 2151b(c)), the amount made avail-*
 12 *able for activities and programs in Latin America and the*
 13 *Caribbean region and the Asia and the Pacific region*
 14 *should be in at least the same proportion to the total*
 15 *amount of such assistance made available as the amount*
 16 *identified in the congressional presentation documents for*
 17 *development assistance for each of the fiscal years 1998 and*
 18 *1999, respectively, for each such region is to the total*
 19 *amount requested for development assistance for each such*
 20 *fiscal year.*

21 **SEC. 517. SUPPORT FOR AGRICULTURAL DEVELOPMENT AS-**
 22 **SISTANCE.**

23 *(a) IN GENERAL.—For each of the fiscal years 1998*
 24 *and 1999 the President should allocate an aggregate level*
 25 *to programs under section 103 of the Foreign Assistance*

1 *Act of 1961 (22 U.S.C. 2151a; relating to agriculture, rural*
 2 *development, and nutrition) in amounts equal to the level*
 3 *provided to such programs in fiscal year 1997.*

4 **(b) INCREASING LEVELS.**—*If appropriations for pro-*
 5 *grams under chapter 1 of part I of the Foreign Assistance*
 6 *Act of 1961 (22 U.S.C. 2151 et seq.; relating to development*
 7 *assistance) increase in fiscal year 1998 or 1999 above levels*
 8 *provided in fiscal year 1997, the President should allocate*
 9 *an increasing level for programs under section 103 of such*
 10 *Act (22 U.S.C. 2151a; relating to agriculture, rural devel-*
 11 *opment, and nutrition).*

12 **Subchapter B—Operating Expenses**

13 **SEC. 521. OPERATING EXPENSES GENERALLY.**

14 *Section 667(a)(1) of the Foreign Assistance Act of 1961*
 15 *(22 U.S.C. 2427(a)(1)) is amended to read as follows:*

16 “(1) \$473,000,000 for fiscal year 1998 and
 17 \$465,000,000 for fiscal year 1999 for necessary oper-
 18 ating expenses of the United States Agency for Inter-
 19 national Development (other than the Office of the In-
 20 spector General of such agency);”.

21 **SEC. 522. OPERATING EXPENSES OF THE OFFICE OF THE** 22 **INSPECTOR GENERAL.**

23 *Section 667(a) of the Foreign Assistance Act of 1961*
 24 *(22 U.S.C. 2427(a)), as amended by this Act, is further*
 25 *amended—*

1 (1) by redesignating paragraph (2) as para-
2 graph (3); and

3 (2) by inserting after paragraph (1) the follow-
4 ing:

5 “(2) \$29,047,000 for each of the fiscal years 1998
6 and 1999 for necessary operating expenses of the Of-
7 fice of the Inspector General of such agency; and”.

8 **CHAPTER 3—URBAN AND**
9 **ENVIRONMENTAL CREDIT PROGRAM**

10 **SEC. 531. URBAN AND ENVIRONMENTAL CREDIT PROGRAM.**

11 (a) *IN GENERAL.*—The heading for title III of chapter
12 2 of part I of the Foreign Assistance Act of 1961 is amended
13 to read as follows:

14 “**TITLE III—URBAN AND ENVIRONMENTAL**
15 **CREDIT PROGRAM**”.

16 (b) *REPEALS.*—(1) Section 222(k) of the Foreign As-
17 sistance Act of 1961 (22 U.S.C. 2182(k)) is hereby repealed.

18 (2) Section 222A of such Act (22 U.S.C. 2182a) is
19 hereby repealed.

20 (3) Section 223(j) of such Act (22 U.S.C. 2183(j)) is
21 hereby repealed.

22 **CHAPTER 4—THE PEACE CORPS**

23 **SEC. 541. AUTHORIZATION OF APPROPRIATIONS.**

24 Section 3(b) of the Peace Corps Act (22 U.S.C.
25 2502(b)) is amended to read as follows:

1 “(b)(1) *There are authorized to be appropriated to*
2 *carry out the purposes of this Act \$222,000,000 for fiscal*
3 *year 1998 and \$225,000,000 for fiscal year 1999.*

4 “(2) *Amounts authorized to be appropriated under*
5 *paragraph (1)—*

6 “(A) *with respect to fiscal year 1998 are author-*
7 *ized to remain available until September 30, 1999;*
8 *and*

9 “(B) *with respect to fiscal year 1999 are author-*
10 *ized to remain available until September 30, 2000.”.*

11 **SEC. 542. ACTIVITIES OF THE PEACE CORPS IN THE**
12 **FORMER SOVIET UNION AND MONGOLIA.**

13 *Of the amounts made available for fiscal years 1998*
14 *and 1999 to carry out chapter 11 of part I of the Foreign*
15 *Assistance Act of 1961 (22 U.S.C. 2295 et seq.; relating to*
16 *assistance for the independent states of the former Soviet*
17 *Union), not more than \$11,000,000 for each such fiscal year*
18 *shall be available for activities of the Peace Corps in the*
19 *independent states of the former Soviet Union (as defined*
20 *in section 3 of the Freedom for Russia and Emerging Eur-*
21 *asian Democracies and Open Markets Support Act of 1992)*
22 *and Mongolia.*

1 **SEC. 543. AMENDMENTS TO THE PEACE CORPS ACT.**

2 (a) *TERMS AND CONDITIONS OF VOLUNTEER SERV-*
3 *ICE.*—Section 5 of the Peace Corps Act (22 U.S.C. 2504)
4 *is amended—*

5 (1) *in subsection (f)(1)(B), by striking “Civil*
6 *Service Commission” and inserting “Office of Person-*
7 *nel Management”;*

8 (2) *in subsection (h), by striking “the Federal*
9 *Voting Assistance Act of 1955” and all that follows*
10 *through the end of the subsection and inserting “sec-*
11 *tions 5584 and 5732 of title 5, United States Code*
12 *(and readjustment allowances paid under this Act*
13 *shall be considered as pay for purposes of such section*
14 *5732), section 1 of the Act of June 4, 1920 (22 U.S.C.*
15 *214), and section 3342 of title 31, United States*
16 *Code.”; and*

17 (3) *in subsection (j), by striking “section 1757 of*
18 *the Revised Statutes” and all that follows through the*
19 *end of the subsection and inserting “section 3331 of*
20 *title 5, United States Code.”.*

21 (b) *GENERAL POWERS AND AUTHORITIES.*—Section
22 *10 of such Act (22 U.S.C. 2509) is amended—*

23 (1) *in subsection (a)(4), by striking “31 U.S.C.*
24 *665(b)” and inserting “section 1342 of title 31, Unit-*
25 *ed States Code”; and*

1 (2) *in subsection (a)(5), by striking “: Provided,*
2 *That” and all that follows through the end of the*
3 *paragraph and inserting “, except that such individ-*
4 *uals shall not be deemed employees for the purpose of*
5 *any law administered by the Office of Personnel Man-*
6 *agement.”.*

7 (c) *UTILIZATION OF FUNDS.—Section 15 of such Act*
8 *(22 U.S.C. 2514) is amended—*

9 (1) *in the first sentence of subsection (c)—*

10 (A) *by striking “Public Law 84–918 (7*
11 *U.S.C. 1881 et seq.)” and inserting “subchapter*
12 *VI of chapter 33 of title 5, United States Code*
13 *(5 U.S.C. 3371 et seq.)”;* and

14 (B) *by striking “specified in that Act” and*
15 *inserting “or other organizations specified in sec-*
16 *tion 3372(b) of such title”;* and

17 (2) *in subsection (d)—*

18 (A) *in paragraph (2), by striking “section*
19 *9 of Public Law 60–328 (31 U.S.C. 673)” and*
20 *inserting “section 1346 of title 31, United States*
21 *Code”;*

22 (B) *in paragraph (6), by striking “without*
23 *regard to section 3561 of the Revised Statutes*
24 *(31 U.S.C. 543)”;*

25 (C) *in paragraph (11)—*

1 (i) by striking “Foreign Service Act of
2 1946, as amended (22 U.S.C. 801 et seq.),”
3 and inserting “Foreign Service Act of 1980
4 (22 U.S.C. 3901 et seq.)”; and

5 (ii) by striking “and” at the end;

6 (D) in paragraph (12), by striking the pe-
7 riod at the end and by inserting “; and”; and

8 (E) by adding at the end the following:

9 “(13) the transportation of Peace Corps employ-
10 ees, Peace Corps volunteers, dependents of employees
11 and volunteers, and accompanying baggage, by a for-
12 eign air carrier when the transportation is between 2
13 places outside the United States without regard to
14 section 40118 of title 49, United States Code.”.

15 (d) *PROHIBITION ON USE OF FUNDS FOR ABOR-*
16 *TIONS.—Section 15 of such Act (22 U.S.C. 2514) is amend-*
17 *ed, as amended by this Act, is further amended by adding*
18 *at the end the following new subsection:*

19 “(e) Funds made available for the purposes of this Act
20 may not be used to pay for abortions.”.

1 **CHAPTER 5—INTERNATIONAL DISASTER**
2 **ASSISTANCE**

3 **SEC. 551. AUTHORITY TO PROVIDE RECONSTRUCTION AS-**
4 **SISTANCE.**

5 *Section 491 of the Foreign Assistance Act of 1961 (22*
6 *U.S.C. 2292) is amended—*

7 (1) *in subsection (a), by striking “and rehabili-*
8 *tation” and inserting “, rehabilitation, and recon-*
9 *struction, as the case may be,”;*

10 (2) *in subsection (b), by striking “and rehabili-*
11 *tation” and inserting “, rehabilitation, and recon-*
12 *struction”;* and

13 (3) *in subsection (c), by striking “and rehabilita-*
14 *tion” and inserting “, rehabilitation, and reconstruc-*
15 *tion”.*

16 **SEC. 552. AUTHORIZATIONS OF APPROPRIATIONS.**

17 *Section 492(a) of the Foreign Assistance Act of 1961*
18 *(22 U.S.C. 2292a(a)) is amended in the first sentence to*
19 *read as follows: “There are authorized to be appropriated*
20 *to the President to carry out section 491, in addition to*
21 *funds otherwise available for such purposes, \$190,000,000*
22 *for each of the fiscal years 1998 and 1999.”.*

1 **CHAPTER 6—DEBT RELIEF**
 2 **SEC. 561. DEBT RESTRUCTURING FOR FOREIGN ASSIST-**
 3 **ANCE.**

4 Chapter 6 of part I of the Foreign Assistance Act of
 5 1961 (22 U.S.C. 2271 et seq.) is amended to read as follows:

6 **“CHAPTER 6—DEBT RELIEF**

7 **“SEC. 461. SPECIAL DEBT RELIEF FOR POOR COUNTRIES.**

8 “(a) *AUTHORITY TO REDUCE DEBT.*—The President
 9 may reduce amounts owed to the United States Government
 10 by a country described in subsection (b) as a result of—

11 “(1) loans or guarantees issued under this Act;

12 or

13 “(2) credits extended or guarantees issued under
 14 the Arms Export Control Act (22 U.S.C. 2751 et seq.).

15 “(b) *COUNTRY DESCRIBED.*—A country described in
 16 this subsection is a country—

17 “(1) with a heavy debt burden that is eligible to
 18 borrow from the International Development Associa-
 19 tion but not from the International Bank for Recon-
 20 struction and Development (commonly referred to as
 21 an ‘IDA-only’ country);

22 “(2) the government of which—

23 “(A) does not have an excessive level of
 24 military expenditures;

1 “(B) has not repeatedly provided support
2 for acts of international terrorism; and

3 “(C) is not failing to cooperate with the
4 United States on international narcotics control
5 matters;

6 “(3) the government (including the military or
7 other security forces of such government) of which
8 does not engage in a consistent pattern of gross viola-
9 tions of internationally recognized human rights; and

10 “(4) that is not ineligible for assistance because
11 of the application of section 527(a) of the Foreign Re-
12 lations Authorization Act, Fiscal Years 1994 and
13 1995.

14 “(c) *LIMITATIONS.*—The authority under subsection
15 (a) may be exercised—

16 “(1) only to implement multilateral official debt
17 relief *ad referendum* agreements (commonly referred
18 to as ‘Paris Club Agreed Minutes’); and

19 “(2) only to the extent that appropriations for
20 the cost of the modification, as defined in section 502
21 of the Congressional Budget Act of 1974, are made in
22 advance.

23 “(d) *CERTAIN PROHIBITIONS INAPPLICABLE.*—A re-
24 duction of debt pursuant to the exercise of authority under
25 subsection (a)—

1 “(1) shall not be considered assistance for pur-
2 poses of any provision of law limiting assistance to
3 a country; and

4 “(2) may be exercised notwithstanding section
5 620(r) of this Act or any comparable provision of
6 law.

7 “(e) AUTHORIZATION OF APPROPRIATIONS.—

8 “(1) IN GENERAL.—There are authorized to be
9 appropriated to the President for the purpose of car-
10 rying out this section and the Foreign Operations,
11 Export Financing, and Related Programs Supple-
12 mental Appropriations Act, 1994 (title VI of the For-
13 eign Operations, Export Financing, and Related Pro-
14 grams Appropriations Act, 1994; Public Law 103-
15 306) \$32,000,000 for each of the fiscal years 1998 and
16 1999.

17 “(2) AVAILABILITY.—Amounts authorized to be
18 appropriated under paragraph (1) are authorized to
19 remain available until expended.”.

20 **SEC. 562. DEBT BUYBACKS OR SALES FOR DEBT SWAPS.**

21 Part IV of the Foreign Assistance Act of 1961 (22
22 U.S.C. 2430 et seq.) is amended by adding at the end the
23 following:

1 **“SEC. 711. AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR**
2 **SALES.**

3 *“(a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR*
4 *CANCELLATION.—*

5 *“(1) AUTHORITY TO SELL, REDUCE, OR CANCEL*
6 *CERTAIN LOANS.—Notwithstanding any other provi-*
7 *sion of law, the President may, in accordance with*
8 *this section, sell to any eligible purchaser any*
9 *concessional loan or portion thereof made before Jan-*
10 *uary 1, 1995, pursuant to this Act, to the government*
11 *of any eligible country, as defined in section 702(6),*
12 *or on receipt of payment from an eligible purchaser*
13 *or such eligible country, reduce or cancel such loan or*
14 *portion thereof, only for the purpose of facilitating—*

15 *“(A) debt-for-equity swaps, debt-for-develop-*
16 *ment swaps, or debt-for-nature swaps; or*

17 *“(B) a debt buyback by an eligible country*
18 *of its own qualified debt, only if the eligible*
19 *country uses an additional amount of the local*
20 *currency of the eligible country, equal to not less*
21 *than 40 percent of the price paid for such debt*
22 *by such eligible country, or the difference between*
23 *the price paid for such debt and the face value*
24 *of such debt, to support activities (i) that link*
25 *conservation and sustainable use of natural re-*
26 *sources with local community development, and*

1 (ii) for child survival and other child develop-
2 ment activities, in a manner consistent with sec-
3 tions 707 through 710, if the sale, reduction, or
4 cancellation would not contravene any term or
5 condition of any prior agreement relating to
6 such loan.

7 “(2) *TERMS AND CONDITIONS.*—Notwithstanding
8 any other provision of law, the President shall, in ac-
9 cordance with this section, establish the terms and
10 conditions under which loans may be sold, reduced, or
11 canceled pursuant to this section.

12 “(3) *ADMINISTRATION.*—The Facility, as defined
13 in section 702(8), shall notify the Administrator of
14 the United States Agency for International Develop-
15 ment of purchasers that the President has determined
16 to be eligible, and shall direct such agency to carry
17 out the sale, reduction, or cancellation of a loan pur-
18 suant to this section. Such agency shall make an ad-
19 justment in its accounts to reflect the sale, reduction,
20 or cancellation.

21 “(4) *LIMITATION.*—To the extent that appropria-
22 tions for the cost of the modification, as defined in
23 section 502 of the Congressional Budget Act of 1974,
24 are necessary, the authorities of this subsection shall

1 *be available only where such appropriations are made*
2 *in advance.*

3 “(b) *DEPOSIT OF PROCEEDS.*—*The proceeds from the*
4 *sale, reduction, or cancellation of any loan sold, reduced,*
5 *or canceled pursuant to this section shall be deposited in*
6 *an account or accounts established in the Treasury for the*
7 *repayment of such loan.*

8 “(c) *ELIGIBLE PURCHASERS.*—*A loan may be sold*
9 *pursuant to subsection (a)(1)(A) only to a purchaser who*
10 *presents plans satisfactory to the President for using the*
11 *loan for the purpose of engaging in debt-for-equity swaps,*
12 *debt-for-development swaps, or debt-for-nature swaps.*

13 “(d) *DEBTOR CONSULTATIONS.*—*Before the sale to any*
14 *eligible purchaser, or any reduction or cancellation pursu-*
15 *ant to this section, of any loan made to an eligible country,*
16 *the President shall consult with the country concerning the*
17 *amount of loans to be sold, reduced, or canceled and their*
18 *uses for debt-for-equity swaps, debt-for-development swaps,*
19 *or debt-for-nature swaps.”.*

1 **CHAPTER 7—OTHER ASSISTANCE**
2 **PROVISIONS**

3 **SEC. 571. EXEMPTION FROM RESTRICTIONS ON ASSIST-**
4 **ANCE THROUGH NONGOVERNMENTAL ORGA-**
5 **NIZATIONS.**

6 *Section 123(e) of the Foreign Assistance Act of 1961*
7 *(22 U.S.C. 2151u(e)) is amended to read as follows:*

8 “(e)(1) *Subject to paragraph (3), restrictions con-*
9 *tained in this Act or any other provision of law with respect*
10 *to assistance for a country shall not be construed to restrict*
11 *assistance under this chapter, chapter 10, and chapter 11*
12 *of this part, chapter 4 of part II, or the Support for East*
13 *European Democracy (SEED) Act of 1989 (22 U.S.C. 5401*
14 *et seq.), in support of programs of nongovernmental organi-*
15 *zations.*

16 “(2) *The President shall take into consideration, in*
17 *any case in which a restriction on assistance for a country*
18 *would be applicable but for this subsection, whether assist-*
19 *ance for programs of nongovernmental organizations is in*
20 *the national interest of the United States.*

21 “(3) *Whenever the authority of this subsection is used*
22 *to furnish assistance in support of a program of a non-*
23 *governmental organization, the President shall notify the*
24 *congressional committees specified in section 634A(a) of*
25 *this Act in accordance with procedures applicable to re-*

1 *programming notifications under that section. Such notifi-*
2 *cation shall describe the program assisted, the assistance*
3 *provided, and the reasons for furnishing such assistance.”.*

4 **SEC. 572. FUNDING REQUIREMENTS RELATING TO UNITED**
5 **STATES PRIVATE AND VOLUNTARY ORGANI-**
6 **ZATIONS.**

7 *(a) IN GENERAL.—Section 123(g) of the Foreign As-*
8 *sistance Act of 1961 (22 U.S.C. 2151u(g)) is amended to*
9 *read as follows:*

10 *“(g) Funds made available to carry out this chapter*
11 *or chapter 10 of this part may not be made available to*
12 *any United States private and voluntary organization, ex-*
13 *cept any cooperative development organization, that obtains*
14 *less than 20 percent of its total annual funding for its inter-*
15 *national activities from sources other than the United*
16 *States Government.”.*

17 *(b) EFFECTIVE DATE.—The amendment made by sub-*
18 *section (a) applies with respect to funds made available for*
19 *programs of any United States private and voluntary orga-*
20 *nization on or after the date of the enactment of this Act.*

21 **SEC. 573. DOCUMENTATION REQUESTED OF PRIVATE AND**
22 **VOLUNTARY ORGANIZATIONS.**

23 *Section 620 of the Foreign Assistance Act of 1961 (22*
24 *U.S.C. 2370) is amended by inserting after subsection (u)*
25 *the following:*

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

4 “(1) fails to provide upon timely request any
5 document, file, or record necessary to the auditing re-
6 quirements of the United States Agency for Inter-
7 national Development; or

8 “(2) is not registered with the United States
9 Agency for International Development.”.

10 **SEC. 574. ENCOURAGEMENT OF FREE ENTERPRISE AND**
11 **PRIVATE PARTICIPATION.**

12 Section 601(a) of the Foreign Assistance Act of 1961
13 (22 U.S.C. 2351(a)) is amended—

14 (1) by striking “(a)” and inserting “(a)(1)”; and

15 (2) by adding the following:

16 “(2) To the maximum extent feasible, in providing as-
17 sistance under Part I of this Act, the President should give
18 special emphasis to programs and activities that encourage
19 the creation and development of private enterprise and free
20 market systems, including—

21 “(A) the development of private cooperatives,
22 credit unions, labor unions, and civic and profes-
23 sional associations;

24 “(B) the reform and restructuring of banking
25 and financial systems; and

1 (1) *the Government of the Republic of Korea does*
2 *not oppose the delivery of United States assistance for*
3 *food to the Democratic People’s Republic of Korea;*

4 (2) *the United States Government is confident*
5 *that previous United States assistance for food and*
6 *official concessional food deliveries have not been di-*
7 *verted to military needs;*

8 (3) *military stocks of the Democratic People’s*
9 *Republic of Korea have been tapped to respond to*
10 *unmet food aid needs;*

11 (4) *the World Food Program and other inter-*
12 *national food delivery organizations have been per-*
13 *mitted to take and have taken all reasonable steps to*
14 *ensure that all upcoming food aid deliveries will not*
15 *be diverted from intended recipients; and*

16 (5) *the Government of the United States has di-*
17 *rectly acted to encourage, and acting through appro-*
18 *priate international organizations, has encouraged*
19 *such organizations to urge, the Democratic People’s*
20 *Republic of Korea to initiate fundamental structural*
21 *reforms of its agricultural sector.*

1 **SEC. 577. WITHHOLDING OF ASSISTANCE TO COUNTRIES**
2 **THAT PROVIDE NUCLEAR FUEL TO CUBA.**

3 (a) *IN GENERAL.*—Section 620 of the *Foreign Assist-*
4 *ance Act of 1961 (22 U.S.C. 2370)*, as amended by this Act,
5 *is further amended by adding at the end the following:*

6 “(y)(1) *Except as provided in paragraph (2), the*
7 *President shall withhold from amounts made available*
8 *under this Act or any other Act and allocated for a country*
9 *for a fiscal year an amount equal to the aggregate value*
10 *of nuclear fuel and related assistance and credits provided*
11 *by that country, or any entity of that country, to Cuba dur-*
12 *ing the preceding fiscal year.*

13 “(2) *The requirement to withhold assistance for a*
14 *country for a fiscal year under paragraph (1) shall not*
15 *apply if Cuba—*

16 “(A) *has ratified the Treaty on the Non-*
17 *Proliferation of Nuclear Weapons (21 UST 483)*
18 *or the Treaty of Tlatelelco, and Cuba is in com-*
19 *pliance with the requirements of either such*
20 *Treaty;*

21 “(B) *has negotiated and is in compliance*
22 *with full-scope safeguards of the International*
23 *Atomic Energy Agency not later than two years*
24 *after ratification by Cuba of such Treaty; and*

1 “(C) incorporates and is in compliance
2 with internationally accepted nuclear safety
3 standards.

4 “(3) The Secretary of State shall prepare and submit
5 to the Congress each year a report containing a description
6 of the amount of nuclear fuel and related assistance and
7 credits provided by any country, or any entity of a country,
8 to Cuba during the preceding year, including the terms of
9 each transfer of such fuel, assistance, or credits.”.

10 (b) *EFFECTIVE DATE.*—Section 620(y) of the Foreign
11 Assistance Act of 1961, as added by subsection (a), shall
12 apply with respect to assistance provided in fiscal years
13 beginning on or after the date of the enactment of this Act.

14 **TITLE VI—TRADE AND**
15 **DEVELOPMENT AGENCY**

16 **SEC. 601. AUTHORIZATION OF APPROPRIATIONS.**

17 Section 661(f)(1)(A) of the Foreign Assistance Act of
18 1961 (22 U.S.C. 2421(f)(1)(A)) is amended to read as fol-
19 lows:

20 “(1) *AUTHORIZATION.*—(A) There are authorized
21 to be appropriated for purposes of this section, in ad-
22 dition to funds otherwise available for such purposes,
23 \$43,000,000 for each of the fiscal years 1998 and
24 1999.”.

1 **TITLE VII—SPECIAL AUTHORITIES AND OTHER PROVISIONS**

2 **CHAPTER 1—SPECIAL AUTHORITIES**

3 **SEC. 701. ENHANCED TRANSFER AUTHORITY.**

4 *Section 610 of the Foreign Assistance Act of 1961 (22*
5 *U.S.C. 2360) is amended to read as follows:*

6 **“SEC. 610. TRANSFER BETWEEN ACCOUNTS.**

7 *“(a) GENERAL AUTHORITY.—Whenever the President*
8 *determines it to be necessary for the purposes of this Act*
9 *or the Arms Export Control Act (22 U.S.C. 2751 et seq.),*
10 *not to exceed 20 percent of the funds made available to*
11 *carry out any provision of this Act (except funds made*
12 *available pursuant to title IV of chapter 2 of part I) or*
13 *section 23 of the Arms Export Control Act (22 U.S.C.*
14 *2763)—*

15 *“(1) may be transferred to, and consolidated*
16 *with, the funds in any other account or fund avail-*
17 *able to carry out any provision of this Act or the*
18 *Arms Export Control Act; and*

19 *“(2) may be used for any purpose for which*
20 *funds in that account or fund may be used.*

21 *“(b) LIMITATION ON AMOUNT OF INCREASE.—The*
22 *total amount in the account or fund for the benefit of which*
23 *transfer is made under subsection (a) during any fiscal*
24

1 year may not be increased by more than 20 percent of the
2 amount of funds otherwise made available.

3 “(c) *NOTIFICATION.*—The President shall notify in
4 writing the congressional committees specified in section
5 634A at least fifteen days in advance of each such transfer
6 between accounts in accordance with procedures applicable
7 to reprogramming notifications under such section.”.

8 **SEC. 702. AUTHORITY TO MEET UNANTICIPATED CONTIN-**
9 **GENCIES.**

10 Paragraph (1) of section 451(a) of the Foreign Assist-
11 ance Act of 1961 (22 U.S.C. 2261(a)(1)) is amended by
12 striking “\$25,000,000” and inserting “\$50,000,000”.

13 **SEC. 703. SPECIAL WAIVER AUTHORITY.**

14 (a) *LAWS AFFECTED.*—Section 614 of the Foreign As-
15 sistance Act of 1961 (22 U.S.C. 2364) is amended by strik-
16 ing subsections (a)(1) and (a)(2) and inserting the follow-
17 ing:

18 “(a) *AUTHORITY TO AUTHORIZE ASSISTANCE, SALES,*
19 *AND OTHER ACTIONS; LIMITATIONS.*—(1) The President
20 may authorize assistance, sales, or other action under this
21 Act, the Arms Export Control Act, or any annual (or peri-
22 odic) foreign assistance authorization or appropriations
23 legislation, without regard to any of the provisions de-
24 scribed in subsection (b), if the President determines, and
25 notifies in writing the Speaker of the House of Representa-

1 *tives and the chairman of the Committee on Foreign Rela-*
2 *tions of the Senate—*

3 “(A) *with respect to assistance or other actions*
4 *under chapter 2 or 5 of part II of this Act, or assist-*
5 *ance, sales, or other actions under the Arms Export*
6 *Control Act, that to do so is vital to the national se-*
7 *curity interests of the United States; and*

8 “(B) *with respect to other assistance or actions*
9 *that to do so is important to the national interests of*
10 *the United States.*

11 “(2) *The President may waive any provision described*
12 *in paragraph (1), (2), or (3) of subsection (b) that would*
13 *otherwise prohibit or restrict assistance or other action*
14 *under any provision of law not described in those para-*
15 *graphs if the President determines, and notifies in writing*
16 *the Speaker of the House of Representatives and the chair-*
17 *man of the Committee on Foreign Relations of the Senate,*
18 *that to do so is important to the national interests of the*
19 *United States.”.*

20 (b) *ANNUAL CEILINGS.—Section 614(a)(4) of such Act*
21 *(22 U.S.C. 2364(a)(4)) is amended—*

22 (1) *in subparagraph (A)—*

23 (A) *in clause (i), by striking*
24 “\$750,000,000” *and inserting “\$1,000,000,000”;*

1 (B) in clause (ii), by striking
2 “\$250,000,000” and inserting “\$500,000,000”;
3 and

4 (C) in clause (iii), by striking
5 “\$100,000,000” and inserting “\$200,000,000”;
6 and

7 (2) in subparagraph (C)—

8 (A) by striking “\$50,000,000” and inserting
9 “\$75,000,000”; and

10 (B) by striking “\$1,000,000,000” and insert-
11 ing “\$1,500,000,000”.

12 (c) *LAWS WHICH MAY BE WAIVED.*—Section 614 of
13 such Act (22 U.S.C. 2364) is amended by striking sub-
14 sections (b) and (c) and inserting the following:

15 “(b) *LAWS WHICH MAY BE WAIVED.*—The provisions
16 referred to in paragraphs (1) and (2) of subsection (a)
17 are—

18 “(1) the provisions of this Act;

19 “(2) the provisions of the Arms Export Control
20 Act;

21 “(3) the provisions of any annual (or periodic)
22 foreign assistance authorization or appropriations
23 legislation, including any amendment made by any
24 such Act;

1 “(4) any other provision of law that restricts as-
2 sistance, sales or leases, or other action under the Acts
3 referred to in paragraph (1), (2), or (3); and

4 “(5) any law relating to receipts and credits ac-
5 cruing to the United States.”.

6 (d) **CONFORMING AMENDMENT.**—Section 614(a)(4)(B)
7 of such Act (22 U.S.C 2364(a)(4)(B)) is amended by strik-
8 ing “the Arms Export Control Act or under”.

9 **SEC. 704. TERMINATION OF ASSISTANCE.**

10 Section 617 of the Foreign Assistance Act of 1961 (22
11 U.S.C. 2367) is amended to read as follows:

12 **“SEC. 617. TERMINATION OF ASSISTANCE.**

13 “(a) **IN GENERAL.**—(1) In order to ensure the effective-
14 ness of assistance provided under this Act, notwithstanding
15 any other provision of law, funds made available under this
16 Act or the Arms Export Control Act to carry out any pro-
17 gram, project, or activity of assistance shall remain avail-
18 able for obligation for a period not to exceed 8 months after
19 the date of termination of such assistance for the necessary
20 expenses of winding up such programs, projects, or activi-
21 ties, and funds so obligated may remain available until ex-
22 pended.

23 “(2) Funds obligated to carry out any program,
24 project, or activity of assistance before the effective date of
25 the termination of such assistance are authorized to be

1 *available for expenditure for the necessary expenses of wind-*
2 *ing up such programs, projects, and activities, notwith-*
3 *standing any provision of law restricting the expenditure*
4 *of funds, and may be reobligated to meet any other nec-*
5 *essary expenses arising from the termination of such assist-*
6 *ance.*

7 “(3) *The necessary expenses of winding up programs,*
8 *projects, and activities of assistance include the obligation*
9 *and expenditure of funds to complete the training or studies*
10 *outside their countries of origin of students whose course*
11 *of study or training program began before assistance was*
12 *terminated.*

13 “(b) *LIABILITY TO CONTRACTORS.—For the purpose of*
14 *making an equitable settlement of termination claims under*
15 *extraordinary contractual relief standards, the President is*
16 *authorized to adopt as a contract or other obligation of the*
17 *United States Government, and assume (in whole or in*
18 *part) any liabilities arising thereunder, any contract with*
19 *a United States or third-country contractor to carry out*
20 *any program, project, or activity of assistance under this*
21 *Act that was subsequently terminated pursuant to law.*

22 “(c) *GUARANTEE PROGRAMS.—Provisions of this or*
23 *any other Act requiring the termination of assistance under*
24 *this Act shall not be construed to require the termination*

1 *of guarantee commitments that were entered into before the*
2 *effective date of the termination of assistance.”.*

3 **SEC. 705. LOCAL ASSISTANCE TO HUMAN RIGHTS GROUPS**

4 **IN CUBA.**

5 *Section 109 of the Cuban Liberty and Democratic Sol-*
6 *idarity (LIBERTAD) Act of 1996 (22 U.S.C. 6039) is*
7 *amended by adding at the end the following:*

8 *“(d) LOCAL ASSISTANCE.—*

9 *“(1) IN GENERAL.—For the purposes of provid-*
10 *ing assistance to independent nongovernmental orga-*
11 *nizations and individuals in Cuba as authorized by*
12 *subsection (a), amounts made available under such*
13 *subsection may be used for assistance to individuals*
14 *and nongovernmental organizations in Cuba and for*
15 *local costs incurred in delivering such assistance.*

16 *“(2) CERTIFICATION.—A certification by a rep-*
17 *resentative of a United States or local nongovern-*
18 *mental organization, or other entity, administering*
19 *assistance described in paragraph (1), that such as-*
20 *sistance is being used for its intended purpose, shall*
21 *be deemed to satisfy any accountability requirement*
22 *of the United States Agency for International Devel-*
23 *opment for the administration of such assistance.”.*

CHAPTER 2—REPEALS**2 SEC. 711. REPEAL OF OBSOLETE PROVISIONS.**

3 (a) 1987 FOREIGN ASSISTANCE APPROPRIATIONS
4 ACT.—Section 539(g)(2) of the Foreign Assistance and Re-
5 lated Programs Appropriations Act, 1987, as included in
6 Public Law 99–591, is hereby repealed.

7 (b) 1986 ASSISTANCE ACT.—The Special Foreign As-
8 sistance Act of 1986 is hereby repealed except for section
9 1, section 204, and title III of such Act.

10 (c) 1985 ASSISTANCE ACT.—The International Secu-
11 rity and Development Cooperation Act of 1985 is hereby
12 repealed except for section 1, section 131, section 132, sec-
13 tion 502, section 504, section 505, part B of title V (other
14 than section 558 and section 559), section 1302, section
15 1303, and section 1304.

16 (d) 1985 JORDAN SUPPLEMENTAL ACT.—The Jordan
17 Supplemental Economic Assistance Authorization Act of
18 1985 is hereby repealed.

19 (e) 1985 AFRICAN FAMINE ACT.—The African Famine
20 Relief and Recovery Act of 1985 is hereby repealed.

21 (f) 1983 ASSISTANCE ACT.—The International Secu-
22 rity and Development Assistance Authorization Act of 1983
23 is hereby repealed.

24 (g) 1983 LEBANON ASSISTANCE ACT.—The Lebanon
25 Emergency Assistance Act of 1983 is hereby repealed.

1 (h) 1981 ASSISTANCE ACT.—*The International Secu-*
2 *rity and Development Cooperation Act of 1981 is hereby*
3 *repealed except for section 1, section 709, and section 714.*

4 (i) 1980 ASSISTANCE ACT.—*The International Secu-*
5 *rity and Development Cooperation Act of 1980 is hereby*
6 *repealed except for section 1, section 110, section 316, and*
7 *title V.*

8 (j) 1979 DEVELOPMENT ASSISTANCE ACT.—*The Inter-*
9 *national Development Cooperation Act of 1979 is hereby re-*
10 *pealed.*

11 (k) 1979 SECURITY ASSISTANCE ACT.—*The Inter-*
12 *national Security Assistance Act of 1979 is hereby repealed.*

13 (l) 1979 SPECIAL SECURITY ASSISTANCE ACT.—*The*
14 *Special International Security Assistance Act of 1979 is*
15 *hereby repealed.*

16 (m) 1978 DEVELOPMENT ASSISTANCE ACT.—*The*
17 *International Development and Food Assistance Act of 1978*
18 *is hereby repealed, except for section 1, title IV, and section*
19 *603(a)(2).*

20 (n) 1978 SECURITY ASSISTANCE ACT.—*The Inter-*
21 *national Security Assistance Act of 1978 is hereby repealed.*

22 (o) 1977 DEVELOPMENT ASSISTANCE ACT.—*The Inter-*
23 *national Development and Food Assistance Act of 1977 is*
24 *hereby repealed except for section 1, section 132(b), and sec-*
25 *tion 133.*

1 (p) 1977 SECURITY ASSISTANCE ACT.—*The Inter-*
2 *national Security Assistance Act of 1977 is hereby repealed.*

3 (q) 1976 SECURITY ASSISTANCE ACT.—*The Inter-*
4 *national Security Assistance and Arms Export Control Act*
5 *of 1976 is hereby repealed except for section 1, section*
6 *201(b), section 212(b), section 601, and section 608.*

7 (r) 1975 DEVELOPMENT ASSISTANCE ACT.—*The Inter-*
8 *national Development and Food Assistance Act of 1975 is*
9 *hereby repealed.*

10 (s) 1975 BIB ACT.—*Public Law 94–104 is hereby re-*
11 *pealed.*

12 (t) 1974 ASSISTANCE ACT.—*The Foreign Assistance*
13 *Act of 1974 is hereby repealed.*

14 (u) 1973 EMERGENCY ASSISTANCE ACT.—*The Emer-*
15 *gency Security Assistance Act of 1973 is hereby repealed.*

16 (v) 1973 ASSISTANCE ACT.—*The Foreign Assistance*
17 *Act of 1973 is hereby repealed.*

18 (w) 1971 ASSISTANCE ACT.—*The Foreign Assistance*
19 *Act of 1971 is hereby repealed.*

20 (x) 1971 SPECIAL ASSISTANCE ACT.—*The Special*
21 *Foreign Assistance Act of 1971 is hereby repealed.*

22 (y) 1969 ASSISTANCE ACT.—*The Foreign Assistance*
23 *Act of 1969 is hereby repealed except for the first section*
24 *and part IV.*

1 (z) 1968 ASSISTANCE ACT.—*The Foreign Assistance*
2 *Act of 1968 is hereby repealed.*

3 (aa) 1964 ASSISTANCE ACT.—*The Foreign Assistance*
4 *Act of 1964 is hereby repealed.*

5 (bb) LATIN AMERICAN DEVELOPMENT ACT.—*The*
6 *Latin American Development Act is hereby repealed.*

7 (cc) 1959 MUTUAL SECURITY ACT.—*The Mutual Secu-*
8 *rity Act of 1959 is hereby repealed.*

9 (dd) 1954 MUTUAL SECURITY ACT.—*Sections 402 and*
10 *417 of the Mutual Security Act of 1954 are hereby repealed.*

11 (ee) DEPARTMENT OF STATE AUTHORIZATION ACT,
12 *FISCAL YEARS 1982 AND 1983.*—*Section 109 of the Depart-*
13 *ment of State Authorization Act, Fiscal Years 1982 and*
14 *1983, is hereby repealed.*

15 (ff) DEPARTMENT OF STATE AUTHORIZATION ACT,
16 *FISCAL YEARS 1984 AND 1985.*—*Sections 1004 and*
17 *1005(a) of the Department of State Authorization Act, Fis-*
18 *cal Years 1984 and 1985, are hereby repealed.*

19 (gg) SAVINGS PROVISION.—*Except as otherwise pro-*
20 *vided in this Act, the repeal by this Act of any provision*
21 *of law that amended or repealed another provision of law*
22 *does not affect in any way that amendment or repeal.*

1 ***DIVISION B—FOREIGN RELA-***
2 ***TIONS AUTHORIZATIONS ACT***
3 ***TITLE X—GENERAL PROVISIONS***

4 ***SEC. 1001. SHORT TITLE.***

5 *This division may be cited as the “Foreign Relations*
6 *Authorization Act, Fiscal Years 1998 and 1999” and shall*
7 *be effective for all purposes as if enacted as a separate Act.*

8 ***SEC. 1002. STATEMENT OF HISTORY OF LEGISLATION.***

9 *This division consists of H.R. 1253, the Foreign Rela-*
10 *tions Authorization Act, Fiscal Years 1998 and 1999, which*
11 *was introduced by Representative Smith of New Jersey on*
12 *April 9, 1997, and amended and reported by the Sub-*
13 *committee on International Operations and Human Rights*
14 *of the Committee on International Relations on April 10,*
15 *1997.*

16 ***SEC. 1003. DEFINITIONS.***

17 *The following terms have the following meanings for*
18 *the purposes of this division:*

19 *(1) The term “AID” means the Agency for Inter-*
20 *national Development.*

21 *(2) The term “ACDA” means the United States*
22 *Arms Control and Disarmament Agency.*

23 *(3) The term “appropriate congressional com-*
24 *mittees” means the Committee on International Rela-*

1 *tions of the House of Representatives and the Com-*
2 *mittee of Foreign Relations of the Senate.*

3 (4) *The term “Department” means the Depart-*
4 *ment of State.*

5 (5) *The term “Federal agency” has the meaning*
6 *given to the term “agency” by section 551(1) of title*
7 *5, United States Code.*

8 (6) *The term “Secretary” means the Secretary of*
9 *State.*

10 (7) *The term “USIA” means the United States*
11 *Information Agency.*

12 **TITLE XI—AUTHORIZATION OF**
13 **APPROPRIATIONS FOR DE-**
14 **PARTMENT OF STATE AND**
15 **CERTAIN INTERNATIONAL AF-**
16 **FAIRS FUNCTIONS AND AC-**
17 **TIVITIES**

18 **SEC. 1101. ADMINISTRATION OF FOREIGN AFFAIRS.**

19 *The following amounts are authorized to be appro-*
20 *priated for the Department of State under “Administration*
21 *of Foreign Affairs” to carry out the authorities, functions,*
22 *duties, and responsibilities in the conduct of the foreign af-*
23 *fairs of the United States and for other purposes authorized*
24 *by law, including the diplomatic security program:*

1 (1) *DIPLOMATIC AND CONSULAR PROGRAMS.*—
2 For “*Diplomatic and Consular Programs*”, of the De-
3 partment of State \$1,291,977,000 for the fiscal year
4 1998 and \$1,291,977,000 for the fiscal year 1999.

5 (2) *SALARIES AND EXPENSES.*—

6 (A) *AUTHORIZATION OF APPROPRIA-*
7 *TIONS.*—For “*Salaries and Expenses*”, of the De-
8 partment of State \$363,513,000 for the fiscal
9 year 1998 and \$363,513,000 for the fiscal year
10 1999.

11 (B) *LIMITATIONS.*—Of the amounts author-
12 ized to be appropriated by subparagraph (A)
13 \$2,000,000 for fiscal year 1998 and \$2,000,000
14 for fiscal year 1999 are authorized to be appro-
15 priated only for the recruitment of minorities for
16 careers in the Foreign Service and international
17 affairs.

18 (3) *CAPITAL INVESTMENT FUND.*—For “*Capital*
19 *Investment Fund*”, of the Department of State
20 \$64,600,000 for the fiscal year 1998 and \$64,600,000
21 for the fiscal year 1999.

22 (4) *SECURITY AND MAINTENANCE OF BUILDINGS*
23 *ABROAD.*—For “*Security and Maintenance of Build-*
24 *ings Abroad*”, \$373,081,000 for the fiscal year 1998
25 and \$373,081,000 for the fiscal year 1999.

1 (5) *REPRESENTATION ALLOWANCES.*—For “*Rep-*
2 *resentation Allowances*”, \$4,300,000 for the fiscal year
3 1998 and \$4,300,000 for the fiscal year 1999.

4 (6) *EMERGENCIES IN THE DIPLOMATIC AND CON-*
5 *SULAR SERVICE.*—For “*Emergencies in the Diplo-*
6 *matic and Consular Service*”, \$5,500,000 for the fis-
7 cal 1998 and \$5,500,000 for the fiscal year 1999.

8 (7) *OFFICE OF THE INSPECTOR GENERAL.*—For
9 “*Office of the Inspector General*”, \$28,300,000 for the
10 fiscal year 1998 and \$28,300,000 for the fiscal year
11 1999.

12 (8) *PAYMENT TO THE AMERICAN INSTITUTE IN*
13 *TAIWAN.*—For “*Payment to the American Institute in*
14 *Taiwan*”, \$14,490,000 for the fiscal year 1998 and
15 \$14,490,000 for the fiscal year 1999.

16 (9) *PROTECTION OF FOREIGN MISSIONS AND OF-*
17 *FICIALS.*—For “*Protection of Foreign Missions and*
18 *Officials*”, \$7,900,000 for the fiscal year 1998 and
19 \$7,900,000 for the fiscal year 1999.

20 (10) *REPATRIATION LOANS.*—For “*Repatriation*
21 *Loans*”, \$1,200,000 for the fiscal year 1998 and
22 \$1,200,000 for the fiscal year 1999, for administrative
23 expenses.

1 **SEC. 1102. INTERNATIONAL ORGANIZATIONS, PROGRAMS,**
2 **AND CONFERENCES.**

3 (a) *ASSESSED CONTRIBUTIONS TO INTERNATIONAL*
4 *ORGANIZATIONS.—There are authorized to be appropriated*
5 *for “Contributions to International Organizations”,*
6 *\$960,389,000 for the fiscal year 1998 and \$987,590,000 for*
7 *the fiscal year 1999 for the Department of State to carry*
8 *out the authorities, functions, duties, and responsibilities*
9 *in the conduct of the foreign affairs of the United States*
10 *with respect to international organizations and to carry out*
11 *other authorities in law consistent with such purposes.*

12 (b) *VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL*
13 *ORGANIZATIONS.—*

14 (1) *AUTHORIZATION OF APPROPRIATIONS.—*
15 *There are authorized to be appropriated for “Vol-*
16 *untary Contributions to International Organiza-*
17 *tions”, \$199,725,000 for the fiscal year 1998 and*
18 *\$199,725,000 for the fiscal year 1999.*

19 (2) *LIMITATIONS.—*

20 (A) *WORLD FOOD PROGRAM.—Of the*
21 *amounts authorized to be appropriated under*
22 *paragraph (1), \$5,000,000 for the fiscal year*
23 *1998 and \$5,000,000 for the fiscal year 1999 are*
24 *authorized to be appropriated only for a United*
25 *States contribution to the World Food Program.*

1 (B) *UNITED NATIONS VOLUNTARY FUND FOR*
2 *VICTIMS OF TORTURE.*—Of the amount author-
3 ized to be appropriated under paragraph (1),
4 \$3,000,000 for the fiscal year 1998 and
5 \$3,000,000 for the fiscal year 1999 are author-
6 ized to be appropriated only for a United States
7 contribution to the United Nations Voluntary
8 Fund for Victims of Torture.

9 (C) *INTERNATIONAL PROGRAM ON THE*
10 *ELIMINATION OF CHILD LABOR.*—Of the amounts
11 authorized to be appropriated under paragraph
12 (1), \$10,000,000 for the fiscal year 1998 and
13 \$10,000,000 for the fiscal year 1999 are author-
14 ized to be appropriated only for a United States
15 contribution to the International Labor Organi-
16 zation for the activities of the International Pro-
17 gram on the Elimination of Child Labor.

18 (3) *AVAILABILITY OF FUNDS.*—Amounts author-
19 ized to be appropriated under paragraph (1) are au-
20 thorized to remain available until expended.

21 (c) *ASSESSED CONTRIBUTIONS FOR INTERNATIONAL*
22 *PEACEKEEPING ACTIVITIES.*—There are authorized to be
23 appropriated for “Contributions for International Peace-
24 keeping Activities”, \$240,000,000 for the fiscal year 1998
25 and \$240,000,000 for the fiscal year 1999 for the Depart-

1 *ment of State to carry out the authorities, functions, duties,*
2 *and responsibilities in the conduct of the foreign affairs of*
3 *the United States with respect to international peacekeep-*
4 *ing activities and to carry out other authorities in law con-*
5 *sistent with such purposes.*

6 (d) *VOLUNTARY CONTRIBUTIONS TO PEACEKEEPING*
7 *OPERATIONS.*—*There are authorized to be appropriated for*
8 *“Peacekeeping Operations”, \$87,600,000 for the fiscal year*
9 *1998 and \$67,000,000 for the fiscal year 1999 for the De-*
10 *partment of State to carry out section 551 of Public Law*
11 *87–195.*

12 (e) *INTERNATIONAL CONFERENCES AND CONTIN-*
13 *GENCIES.*—*There are authorized to be appropriated for*
14 *“International Conferences and Contingencies”, \$3,000,000*
15 *for the fiscal year 1998 and \$3,000,000 for the fiscal year*
16 *1999 for the Department of State to carry out the authori-*
17 *ties, functions, duties, and responsibilities in the conduct*
18 *of the foreign affairs of the United States with respect to*
19 *international conferences and contingencies and to carry*
20 *out other authorities in law consistent with such purposes.*

21 (f) *FOREIGN CURRENCY EXCHANGE RATES.*—*In addi-*
22 *tion to amounts otherwise authorized to be appropriated by*
23 *subsections (a) and (b) of this section, there are authorized*
24 *to be appropriated such sums as may be necessary for each*
25 *of the fiscal years 1998 and 1999 to offset adverse fluctua-*

1 *tions in foreign currency exchange rates. Amounts appro-*
2 *priated under this subsection shall be available for obliga-*
3 *tion and expenditure only to the extent that the Director*
4 *of the Office of Management and Budget determines and*
5 *certifies to Congress that such amounts are necessary due*
6 *to such fluctuations.*

7 *(g) LIMITATION ON UNITED STATES VOLUNTARY CON-*
8 *TRIBUTIONS TO UNITED NATIONS DEVELOPMENT PRO-*
9 *GRAM.—*

10 *(1) Of the amounts made available for fiscal*
11 *years 1998 and 1999 for United States voluntary con-*
12 *tributions to the United Nations Development Pro-*
13 *gram an amount equal to the amount the United Na-*
14 *tions Development Program will spend in Burma*
15 *during each fiscal year shall be withheld unless dur-*
16 *ing such fiscal year, the President submits to the ap-*
17 *propriate congressional committees the certification*
18 *described in paragraph (2).*

19 *(2) The certification referred to in paragraph (1)*
20 *is a certification by the President that all programs*
21 *and activities of the United Nations Development*
22 *Program (including United Nations Development*
23 *Program—Administered Funds) in Burma—*

24 *(A) are focused on eliminating human suf-*
25 *fering and addressing the needs of the poor;*

1 (B) are undertaken only through inter-
2 national or private voluntary organizations that
3 have been deemed independent of the State Law
4 and Order Restoration Council (SLORC), after
5 consultation with the leadership of the National
6 League for Democracy and the leadership of the
7 National Coalition Government of the Union of
8 Burma;

9 (C) provide no financial, political, or mili-
10 tary benefit to the SLORC; and

11 (D) are carried out only after consultation
12 with the leadership of the National League for
13 Democracy and the leadership of the National
14 Coalition Government of the Union of Burma.

15 **SEC. 1103. INTERNATIONAL COMMISSIONS.**

16 The following amounts are authorized to be appro-
17 priated under “International Commissions” for the Depart-
18 ment of State to carry out the authorities, functions, duties,
19 and responsibilities in the conduct of the foreign affairs of
20 the United States and for other purposes authorized by law:

21 (1) *INTERNATIONAL BOUNDARY AND WATER COM-*
22 *MISSION, UNITED STATES AND MEXICO.—For “Inter-*
23 *national Boundary and Water Commission, United*
24 *States and Mexico”—*

1 (A) for “Salaries and Expenses”
2 \$18,490,000 for the fiscal year 1998 and
3 \$18,490,000 for the fiscal year 1999; and

4 (B) for “Construction” \$6,493,000 for the
5 fiscal year 1998 and \$6,493,000 for the fiscal
6 year 1999.

7 (2) *INTERNATIONAL BOUNDARY COMMISSION,*
8 *UNITED STATES AND CANADA.—For “International*
9 *Boundary Commission, United States and Canada”,*
10 \$785,000 for the fiscal year 1998 and \$785,000 for
11 the fiscal year 1999.

12 (3) *INTERNATIONAL JOINT COMMISSION.—For*
13 *“International Joint Commission”, \$3,225,000 for the*
14 *fiscal year 1998 and \$3,225,000 for the fiscal year*
15 *1999.*

16 (4) *INTERNATIONAL FISHERIES COMMISSIONS.—*
17 *For “International Fisheries Commissions”,*
18 \$14,549,000 for the fiscal year 1998 and \$14,549,000
19 for the fiscal year 1999.

20 **SEC. 1104. MIGRATION AND REFUGEE ASSISTANCE.**

21 (a) *MIGRATION AND REFUGEE ASSISTANCE.—*

22 (1) *AUTHORIZATION OF APPROPRIATIONS.—*
23 *There are authorized to be appropriated for “Migra-*
24 *tion and Refugee Assistance” for authorized activities,*

1 \$623,000,000 for the fiscal year 1998 and
2 \$623,000,000 for the fiscal year 1999.

3 (2) *LIMITATION REGARDING TIBETAN REFUGEES*
4 *IN INDIA AND NEPAL.*—Of the amounts authorized to
5 be appropriated in paragraph (1), \$1,000,000 for the
6 fiscal year 1998 and \$1,000,000 for the fiscal year
7 1999 are authorized to be available only for humani-
8 tarian assistance, including but not limited to food,
9 medicine, clothing, and medical and vocational train-
10 ing, to Tibetan refugees in India and Nepal who have
11 fled Chinese-occupied Tibet.

12 (b) *REFUGEES RESETTLING IN ISRAEL.*—There are
13 authorized to be appropriated \$80,000,000 for the fiscal
14 year 1998 and \$80,000,000 for the fiscal year 1999 for as-
15 sistance for refugees resettling in Israel from other coun-
16 tries.

17 (c) *HUMANITARIAN ASSISTANCE FOR DISPLACED BUR-*
18 *MESE.*—There are authorized to be appropriated \$1,500,000
19 for the fiscal year 1998 and \$1,500,000 for the fiscal year
20 1999 for humanitarian assistance, including but not lim-
21 ited to food, medicine, clothing, and medical and vocational
22 training, to persons displaced as a result of civil conflict
23 in Burma, including persons still within Burma.

1 (d) *AVAILABILITY OF FUNDS.—Funds appropriated*
2 *pursuant to this section are authorized to be available until*
3 *expended.*

4 **SEC. 1105. ASIA FOUNDATION.**

5 *There are authorized to be appropriated for “Asia*
6 *Foundation”, \$10,000,000 for the fiscal year 1998 and*
7 *\$10,000,000 for the fiscal year 1999 for the Department of*
8 *State to carry out the authorities, functions, duties, and*
9 *responsibilities in the conduct of the foreign affairs of the*
10 *United States with respect to Asia Foundation and to carry*
11 *out other authorities in law consistent with such purposes.*

12 **SEC. 1106. UNITED STATES INFORMATIONAL, EDU-**
13 **CATIONAL, AND CULTURAL PROGRAMS.**

14 *The following amounts are authorized to be appro-*
15 *priated to carry out international information activities*
16 *and educational and cultural exchange programs under the*
17 *United States Information and Educational Exchange Act*
18 *of 1948, the Mutual Educational and Cultural Exchange*
19 *Act of 1961, Reorganization Plan Number 2 of 1977, the*
20 *United States International Broadcasting Act of 1994, the*
21 *Radio Broadcasting to Cuba Act, the Television Broadcast-*
22 *ing to Cuba Act, the Board for International Broadcasting*
23 *Act, the North/South Center Act of 1991, the National En-*
24 *dowment for Democracy Act, and to carry out other au-*
25 *thorities in law consistent with such purposes:*

1 (1) *SALARIES AND EXPENSES.*—For “*Salaries*
2 *and Expenses*”, \$434,097,000 for the fiscal year 1998
3 and \$434,097,000 for the fiscal year 1999.

4 (2) *TECHNOLOGY FUND.*—For “*Technology*
5 *Fund*” for the United States Information Agency,
6 \$6,350,000 for the fiscal year 1998 and \$6,350,000 for
7 the fiscal year 1999.

8 (3) *EDUCATIONAL AND CULTURAL EXCHANGE*
9 *PROGRAMS.*—

10 (A) *FULBRIGHT ACADEMIC EXCHANGE PRO-*
11 *GRAMS.*—For the “*Fulbright Academic Exchange*
12 *Programs*”, \$94,236,000 for the fiscal year 1998
13 and \$94,236,000 for the fiscal year 1999.

14 (B) *SOUTH PACIFIC EXCHANGES.*—For the
15 “*South Pacific Exchanges*”, \$500,000 for the fis-
16 cal year 1998 and \$500,000 for the fiscal year
17 1999.

18 (C) *EAST TIMORESE SCHOLARSHIPS.*—For
19 the “*East Timorese Scholarships*”, \$500,000 for
20 the fiscal year 1998 and \$500,000 for the fiscal
21 year 1999.

22 (D) *TIBETAN EXCHANGES.*—For the “*Edu-*
23 *cational and Cultural Exchanges with Tibet*”
24 under section 236 of the Foreign Relations Au-
25 thorization Act, Fiscal Years 1994 and 1995

1 *(Public Law 103–236), \$500,000 for the fiscal*
2 *year 1998 and \$500,000 for the fiscal year 1999.*

3 *(E) OTHER PROGRAMS.—For “Hubert H.*
4 *Humphrey Fellowship Program”, “Edmund S.*
5 *Muskie Fellowship Program”, “International*
6 *Visitors Program”, “Mike Mansfield Fellowship*
7 *Program”, “Claude and Mildred Pepper Scholar-*
8 *ship Program of the Washington Workshops*
9 *Foundation”, “Citizen Exchange Programs”,*
10 *“Congress-Bundestag Exchange Program”,*
11 *“Newly Independent States and Eastern Europe*
12 *Training”, and “Institute for Representative*
13 *Government”, \$97,995,000 for the fiscal year*
14 *1998 and \$97,995,000 for the fiscal year 1999.*

15 *(4) INTERNATIONAL BROADCASTING ACTIVI-*
16 *TIES.—*

17 *(A) AUTHORIZATION OF APPROPRIA-*
18 *TIONS.—For “International Broadcasting Activi-*
19 *ties”, \$334,655,000 for the fiscal year 1998, and*
20 *\$334,655,000 for the fiscal year 1999.*

21 *(B) ALLOCATION.—Of the amounts author-*
22 *ized to be appropriated under subparagraph (A),*
23 *the Director of the United States Information*
24 *Agency and the Board of Broadcasting Gov-*
25 *ernors shall seek to ensure that the amounts*

1 *made available for broadcasting to nations whose*
2 *people do not fully enjoy freedom of expression*
3 *do not decline in proportion to the amounts*
4 *made available for broadcasting to other nations.*

5 (5) *RADIO CONSTRUCTION.—For “Radio Con-*
6 *struction”, \$30,000,000 for the fiscal year 1998, and*
7 *\$30,000,000 for the fiscal year 1999.*

8 (6) *RADIO FREE ASIA.—For “Radio Free Asia”,*
9 *\$10,000,000 for the fiscal year 1998 and \$10,000,000*
10 *for the fiscal year 1999.*

11 (7) *BROADCASTING TO CUBA.—For “Broadcast-*
12 *ing to Cuba”, \$22,095,000 for the fiscal year 1998*
13 *and \$22,095,000 for the fiscal year 1999.*

14 (8) *CENTER FOR CULTURAL AND TECHNICAL*
15 *INTERCHANGE BETWEEN EAST AND WEST.—For “Cen-*
16 *ter for Cultural and Technical Interchange between*
17 *East and West”, \$10,000,000 for the fiscal year 1998*
18 *and \$10,000,000 for the fiscal year 1999.*

19 (9) *NATIONAL ENDOWMENT FOR DEMOCRACY.—*
20 *For “National Endowment for Democracy”,*
21 *\$30,000,000 for the fiscal year 1998 and \$30,000,000*
22 *for the fiscal year 1999.*

23 (10) *CENTER FOR CULTURAL AND TECHNICAL*
24 *INTERCHANGE BETWEEN NORTH AND SOUTH.—For*
25 *“Center for Cultural and Technical Interchange be-*

1 *tween North and South” \$2,000,000 for the fiscal year*
 2 *1998 and \$2,000,000 for the fiscal year 1999.*

3 **SEC. 1107. UNITED STATES ARMS CONTROL AND DISAR-**
 4 **MAMENT.**

5 *There are authorized to be appropriated to carry out*
 6 *the purposes of the Arms Control and Disarmament Act—*

7 *(1) \$44,000,000 for the fiscal year 1998 and*
 8 *\$44,000,000 for the fiscal year 1999; and*

9 *(2) such sums as may be necessary for each of*
 10 *the fiscal years 1998 and 1999 for increases in salary,*
 11 *pay, retirement, other employee benefits authorized by*
 12 *law, and to offset adverse fluctuations in foreign cur-*
 13 *rency exchange rates.*

14 **TITLE XII—DEPARTMENT OF**
 15 **STATE AUTHORITIES AND AC-**
 16 **TIVITIES**

17 **CHAPTER 1—AUTHORITIES AND**
 18 **ACTIVITIES**

19 **SEC. 1201. REVISION OF DEPARTMENT OF STATE REWARDS**
 20 **PROGRAM.**

21 *(a) IN GENERAL.—Section 36 of the State Department*
 22 *Basic Authorities Act of 1956 (22 U.S.C. 2708) is amended*
 23 *to read as follows:*

1 **“SEC. 36. DEPARTMENT OF STATE REWARDS PROGRAM.**

2 “(a) *ESTABLISHMENT.*—(1) *There is established a pro-*
3 *gram for the payment of rewards to carry out the purposes*
4 *of this section.*

5 “(2) *The rewards program established by this section*
6 *shall be administered by the Secretary of State, in consulta-*
7 *tion, where appropriate, with the Attorney General.*

8 “(b) *PURPOSE.*—(1) *The rewards program established*
9 *by this section shall be designed to assist in the prevention*
10 *of acts of international terrorism, international narcotics*
11 *trafficking, and other related criminal acts.*

12 “(2) *At the sole discretion of the Secretary of State*
13 *and in consultation, as appropriate, with the Attorney Gen-*
14 *eral, the Secretary may pay a reward to any individual*
15 *who furnishes information leading to—*

16 “(A) *the arrest or conviction in any country of*
17 *any individual for the commission of an act of inter-*
18 *national terrorism against a United States person or*
19 *United States property;*

20 “(B) *the arrest or conviction in any country of*
21 *any individual conspiring or attempting to commit*
22 *an act of international terrorism against a United*
23 *States person or United States property;*

24 “(C) *the arrest or conviction in any country of*
25 *any individual for committing, primarily outside the*
26 *territorial jurisdiction of the United States, any nar-*

1 *cotics-related offense if that offense involves or is a*
2 *significant part of conduct that involves—*

3 *“(i) a violation of United States narcotics*
4 *laws and which is such that the individual*
5 *would be a major violator of such laws; or*

6 *“(ii) the killing or kidnapping of—*

7 *“(I) any officer, employee, or contract*
8 *employee of the United States Government*
9 *while such individual is engaged in official*
10 *duties, or on account of that individual’s of-*
11 *ficial duties, in connection with the enforce-*
12 *ment of United States narcotics laws or the*
13 *implementing of United States narcotics*
14 *control objectives; or*

15 *“(II) a member of the immediate fam-*
16 *ily of any such individual on account of*
17 *that individual’s official duties, in connec-*
18 *tion with the enforcement of United States*
19 *narcotics laws or the implementing of Unit-*
20 *ed States narcotics control objectives; or*

21 *“(iii) an attempt or conspiracy to commit*
22 *any of the acts described in clause (i) or (ii); or*

23 *“(D) the arrest or conviction in any country of*
24 *any individual aiding or abetting in the commission*

1 of an act described in subparagraphs (A) through (C);
2 or

3 “(E) the prevention, frustration, or favorable res-
4 olution of an act described in subparagraphs (A)
5 through (C).

6 “(c) COORDINATION.—(1) To ensure that the payment
7 of rewards pursuant to this section does not duplicate or
8 interfere with the payment of informants or the obtaining
9 of evidence or information, as authorized to the Department
10 of Justice, the offering, administration, and payment of re-
11 wards under this section, including procedures for—

12 “(A) identifying individuals, organizations, and
13 offenses with respect to which rewards will be offered;

14 “(B) the publication of rewards;

15 “(C) offering of joint rewards with foreign gov-
16 ernments;

17 “(D) the receipt and analysis of data; and

18 “(E) the payment and approval of payment,
19 shall be governed by procedures developed by the Secretary
20 of State, in consultation with the Attorney General.

21 “(2) Before making a reward under this section in a
22 matter over which there is Federal criminal jurisdiction,
23 the Secretary of State shall advise and consult with the At-
24 torney General.

1 “(d) *FUNDING.*—(1) *There is authorized to be appro-*
2 *priated to the Department of State from time to time such*
3 *amounts as may be necessary to carry out the purposes of*
4 *this section, notwithstanding section 102 of the Foreign Re-*
5 *lations Authorization Act, Fiscal Years 1986 and 1987*
6 *(Public Law 99–93).*

7 “(2) *No amount of funds may be appropriated which,*
8 *when added to the amounts previously appropriated but not*
9 *yet obligated, would cause such amounts to exceed*
10 *\$15,000,000.*

11 “(3) *To the maximum extent practicable, funds made*
12 *available to carry out this section should be distributed*
13 *equally for the purpose of preventing acts of international*
14 *terrorism and for the purpose of preventing international*
15 *narcotics trafficking.*

16 “(4) *Amounts appropriated to carry out the purposes*
17 *of this section shall remain available until expended.*

18 “(e) *LIMITATION AND CERTIFICATION.*—(1) *A reward*
19 *under this section may not exceed \$2,000,000.*

20 “(2) *A reward under this section of more than*
21 *\$100,000 may not be made without the approval of the*
22 *President or the Secretary of State.*

23 “(3) *Any reward granted under this section shall be*
24 *approved and certified for payment by the Secretary of*
25 *State.*

1 “(4) *The authority of paragraph (2) may not be dele-*
2 *gated to any other officer or employee of the United States*
3 *Government.*

4 “(5) *If the Secretary determines that the identity of*
5 *the recipient of a reward or of the members of the recipient’s*
6 *immediate family must be protected, the Secretary may*
7 *take such measures in connection with the payment of the*
8 *reward as he considers necessary to effect such protection.*

9 “(f) *INELIGIBILITY.—An officer or employee of any*
10 *governmental entity who, while in the performance of his*
11 *or her official duties, furnishes information described in*
12 *subsection (b) shall not be eligible for a reward under this*
13 *section.*

14 “(g) *REPORTS.—(1) Not later than 30 days after pay-*
15 *ing any reward under this section, the Secretary of State*
16 *shall submit a report to the appropriate congressional com-*
17 *mittees with respect to such reward. The report, which may*
18 *be submitted on a classified basis if necessary, shall specify*
19 *the amount of the reward paid, to whom the reward was*
20 *paid, and the acts with respect to which the reward was*
21 *paid. The report shall also discuss the significance of the*
22 *information for which the reward was paid in dealing with*
23 *those acts.*

24 “(2) *Not later than 60 days after the end of each fiscal*
25 *year, the Secretary of State shall submit an annual report*

1 *to the appropriate congressional committees with respect to*
2 *the operation of the rewards program authorized by this*
3 *section. Such report shall provide information on the total*
4 *amounts expended during such fiscal year to carry out the*
5 *purposes of this section, including amounts spent to pub-*
6 *licize the availability of rewards.*

7 “(h) *PUBLICATION REGARDING REWARDS OFFERED*
8 *BY FOREIGN GOVERNMENTS.*—*Notwithstanding any other*
9 *provision of this section, at the sole discretion of the Sec-*
10 *retary of State the resources of the rewards program author-*
11 *ized by this section, shall be available for the publication*
12 *of rewards offered by foreign governments regarding acts*
13 *of international terrorism which do not involve United*
14 *States persons or property or a violation of the narcotics*
15 *laws of the United States.*

16 “(i) *DEFINITIONS.*—*As used in this section—*

17 “(1) *the term ‘appropriate congressional commit-*
18 *tees’ means the Committee on International Relations*
19 *of the House of Representatives and the Committee on*
20 *Foreign Relations of the Senate;*

21 “(2) *the term ‘act of international terrorism’ in-*
22 *cludes, but is not limited to—*

23 “(A) *any act substantially contributing to*
24 *the acquisition of unsafeguarded special nuclear*
25 *material (as defined in section 830(8) of the Nu-*

1 clear Proliferation Prevention Act of 1994) or
2 any nuclear explosive device (as defined in sec-
3 tion 830(4) of that Act) by an individual, group,
4 or non-nuclear weapon state (as defined in sec-
5 tion 830(5) of that Act); and

6 “(B) any act, as determined by the Sec-
7 retary of State, which materially supports the
8 conduct of international terrorism, including the
9 counterfeiting of United States currency or the
10 illegal use of other monetary instruments by an
11 individual, group, or country supporting inter-
12 national terrorism as determined for purposes of
13 section 6(j) of the Export Administration Act of
14 1979;

15 “(3) the term ‘United States narcotics laws’
16 means the laws of the United States for the preven-
17 tion and control of illicit traffic in controlled sub-
18 stances (as such term is defined for purposes of the
19 Controlled Substances Act); and

20 “(4) the term ‘member of the immediate family’
21 includes—

22 “(A) a spouse, parent, brother, sister, or
23 child of the individual;

24 “(B) a person to whom the individual
25 stands in loco parentis; and

1 “(C) *any other person living in the individ-*
2 *ual’s household and related to the individual by*
3 *blood or marriage.*

4 “(j) *DETERMINATIONS OF THE SECRETARY.—A deter-*
5 *mination made by the Secretary of State under this section*
6 *shall be final and conclusive and shall not be subject to judi-*
7 *cial review.*”.

8 (b) *USE OF EARNINGS FROM FROZEN ASSETS FOR*
9 *PROGRAM.—*

10 (1) *AMOUNTS TO BE MADE AVAILABLE.—Up to 2*
11 *percent of the earnings accruing, during periods be-*
12 *ginning October 1, 1998, on all assets of foreign coun-*
13 *tries blocked by the President pursuant to the Inter-*
14 *national Emergency Powers Act (50 U.S.C. 1701 and*
15 *following) shall be available, subject to appropriations*
16 *Acts, to carry out section 36 of the State Department*
17 *Basic Authorities Act, as amended by this section, ex-*
18 *cept that the limitation contained in subsection (d)(2)*
19 *of such section shall not apply to amounts made*
20 *available under this paragraph.*

21 (2) *CONTROL OF FUNDS BY THE PRESIDENT.—*
22 *The President is authorized and directed to take pos-*
23 *session and exercise full control of so much of the*
24 *earnings described in paragraph (1) as are made*
25 *available under such paragraph.*

1 **SEC. 1202. FOREIGN SERVICE NATIONAL SEPARATION LI-**
2 **ABILITY TRUST FUND.**

3 *Section 151 of the Foreign Relations Authorization*
4 *Act, Fiscal Years 1992 and 1993 (22 U.S.C. 4012a) is*
5 *amended by adding at the end the following new subsection:*

6 *“(e) INTEREST.—The Secretary of the Treasury shall*
7 *deposit amounts in the fund in interest-bearing accounts.*
8 *Any interest earned on such deposits may be credited to*
9 *the fund without further appropriation.”.*

10 **SEC. 1203. CAPITAL INVESTMENT FUND.**

11 *Section 135 of the Foreign Relations Authorization*
12 *Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2684a) is*
13 *amended—*

14 *(1) in subsection (a) by inserting “and enhance-*
15 *ment” after “procurement”;*

16 *(2) in subsection (c) by striking “are authorized*
17 *to” and inserting “shall”;*

18 *(3) in subsection (d) by striking “for expenditure*
19 *to procure capital equipment and information tech-*
20 *nology” and inserting in lieu thereof “for purposes of*
21 *subsection (a)”;* and

22 *(4) by amending subsection (e) to read as fol-*
23 *lows:*

24 *“(e) REPROGRAMMING PROCEDURES.—Funds credited*
25 *to the Capital Investment Fund shall not be available for*
26 *obligation or expenditure except in compliance with the*

1 *procedures applicable to reprogrammings under section 34*
2 *of the State Department Basic Authorities Act of 1956 (22*
3 *U.S.C. 2710).”.*

4 **SEC. 1204. INTERNATIONAL CENTER RESERVE FUNDS.**

5 *Section 5 of the International Center Act (Public Law*
6 *90–553) is amended by adding at the end the following new*
7 *sentence: “Amounts in the reserve may be deposited in in-*
8 *terest-bearing accounts and the Secretary may retain for*
9 *the purposes set forth in this section any interest earned*
10 *on such deposits without returning such interest to the*
11 *Treasury of the United States and without further appro-*
12 *priation.”.*

13 **SEC. 1205. PROCEEDS OF SALE OF FOREIGN PROPERTIES.**

14 *Section 9 of the Foreign Service Buildings Act, 1926*
15 *(22 U.S.C. 300) is amended by adding at the end the follow-*
16 *ing new subsection:*

17 *“(d) Any proceeds held or deposited pursuant to this*
18 *section may be deposited in interest bearing accounts. The*
19 *Secretary of State may retain interest earned on such de-*
20 *posits for the purposes of this section without returning such*
21 *interest to the Treasury of the United States and interest*
22 *earned may be obligated and expended without further ap-*
23 *propriation.”.*

1 **SEC. 1206. REDUCTION OF REPORTING.**

2 (a) *REPORT ON FOREIGN SERVICE PERSONNEL IN*
3 *EACH AGENCY.*—Section 601(c)(4) of the Foreign Service
4 *Act of 1980 (22 U.S.C. 4001(c)(4)) is repealed.*

5 (b) *REPORT ON PARTICIPATION BY U.S. MILITARY*
6 *PERSONNEL ABROAD IN U.S. ELECTIONS.*—Section
7 101(b)(6) of the Uniformed and Overseas Citizens Absentee
8 *Voting Act (42 U.S.C. 1973ff(b)(6)) is amended by striking*
9 *“of voter participation” and inserting “of uniformed serv-*
10 *ices voter participation, a general assessment of overseas*
11 *nonmilitary participation,”.*

12 (c) *COUNTRY REPORTS ON ECONOMIC POLICY AND*
13 *TRADE PRACTICES.*—Section 2202 of the Omnibus Trade
14 *and Competitiveness Act of 1988 (15 U.S.C. 4711) is re-*
15 *pealed.*

16 (d) *ANNUAL REPORT ON SOCIAL AND ECONOMIC*
17 *GROWTH.*—Section 574 of the Foreign Operations, Export
18 *Financing, and Related Programs Appropriations Act,*
19 *1996 (Public Law 104–107) is repealed.*

20 (e) *REPORT.*—Section 308 of the Chemical and Bio-
21 *logical Weapons and Warfare Elimination Act of 1991 (22*
22 *U.S.C. 5606) is repealed.*

1 **SEC. 1207. CONTRACTING FOR LOCAL GUARDS SERVICES**
2 **OVERSEAS.**

3 *Section 136(c) of the Foreign Relations Authorization*
4 *Act, Fiscal Years 1990 and 1991 (22 U.S.C. 4864(c)) is*
5 *amended—*

6 (1) *by amending paragraph (3) to read as fol-*
7 *lows:*

8 “(3) *in evaluating proposals for such contracts,*
9 *award contracts to the technically acceptable firm of-*
10 *fering the lowest evaluated price, except that propos-*
11 *als of United States persons and qualified United*
12 *States joint venture persons (as defined in subsection*
13 *(d)) shall be evaluated by reducing the bid price by*
14 *5 percent;”;*

15 (2) *by inserting “and” at the end of paragraph*
16 *(5);*

17 (3) *by striking “; and” at the end of paragraph*
18 *(6) and inserting a period; and*

19 (4) *by striking paragraph (7).*

20 **SEC. 1208. PREADJUDICATION OF CLAIMS.**

21 *Section 4(a) of the International Claims Settlement*
22 *Act (22 U.S.C. 1623(a)) is amended—*

23 (1) *in the first sentence by striking “1948, or”*
24 *and inserting “1948;”;*

25 (2) *by inserting before the period at the end of*
26 *the first sentence “, or included in a category of*

1 *claims against a foreign government which is referred*
2 *to the Commission by the Secretary of State”; and*

3 (3) *in paragraph (1) by striking “the applica-*
4 *ble” and inserting “any applicable”.*

5 **SEC. 1209. EXPENSES RELATING TO CERTAIN INTER-**
6 **NATIONAL CLAIMS AND PROCEEDINGS.**

7 (a) *RECOVERY OF CERTAIN EXPENSES.—The Depart-*
8 *ment of State Appropriation Act of 1937 (49 Stat. 1321,*
9 *22 U.S.C. 2661) is amended in the fifth undesignated para-*
10 *graph under the heading entitled “INTERNATIONAL FISH-*
11 *ERIES COMMISSION” by striking “extraordinary”.*

12 (b) *PROCUREMENT OF SERVICES.—Section 38(c) of the*
13 *State Department Basic Authorities Act of 1956 (22 U.S.C.*
14 *2710(c)) is amended in the first sentence by inserting “per-*
15 *sonal and” before “other support services”.*

16 **SEC. 1210. ESTABLISHMENT OF FEE ACCOUNT AND PROVID-**
17 **ING FOR PASSPORT INFORMATION SERVICES.**

18 (a) *DISPOSITION OF FEES.—Amounts collected by the*
19 *Department of State pursuant to section 281 of the Immi-*
20 *gration and Nationality Act (8 U.S.C. 1351), section 1 of*
21 *the Passport Act of June 4, 1920 (22 U.S.C. 214), section*
22 *16 of the Act of August 18, 1856 (22 U.S.C. 4219), and*
23 *section 9701 of title 31, United States Code, shall be depos-*
24 *ited in a special fund of the Treasury.*

1 (b) *USE OF FUNDS.*—Subject to subsections (d) and
2 (e), amounts collected and deposited in the special fund in
3 the Treasury pursuant to subsection (a) shall be available
4 to the extent and in such amounts as are provided in ad-
5 vance in appropriations Acts for the following purposes:

6 (1) *To pay all necessary expenses of the Depart-*
7 *ment of State and the Foreign Service, including ex-*
8 *penditures authorized by the State Department Basic Au-*
9 *thorities Act of 1956.*

10 (2) *Representation to certain international orga-*
11 *nizations in which the United States participates*
12 *pursuant to treaties ratified pursuant to the advice*
13 *and consent of the Senate or specific Acts of Congress.*

14 (3) *Acquisition by exchange or purchase of pas-*
15 *senger motor vehicles as authorized by section 1343 of*
16 *title 31, United States Code, section 201(c) of the Fed-*
17 *eral Property and Administrative Services Act of*
18 *1949 (40 U.S.C. 481(c)), and section 7 of the State*
19 *Department Basic Authorities Act (22 U.S.C. 2674).*

20 (4) *Expenses of general administration of the*
21 *Department of State.*

22 (5) *To carry out the Foreign Service Buildings*
23 *Act of 1926 (22 U.S.C. 292–300) and the Diplomatic*
24 *Security Construction Program as authorized by title*

1 *IV of the Omnibus Diplomatic Security and*
2 *Antiterrorism Act of 1986 (22 U.S.C. 4851).*

3 *(c) AVAILABILITY OF FUNDS.—Amounts collected and*
4 *deposited in the special fund pursuant to subsection (a) are*
5 *authorized to remain available until expended.*

6 *(d) LIMITATION.—For any fiscal year, any amount de-*
7 *posited in the special fund under subsection (a) that exceeds*
8 *\$455,000,000 is authorized to be made available only if a*
9 *notification is submitted in compliance with the procedures*
10 *applicable to a reprogramming of funds under section 34*
11 *of the State Department Basic Authorities Act of 1956.*

12 *(e) PASSPORT INFORMATION SERVICES.—For each of*
13 *the fiscal years 1998 and 1999, \$5,000,000 of the amounts*
14 *available in the fund shall be available only for the purpose*
15 *of providing passport information without charge to citi-*
16 *zens of the United States, including—*

17 *(1) information about who is eligible to receive*
18 *a United States passport and how and where to*
19 *apply;*

20 *(2) information about the status of pending ap-*
21 *plications; and*

22 *(3) names, addresses, and telephone numbers of*
23 *State and Federal officials who are authorized to pro-*
24 *vide passport information in cooperation with the De-*
25 *partment of State.*

1 **SEC. 1211. ESTABLISHMENT OF MACHINE READABLE FEE**
2 **ACCOUNT.**

3 *Section 140(a) of the Foreign Relations Authorization*
4 *Act, Fiscal Years 1994 and 1995 (Public Law 103–236) is*
5 *amended—*

6 *(1) by redesignating paragraph (4) as para-*
7 *graph (6);*

8 *(2) by striking paragraph (5);*

9 *(3) by striking paragraphs (2) and (3) and in-*
10 *serting the following:*

11 *“(2) Amounts collected under the authority of*
12 *paragraph (1) shall be deposited in a special fund of*
13 *the Treasury.*

14 *“(3) Subject to paragraph (5), fees deposited in*
15 *the special fund pursuant to paragraph (2) shall be*
16 *available to the extent and in such amounts as are*
17 *provided in advance in appropriations Acts for costs*
18 *of the Department of State’s border security program,*
19 *including the costs of—*

20 *“(A) installation and operation of the ma-*
21 *chine readable visa and automated name-check*
22 *process;*

23 *“(B) improving the quality and security of*
24 *the United States passport;*

25 *“(C) passport and visa fraud investigations;*
26 *and*

1 “(D) the technological infrastructure to sup-
2 port and operate the programs referred to in sub-
3 paragraphs (A) through (C).

4 “(4) Amounts deposited pursuant to paragraph
5 (2) shall remain available for obligation until ex-
6 pended.

7 “(5) For any fiscal year, any amount collected
8 pursuant to the authority of paragraph (1) that ex-
9 ceeds \$140,000,000 is authorized to be made available
10 only if a notification is submitted in compliance with
11 the procedures applicable to a reprogramming of
12 funds under section 34 of the State Department Basic
13 Authorities Act of 1956.”.

14 **SEC. 1212. RETENTION OF ADDITIONAL DEFENSE TRADE**
15 **CONTROLS REGISTRATION FEES.**

16 Section 45(a) of the State Department Basic Authori-
17 ties Act of 1956 (22 U.S.C. 2717(a)) is amended—

18 (1) by striking “\$700,000 of the” and inserting
19 “all”;

20 (2) at the end of paragraph (1) by striking
21 “and”;

22 (3) in paragraph (2)—

23 (A) by striking “functions” and inserting
24 “functions, including compliance and enforce-
25 ment activities,”; and

1 (B) by striking the period at the end and
2 inserting “; and”; and

3 (4) by adding at the end the following new para-
4 graph (3):

5 “(3) the enhancement of defense trade export
6 compliance and enforcement activities to include com-
7 pliance audits of United States and foreign parties,
8 the conduct of administrative proceedings, end-use
9 monitoring of direct commercial arms sales and
10 transfer, and cooperation in criminal proceedings re-
11 lated to defense trade export controls.”.

12 **SEC. 1213. TRAINING.**

13 (a) *INSTITUTE FOR TRAINING*.—Section 701 of the
14 *Foreign Service Act of 1980 (22 U.S.C. 4021)* is amended—

15 (1) by redesignating subsection (d)(4) as sub-
16 section (g); and

17 (2) by inserting after paragraph (3) of sub-
18 section (d) the following new subsections:

19 “(e)(1) The Secretary of State may, in the discretion
20 of the Secretary, provide appropriate training and related
21 services through the institution to employees of United
22 States companies engaged in business abroad, and to the
23 families of such employees.

24 “(2) In the case of any company under contract to pro-
25 vide services to the Department of State, the Secretary of

1 *State is authorized to provide job-related training and re-*
2 *lated services to any company employee who is performing*
3 *such services.*

4 “(3) *Training under this subsection shall be on a reim-*
5 *bursable or advance-of-funds basis. Such reimbursements or*
6 *advances shall be credited to the currently available appli-*
7 *cable appropriation account.*

8 “(4) *Training and related services under this sub-*
9 *section is authorized only to the extent that it will not inter-*
10 *fere with the institution’s primary mission of training em-*
11 *ployees of the Department and of other agencies in the field*
12 *of foreign relations.*

13 “(f)(1) *The Secretary of State is authorized to provide*
14 *on a reimbursable basis training programs to Members of*
15 *Congress or the judiciary.*

16 “(2) *Congressional staff members and employees of the*
17 *judiciary may participate on a reimbursable, space-avail-*
18 *able basis in training programs offered by the institution.*

19 “(3) *Reimbursements collected under this subsection*
20 *shall be credited to the currently available applicable appro-*
21 *priation account.*

22 “(4) *Training under this subsection is authorized only*
23 *to the extent that it will not interfere with the institution’s*
24 *primary mission of training employees of the Department*

1 of State and of other agencies in the field of foreign rela-
2 tions.”.

3 (b) *FEEES FOR USE OF NATIONAL FOREIGN AFFAIRS*
4 *TRAINING CENTER.*—*The State Department Basic Authori-*
5 *ties Act of 1956 (22 U.S.C. 2669 et seq.) is amended by*
6 *adding after section 52 the following new section:*

7 **“SEC. 53. FEES FOR USE OF THE NATIONAL FOREIGN AF-**
8 **FAIRS TRAINING CENTER.**

9 “*The Secretary is authorized to charge a fee for use*
10 *of the National Foreign Affairs Training Center Facility*
11 *of the Department of State. Funds collected under the au-*
12 *thority of this section, including reimbursements, sur-*
13 *charges, and fees, shall be deposited as an offsetting collec-*
14 *tion to any Department of State appropriation to recover*
15 *the costs of such use and shall remain available for obliga-*
16 *tion until expended.”.*

17 **SEC. 1214. RECOVERY OF COSTS OF HEALTH CARE SERV-**
18 **ICES.**

19 (a) *AUTHORITIES.*—*Section 904 of the Foreign Service*
20 *Act of 1980 (22 U.S.C. 4084) is amended—*

21 (1) *in subsection (a)—*

22 (A) *by striking “and” after “employees,”*

23 *and*

1 (B) by inserting before the period “, and
2 (for care provided abroad) such other persons as
3 are designated by the Secretary of State”;

4 (2) in subsection (d), by inserting “subject to
5 subsections (g) through (i)” before “the Secretary”;
6 and

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

9 “(g)(1)(A) In the case of a covered beneficiary who is
10 provided health care under this section and who is enrolled
11 in a covered health benefits plan of a third-party payer,
12 the United States shall have the right to collect from the
13 third-party payer a reasonable charge amount for the care
14 to the extent that the payment would be made under such
15 plan for such care under the conditions specified in para-
16 graph (2) if a claim were submitted by or on behalf of the
17 covered beneficiary.

18 “(B) Such a covered beneficiary is not required to pay
19 any deductible, copayment, or other cost-sharing under the
20 covered health benefits plan or under this section for health
21 care provided under this section.

22 “(2) With respect to health care provided under this
23 section to a covered beneficiary, for purposes of carrying
24 out paragraph (1)—

1 “(A) the reasonable charge amount (as defined in
2 paragraph (9)(C)) shall be treated by the third-party
3 payer as the payment basis otherwise allowable for
4 the care under the plan;

5 “(B) under regulations, if the covered health ben-
6 efits plan restricts or differentiates in benefit pay-
7 ments based on whether a provider of health care has
8 a participation agreement with the third-party payer,
9 the Secretary shall be treated as having such an
10 agreement as results in the highest level of payment
11 under this subsection;

12 “(C) no provision of the health benefit plan hav-
13 ing the effect of excluding from coverage or limiting
14 payment of charges for certain care shall operate to
15 prevent collection under subsection (a), including (but
16 not limited to) any provision that limits coverage or
17 payment on the basis that—

18 “(i) the care was provided outside the Unit-
19 ed States,

20 “(ii) the care was provided by a govern-
21 mental entity,

22 “(iii) the covered beneficiary (or any other
23 person) has no obligation to pay for the care,

1 “(iv) the provider of the care is not licensed
2 to provide the care in the United States or other
3 location,

4 “(v) a condition of coverage relating to uti-
5 lization review, prior authorization, or similar
6 utilization control has not been met, or

7 “(vi) in the case that drugs were provided,
8 the provision of the drugs for any indicated pur-
9 pose has not been approved by the Federal Food,
10 Drug, and Cosmetic Administration;

11 “(D) if the covered health benefits plan contains
12 a requirement for payment of a deductible, copay-
13 ment, or similar cost-sharing by the beneficiary—

14 “(i) the beneficiary’s not having paid such
15 cost-sharing with respect to the care shall not
16 preclude collection under this section, and

17 “(ii) the amount the United States may col-
18 lect under this section shall be reduced by appli-
19 cation of the appropriate cost-sharing;

20 “(E) amounts that would be payable by the
21 third-party payer under this section but for the appli-
22 cation of a deductible under subparagraph (D)(ii)
23 shall be counted towards such deductible notwith-
24 standing that under paragraph (1)(B) the individual

1 *is not charged for the care and did not pay an*
2 *amount towards such care; and*

3 *“(F) the Secretary may apply such other provi-*
4 *sions as may be appropriate to carry out this section*
5 *in an equitable manner.*

6 *“(3) In exercising authority under paragraph (1)—*

7 *“(A) the United States shall be subrogated to*
8 *any right or claim that the covered beneficiary may*
9 *have against a third-party payer;*

10 *“(B) the United States may institute and pros-*
11 *ecute legal proceedings against a third-party payer to*
12 *enforce a right of the United States under this section;*
13 *and*

14 *“(C) the Secretary may compromise, settle, or*
15 *waive a claim of the United States under this section.*

16 *“(4) No law of any State, or of any political subdivi-*
17 *sion of a State, shall operate to prevent or hinder collection*
18 *by the United States under this section.*

19 *“(5) If collection is sought from a third-party payer*
20 *for health care furnished a covered beneficiary under this*
21 *section, under regulations medical records of the beneficiary*
22 *shall be made available for inspection and review by rep-*
23 *resentatives of the third-party payer for the sole purpose*
24 *of permitting the third-party payer to verify, consistent*
25 *with this subsection that—*

1 “(A) the care for which recovery or collection is
2 sought were furnished to the beneficiary; and

3 “(B) except as otherwise provided in this sub-
4 section, the provision of such care to the beneficiary
5 meets criteria generally applicable under the covered
6 health benefits plan.

7 “(6) The Secretary shall establish (and periodically
8 update) a schedule of reasonable charge amounts for health
9 care provided under this section. The amount under such
10 schedule for health care shall be based on charges or fee
11 schedule amounts recognized by third-party payers under
12 covered health benefits plans for payment purposes for simi-
13 lar health care services furnished in the Metropolitan Wash-
14 ington, District of Columbia, area.

15 “(7) The Secretary shall establish a procedure under
16 which a covered beneficiary may elect to have subsection
17 (h) apply instead of this subsection with respect to some
18 or all health care provided to the beneficiary under this sec-
19 tion.

20 “(8) Amounts collected under this subsection, under
21 subsection (h), or under any authority referred to in sub-
22 section (i), from a third-party payer or from any other
23 payer shall be deposited as an offsetting collection to any
24 Department of State appropriation and shall remain avail-
25 able until expended.

1 “(9) *For purposes of this section:*

2 “(A) *The term ‘covered beneficiary’ means a*
3 *member or employee (or family member of such a*
4 *member of employee) described in subsection (a) who*
5 *is enrolled under a covered health benefits plan.*

6 “(B)(i) *Subject to clause (ii), the term ‘covered*
7 *health benefits plan’ means a health benefits plan of-*
8 *fered under the Federal Employees Health Benefits*
9 *Program under chapter 89 of title 5, United States*
10 *Code.*

11 “(ii) *Such term does not include such a health*
12 *benefits plan (such as a plan of a staff-model health*
13 *maintenance organization) as the Secretary deter-*
14 *mines pursuant to regulations to be structured in a*
15 *manner that impedes the application of this sub-*
16 *section to individuals enrolled under the plan. To the*
17 *extent practicable, the Secretary shall seek to dissemi-*
18 *nate to members of the Service and designated em-*
19 *ployees described in subsection (a) who are eligible to*
20 *receive health care under this section the names of*
21 *plans excluded under this clause.*

22 “(C) *The term ‘reasonable charge amount’*
23 *means, with respect to health care provided under this*
24 *section, the amount for such care specified in the*
25 *schedule established under paragraph (6).*

1 “(D) *The term ‘third-party payer’ means an en-*
2 *tity that offers a covered health benefits plan.*

3 “(h)(1) *In the case of an individual who—*

4 “(A) *receives health care pursuant to this sec-*
5 *tion; and*

6 “(B)(i) *is not a covered beneficiary (including*
7 *by virtue of enrollment only in a health benefits plan*
8 *excluded under subsection (g)(9)(B)(ii)), or*

9 “(ii) *is such a covered beneficiary and has made*
10 *an election described in subsection (g)(7) with respect*
11 *to such care,*

12 *the Secretary is authorized to collect from the individual*
13 *the full reasonable charge amount for such care.*

14 “(2) *The United States shall have the same rights*
15 *against such individuals with respect to collection of such*
16 *amounts as the United States has with respect to collection*
17 *of amounts against a third-party payer under subsection*
18 *(g), except that the rights under this subsection shall be ex-*
19 *ercised without regard to any rules for deductibles, coinsur-*
20 *ance, or other cost-sharing.*

21 “(i) *Subsections (g) and (h) shall apply to reimburse-*
22 *ment for the cost of hospitalization and related outpatient*
23 *expenses paid for under subsection (d) only to the extent*
24 *provided in regulations. Nothing in this subsection, or sub-*
25 *sections (g) and (h), shall be construed as limiting any au-*

1 *thority the Secretary otherwise has with respect to obtain-*
2 *ing reimbursement for the payments made under subsection*
3 *(d).”.*

4 *(b) EFFECTIVE DATE.—(1) The amendments made by*
5 *subsection (a) shall apply to items and services provided*
6 *on and after the first day of the first month that begins*
7 *more than 1 year after the date of the enactment of this*
8 *Act.*

9 *(2) In order to carry out such amendments in a timely*
10 *manner, the Secretary of State is authorized to issue in-*
11 *terim, final regulations that take effect pending notice and*
12 *opportunity for public comment.*

13 **SEC. 1215. FEE FOR USE OF DIPLOMATIC RECEPTION**
14 **ROOMS.**

15 *The State Department Basic Authorities Act of 1956*
16 *(22 U.S.C. 2651a et seq.) is amended by adding after sec-*
17 *tion 53 (as added by section 1213(b)) the following new sec-*
18 *tion:*

19 **“SEC. 54. FEE FOR USE OF DIPLOMATIC RECEPTION ROOMS.**

20 *“The Secretary of State is authorized to charge a fee*
21 *for use of the diplomatic reception rooms of the Department*
22 *of State. Amounts collected under the authority of this sec-*
23 *tion (including any reimbursements and surcharges) shall*
24 *be deposited as an offsetting collection to any Department*

1 of State appropriation to recover the costs of such use and
2 shall remain available for obligation until expended.”.

3 **SEC. 1216. FEES FOR COMMERCIAL SERVICES.**

4 Section 52 of the State Department Basic Authorities
5 Act of 1956 (22 U.S.C. 2724) is amended in subsection (b)
6 by adding at the end the following: “Funds deposited under
7 this subsection shall remain available for obligation until
8 expended.”.

9 **SEC. 1217. BUDGET PRESENTATION DOCUMENTS.**

10 The Secretary of State shall include in the annual
11 Congressional Presentation Document and the Budget in
12 Brief, a detailed accounting of the total collections received
13 by the Department of State from all sources, including fee
14 collections. Reporting on total collections shall also include
15 the previous year’s collection and the projected expenditures
16 from all collections accounts.

17 **SEC. 1218. EXTENSION OF CERTAIN ADJUDICATION PROVI-**
18 **SIONS.**

19 The Foreign Operations, Export Financing, and Re-
20 lated Programs Appropriations Act, 1990 (Public Law
21 101–167) is amended—

22 (1) in section 599D (8 U.S.C. 1157 note)—

23 (A) in subsection (b)(3), by striking “and
24 1997” and inserting “1997, 1998, and 1999”;

25 and

1 (B) in subsection (e), by striking “October
2 1, 1997” each place it appears and inserting
3 “October 1, 1999”; and
4 (2) in section 599E (8 U.S.C. 1255 note) in sub-
5 section (b)(2), by striking “September 30, 1997” and
6 inserting “September 30, 1999”.

7 **SEC. 1219. GRANTS TO OVERSEAS EDUCATIONAL FACILI-**
8 **TIES.**

9 Section 29 of the State Department Basic Authorities
10 Act of 1956 (22 U.S.C. 2701) is amended by adding at the
11 end the following: “Notwithstanding any other provision of
12 law, where the children of United States citizen employees
13 of an agency of the United States Government who are sta-
14 tioned outside the United States attend educational facili-
15 ties assisted by the Department of State under this section,
16 such agency is authorized make grants to, or otherwise to
17 reimburse or credit with advance payment, the Department
18 of State for funds used in providing assistance to such edu-
19 cational facilities.”.

20 **SEC. 1220. GRANTS TO REMEDY INTERNATIONAL CHILD AB-**
21 **DUCTIONS.**

22 (a) **GRANT AUTHORITY.**—Section 7 of the Inter-
23 national Child Abduction Remedies Act (42 U.S.C. 11606;
24 Public Law 100–300) is amended by adding at the end the
25 following new subsection:

1 “(e) *GRANT AUTHORITY.*—*The United States Central*
2 *Authority is authorized to make grants to, or enter into con-*
3 *tracts or agreements with, any individual, corporation,*
4 *other Federal, State, or local agency, or private entity or*
5 *organization in the United States for purposes of accom-*
6 *plishing its responsibilities under the convention and this*
7 *Act.*”.

8 **CHAPTER 2—CONSULAR AUTHORITIES OF**
9 **THE DEPARTMENT OF STATE**

10 **SEC. 1241. USE OF CERTAIN PASSPORT PROCESSING FEES**
11 **FOR ENHANCED PASSPORT SERVICES.**

12 *For each of the fiscal years 1998 and 1999, of the fees*
13 *collected for expedited passport processing and deposited to*
14 *an offsetting collection pursuant to the Department of State*
15 *and Related Agencies Appropriations Act for Fiscal Year*
16 *1995 (Public Law 103–317; 22 U.S.C. 214), 30 percent*
17 *shall be available only for enhancing passport services for*
18 *United States citizens, improving the integrity and effi-*
19 *ciency of the passport issuance process, improving the se-*
20 *cure nature of the United States passport, investigating*
21 *passport fraud, and deterring entry into the United States*
22 *by terrorists, drug traffickers, or other criminals.*

23 **SEC. 1242. CONSULAR OFFICERS.**

24 *(a) PERSONS AUTHORIZED TO ISSUE REPORTS OF*
25 *BIRTH ABROAD.*—*Section 33 of the State Department*

1 *Basic Authorities Act of 1956 (22 U.S.C. 2705) is amended*
2 *in paragraph (2) by inserting “(or any United States citi-*
3 *zen employee of the Department of State designated by the*
4 *Secretary of State to adjudicate nationality abroad pursu-*
5 *ant to such regulations as the Secretary may prescribe)”*
6 *after “consular officer”.*

7 **(b) PROVISIONS APPLICABLE TO CONSULAR OFFI-**
8 *CERS.—Section 1689 of the Revised Statutes of the United*
9 *States (22 U.S.C. 4191), is amended by inserting “and to*
10 *such other United States citizen employees of the Depart-*
11 *ment of State as may be designated by the Secretary of*
12 *State pursuant to such regulations as the Secretary may*
13 *prescribe” after “such officers”.*

14 **(c) PERSONS AUTHORIZED TO AUTHENTICATE FOR-**
15 *EIGN DOCUMENTS—Section 3492(c) of title 18, United*
16 *States Code, is amended by adding at the end the following:*
17 *“For purposes of this section and sections 3493 through*
18 *3496 of this title, a consular officer shall include any Unit-*
19 *ed States citizen employee of the Department of State des-*
20 *ignated to perform notarial functions pursuant to section*
21 *24 of the Act of August 18, 1856 (Rev. Stat. 1750, 22 U.S.C.*
22 *4221).”.*

23 **(d) PERSONS AUTHORIZED TO ADMINISTER OATHS.—**
24 *Section 115 of title 35, United States Code, is amended by*
25 *adding at the end the following: “For purposes of this sec-*

1 tion a consular officer shall include any United States citi-
2 zen employee of the Department of State designated to per-
3 form notarial functions pursuant to section 24 of the Act
4 of August 18, 1856 (Rev. Stat. 1750, 22 U.S.C. 4221).”.

5 **SEC. 1243. REPEAL OF OUTDATED CONSULAR RECEIPT RE-**
6 **QUIREMENTS.**

7 Sections 1726, 1727, and 1728 of the Revised Statutes
8 of the United States (22 U.S.C. 4212, 4213, and 4214) (con-
9 cerning accounting for consular fees) are repealed.

10 **SEC. 1244. ELIMINATION OF DUPLICATE PUBLICATION RE-**
11 **QUIREMENTS.**

12 (a) *FEDERAL REGISTER PUBLICATION OF TRAVEL*
13 *ADVISORIES*.—Section 44908(a) of title 49, United States
14 Code, is amended—

15 (1) by striking paragraph (2); and

16 (2) by redesignating paragraph (3) as para-
17 graph (2).

18 (b) *PUBLICATION IN THE FEDERAL REGISTER OF*
19 *TRAVEL ADVISORIES CONCERNING SECURITY AT FOREIGN*
20 *PORTS*.—Section 908(a) of the International Maritime and
21 Port Security Act of 1986 (Public Law 99–399; 100 Stat.
22 891; 46 U.S.C. App. 1804(a)) is amended by striking the
23 second sentence.

1 **CHAPTER 3—REFUGEES AND MIGRATION**

2 **SEC. 1261. REPORT TO CONGRESS CONCERNING CUBAN**
3 **EMIGRATION POLICIES.**

4 *Beginning 3 months after the date of the enactment*
5 *of this Act and every subsequent 6 months, the Secretary*
6 *of State shall include in the monthly report to Congress en-*
7 *titled “Update on Monitoring of Cuban Migrant Returnees”*
8 *additional information concerning the methods employed*
9 *by the Government of Cuba to enforce the United States-*
10 *Cuba agreement of September 1994 to restrict the emigra-*
11 *tion of the Cuban people from Cuba to the United States*
12 *and the treatment by the Government of Cuba of persons*
13 *who have returned to Cuba pursuant to the United States-*
14 *Cuba agreement of May 1995.*

15 **SEC. 1262. REPROGRAMMING OF MIGRATION AND REFUGEE**
16 **ASSISTANCE FUNDS.**

17 *Section 34 of the State Department Basic Authorities*
18 *Act of 1956 (22 U.S.C. 2706) is amended by adding at the*
19 *end the following new subsection:*

20 “(c) *EMERGENCY WAIVER OF NOTIFICATION REQUIRE-*
21 *MENT.—The Secretary of State may waive the notification*
22 *requirement of subsection (a), if the Secretary determines*
23 *that failure to do so would pose a substantial risk to human*
24 *health or welfare. In the case of any waiver under this sub-*
25 *section, notification to the appropriate congressional com-*

1 *mittees shall be provided as soon as practicable, but not*
 2 *later than 3 days after taking the action to which the notifi-*
 3 *cation requirement was applicable, and shall contain an*
 4 *explanation of the emergency circumstances.”.*

5 **TITLE XIII—ORGANIZATION OF**
 6 **THE DEPARTMENT OF STATE;**
 7 **DEPARTMENT OF STATE PER-**
 8 **SONNEL; THE FOREIGN SERV-**
 9 **ICE**

10 **CHAPTER 1—ORGANIZATION OF THE**
 11 **DEPARTMENT OF STATE**

12 **SEC. 1301. COORDINATOR FOR COUNTERTERRORISM.**

13 *(a) ESTABLISHMENT.—Section 1(e) of the State De-*
 14 *partment Basic Authorities Act of 1956 (22 U.S.C.*
 15 *2651a(e)) is amended—*

16 *(1) by striking “In” and inserting the following:*

17 *“(1) In”; and*

18 *(2) by inserting at the end the following:*

19 *“(2) COORDINATOR FOR COUNTERTERRORISM.—*

20 *“(A) There shall be within the office of the Sec-*
 21 *retary of State a Coordinator for Counterterrorism*
 22 *(hereafter in this paragraph referred to as the ‘Coor-*
 23 *ordinator’) who shall be appointed by the President, by*
 24 *and with the advice and consent of the Senate.*

1 “(B)(i) *The Coordinator shall perform such du-*
2 *ties and exercise such power as the Secretary of State*
3 *shall prescribe.*

4 “(ii) *The principal duty of the Coordinator shall*
5 *be the overall supervision (including policy oversight*
6 *of resources) of international counterterrorism activi-*
7 *ties. The Coordinator shall be the principal adviser to*
8 *the Secretary of State on international*
9 *counterterrorism matters. The Coordinator shall be*
10 *the principal counterterrorism official within the sen-*
11 *ior management of the Department of State and shall*
12 *report directly to the Secretary of State.*

13 “(C) *The Coordinator shall have the rank and*
14 *status of Ambassador-at-Large. The Coordinator shall*
15 *be compensated at the annual rate of basic pay in ef-*
16 *fect for a position at level IV of the Executive Sched-*
17 *ule under section 5314 of title 5, United States Code,*
18 *or, if the Coordinator is appointed from the Foreign*
19 *Service, the annual rate of pay which the individual*
20 *last received under the Foreign Service Schedule,*
21 *whichever is greater.”.*

22 (b) *TECHNICAL AND CONFORMING AMENDMENTS.—*
23 *Section 161 of the Foreign Relations Authorization Act,*
24 *Fiscal Years 1994 and 1995 (Public Law 103–236) is*
25 *amended by striking subsection (e).*

1 (c) *TRANSITION PROVISION.*—*The individual serving*
2 *as Coordinator for Counterterrorism of the Department of*
3 *State on the day before the effective date of this division*
4 *may continue to serve in that position.*

5 **SEC. 1302. ELIMINATION OF STATUTORY ESTABLISHMENT**
6 **OF CERTAIN POSITIONS OF THE DEPART-**
7 **MENT OF STATE.**

8 (a) *ASSISTANT SECRETARY OF STATE FOR SOUTH*
9 *ASIAN AFFAIRS.*—*Section 122 of the Foreign Relations Au-*
10 *thorization Act, Fiscal Years 1992 and 1993 (22 U.S.C.*
11 *2652b) is repealed.*

12 (b) *DEPUTY ASSISTANT SECRETARY OF STATE FOR*
13 *BURDENSARING.*—*Section 161 of the Foreign Relations*
14 *Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C.*
15 *2651a note) is amended by striking subsection (f).*

16 (c) *ASSISTANT SECRETARY FOR OCEANS AND INTER-*
17 *NATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS.*—
18 *Section 9 of the Department of State Appropriations Au-*
19 *thorization Act of 1973 (22 U.S.C. 2655a) is repealed.*

20 **SEC. 1303. ESTABLISHMENT OF ASSISTANT SECRETARY OF**
21 **STATE FOR HUMAN RESOURCES.**

22 Section 1(c) of the State Department Basic Authorities
23 Act of 1956 (22 U.S.C. 2651a(c)) is amended by adding
24 after paragraph (2) the following new paragraph:

1 “(3) *ASSISTANT SECRETARY FOR HUMAN RE-*
2 *SOURCES.—There shall be in the Department of State*
3 *an Assistant Secretary for Human Resources who*
4 *shall be responsible to the Secretary of State for mat-*
5 *ters relating to human resources including the imple-*
6 *mentation of personnel policies and programs within*
7 *the Department of State and international affairs*
8 *functions and activities carried out through the De-*
9 *partment of State. The Assistant Secretary shall have*
10 *substantial professional qualifications in the field of*
11 *human resource policy and management.”.*

12 **SEC. 1304. ESTABLISHMENT OF ASSISTANT SECRETARY OF**
13 **STATE FOR DIPLOMATIC SECURITY.**

14 *Section 1(c) of the State Department Basic Authorities*
15 *Act of 1956 (22 U.S.C. 2651a(c)) as amended by section*
16 *1303 is further amended by adding after paragraph (3) the*
17 *following new paragraph:*

18 “(4) *ASSISTANT SECRETARY FOR DIPLOMATIC*
19 *SECURITY.—There shall be in the Department of State*
20 *an Assistant Secretary for Diplomatic Security who*
21 *shall be responsible to the Secretary of State for mat-*
22 *ters relating to diplomatic security. The Assistant*
23 *Secretary shall have substantial professional quali-*
24 *fications in the field of Federal law enforcement, in-*
25 *telligence, or security.”.*

1 **SEC. 1305. SPECIAL ENVOY FOR TIBET.**

2 (a) *UNITED STATES SPECIAL ENVOY FOR TIBET.*—
3 *The President should appoint within the Department of*
4 *State a United States Special Envoy for Tibet, who shall*
5 *hold office at the pleasure of the President.*

6 (b) *RANK.*—*A United States Special Envoy for Tibet*
7 *appointed under subsection (a) shall have the personal rank*
8 *of ambassador and shall be appointed by and with the ad-*
9 *vice and consent of the Senate.*

10 (c) *SPECIAL FUNCTIONS.*—*The United States Special*
11 *Envoy for Tibet should be authorized and encouraged—*

12 (1) *to promote substantive negotiations between*
13 *the Dalai Lama or his representatives and senior*
14 *members of the Government of the People's Republic*
15 *of China;*

16 (2) *to promote good relations between the Dalai*
17 *Lama and his representatives and the United States*
18 *Government, including meeting with members or rep-*
19 *resentatives of the Tibetan government-in-exile; and*

20 (3) *to travel regularly throughout Tibet and Ti-*
21 *betan refugee settlements.*

22 (d) *DUTIES AND RESPONSIBILITIES.*—*The United*
23 *States Special Envoy for Tibet should—*

24 (1) *consult with the Congress on policies relevant*
25 *to Tibet and the future and welfare of all Tibetan*
26 *people;*

1 (2) *coordinate United States Government poli-*
2 *cies, programs, and projects concerning Tibet; and*

3 (3) *report to the Secretary of State regarding the*
4 *matters described in section 536(a)(2) of the Foreign*
5 *Relations Authorization Act, Fiscal Years 1994 and*
6 *1995 (Public Law 103–236).*

7 **SEC. 1306. RESPONSIBILITIES FOR BUREAU CHARGED WITH**
8 **REFUGEE ASSISTANCE.**

9 *The Bureau of Migration and Refugee Assistance shall*
10 *be the bureau within the Department of State with prin-*
11 *cipal responsibility for assisting the Secretary in carrying*
12 *out the Migration and Refugee Assistance Act of 1962 and*
13 *shall not be charged with responsibility for assisting the*
14 *Secretary in matters relating to family planning or popu-*
15 *lation policy.*

16 **CHAPTER 2—PERSONNEL OF THE DEPART-**
17 **MENT OF STATE; THE FOREIGN SERV-**
18 **ICE**

19 **SEC. 1321. AUTHORIZED STRENGTH OF THE FOREIGN SERV-**
20 **ICE.**

21 (a) *END FISCAL YEAR 1998 LEVELS.—The number of*
22 *members of the Foreign Service authorized to be employed*
23 *as of September 30, 1998—*

1 (1) *for the Department of State, shall not exceed*
2 8,700, of whom not more than 750 shall be members
3 of the Senior Foreign Service;

4 (2) *for the United States Information Agency,*
5 *shall not exceed 1,000, of whom not more than 140*
6 *shall be members of the Senior Foreign Service; and*

7 (3) *for the Agency for International Develop-*
8 *ment, not to exceed 1070, of whom not more than 140*
9 *shall be members of the Senior Foreign Service.*

10 (b) *END FISCAL YEAR 1999 LEVELS.—The number of*
11 *members of the Foreign Service authorized to be employed*
12 *as of September 30, 1999—*

13 (1) *for the Department of State, shall not exceed*
14 8,800, of whom not more than 750 shall be members
15 of the Senior Foreign Service;

16 (2) *for the United States Information Agency,*
17 *not to exceed 1,000 of whom not more than 140 shall*
18 *be members of the Senior Foreign Service; and*

19 (3) *for the Agency for International Develop-*
20 *ment, not to exceed 1065 of whom not more than 135*
21 *shall be members of the Senior Foreign Service.*

22 (c) *DEFINITION.—For the purposes of this section, the*
23 *term “members of the Foreign Service” is used within the*
24 *meaning of such term under section 103 of the Foreign*

1 *Service Act of 1980 (22 U.S.C 3903), except that such term*
2 *does not include—*

3 *(1) members of the Service under paragraphs (6)*
4 *and (7) of such section;*

5 *(2) members of the Service serving under tem-*
6 *porary resident appointments abroad;*

7 *(3) members of the Service employed on less than*
8 *a full-time basis;*

9 *(4) members of the Service subject to involuntary*
10 *separation in cases in which such separation has been*
11 *suspended pursuant to section 1106(8) of the Foreign*
12 *Service Act of 1980; and*

13 *(5) members of the Service serving under non-ca-*
14 *reer limited appointments.*

15 *(d) WAIVER AUTHORITY.—(1) Subject to paragraph*
16 *(2), the President may waive any limitation under sub-*
17 *section (a) or (b) to the extent that such waiver is necessary*
18 *to carry on the foreign affairs functions of the United*
19 *States.*

20 *(2) Not less than 15 days before the President exercises*
21 *a waiver under paragraph (1), such agency head shall no-*
22 *tify the Chairman of the Committee on Foreign Relations*
23 *of the Senate and the Chairman of the Committee on Inter-*
24 *national Relations of the House of Representatives. Such*

1 *notice shall include an explanation of the circumstances*
2 *and necessity for such waiver.*

3 **SEC. 1322. NONOVERTIME DIFFERENTIAL PAY.**

4 *Title 5 of the United States Code is amended—*

5 *(1) in section 5544(a), by inserting after the*
6 *fourth sentence the following new sentence: “For em-*
7 *ployees serving outside the United States in areas*
8 *where Sunday is a routine workday and another day*
9 *of the week is officially recognized as the day of rest*
10 *and worship, the Secretary of State may designate the*
11 *officially recognized day of rest and worship as the*
12 *day with respect to which the preceding sentence shall*
13 *apply instead of Sunday.”; and*

14 *(2) at the end of section 5546(a), by adding the*
15 *following new sentence: “For employees serving out-*
16 *side the United States in areas where Sunday is a*
17 *routine workday and another day of the week is offi-*
18 *cially recognized as the day of rest and worship, the*
19 *Secretary of State may designate the officially recog-*
20 *nized day of rest and worship as the day with respect*
21 *to which the preceding sentence shall apply instead of*
22 *Sunday.”.*

1 **SEC. 1323. AUTHORITY OF SECRETARY TO SEPARATE CON-**
2 **VICTED FELONS FROM SERVICE.**

3 *Section 610(a)(2) of the Foreign Service Act of 1980*
4 *(22 U.S.C. 4010(a)(2)) is amended in the first sentence by*
5 *striking “A member” and inserting “Except in the case of*
6 *an individual who has been convicted of a crime for which*
7 *a sentence of imprisonment of more than 1 year may be*
8 *imposed, a member”.*

9 **SEC. 1324. CAREER COUNSELING.**

10 *(a) IN GENERAL.—Section 706(a) of the Foreign Serv-*
11 *ice Act of 1980 (22 U.S.C. 4026(a)) is amended by adding*
12 *at the end the following sentence: “Career counseling and*
13 *related services provided pursuant to this Act shall not be*
14 *construed to permit an assignment to training or to another*
15 *assignment that consists primarily of paid time to conduct*
16 *a job search and without other substantive duties, except*
17 *that career members of the Service who upon their separa-*
18 *tion are not eligible to receive an immediate annuity and*
19 *have not been assigned to a post in the United States during*
20 *the 12 months prior to their separation from the Service*
21 *may be permitted up to 2 months of paid time to conduct*
22 *a job search.”.*

23 *(b) EFFECTIVE DATE.—The amendment made by sub-*
24 *section (a) shall be effective 180 days after the date of the*
25 *enactment of this Act.*

1 **SEC. 1325. REPORT CONCERNING MINORITIES AND THE**
2 **FOREIGN SERVICE.**

3 *The Secretary of State shall annually submit a report*
4 *to the Congress concerning minorities and the Foreign Serv-*
5 *ice officer corps. In addition to such other information as*
6 *is relevant to this issue, the report shall include the follow-*
7 *ing data (reported in terms of real numbers and percentages*
8 *and not as ratios):*

9 (1) *The numbers and percentages of all minori-*
10 *ties taking the written foreign service examination.*

11 (2) *The numbers and percentages of all minori-*
12 *ties successfully completing and passing the written*
13 *foreign service examination.*

14 (3) *The numbers and percentages of all minori-*
15 *ties successfully completing and passing the oral for-*
16 *ign service examination.*

17 (4) *The numbers and percentages of all minori-*
18 *ties entering the junior officers class of the Foreign*
19 *Service.*

20 (5) *The numbers and percentages of all minori-*
21 *ties in the Foreign Service officer corps.*

22 (6) *The numbers and percentages of all minority*
23 *Foreign Service officers at each grade, particularly at*
24 *the senior levels in policy directive positions.*

1 (7) *The numbers of and percentages of minorities*
2 *promoted at each grade of the Foreign Service officer*
3 *corps.*

4 **SEC. 1326. RETIREMENT BENEFITS FOR INVOLUNTARY SEP-**
5 **ARATION.**

6 (a) *BENEFITS.*—*Section 609 of the Foreign Service Act*
7 *of 1980 (22 U.S.C. 4009) is amended—*

8 (1) *in subsection (a)(2)(A) by inserting “or any*
9 *other applicable provision of chapter 84 of title 5,*
10 *United States Code,” after “section 811,”;*

11 (2) *in subsection (a) by inserting “or section*
12 *855, as appropriate” after “section 806”; and*

13 (3) *in subsection (b)(2)—*

14 (A) *by inserting “(A) for those participants*
15 *in the Foreign Service Retirement and Disabil-*
16 *ity System,” before “a refund”; and*

17 (B) *by inserting before the period at the end*
18 *“; and (B) for those participants in the Foreign*
19 *Service Pension System, benefits as provided in*
20 *section 851”.*

21 (4) *in subsection (b) in the matter following*
22 *paragraph (2) by inserting “(for participants in the*
23 *Foreign Service Retirement and Disability System)*
24 *or age 62 (for participants in the Foreign Service*
25 *Pension System)” after “age 60”.*

1 (b) *ENTITLEMENT TO ANNUITY.*—Section 855(b) of the
2 *Foreign Service Act of 1980 (22 U.S.C. 4071d(b))* is amend-
3 *ed—*

4 (1) *in paragraph (1) by inserting “611,” after*
5 *“608,”;*

6 (2) *in paragraph (1) by inserting “and for par-*
7 *ticipants in the Foreign Service Pension System”*
8 *after “for participants in the Foreign Service Retire-*
9 *ment and Disability System”;* and

10 (3) *in paragraph (3) by striking “or 610” and*
11 *inserting “610, or 611”.*

12 (c) *EFFECTIVE DATES.*—

13 (1) *Except as provided in paragraph (2), the amend-*
14 *ments made by this section shall take effect on the date of*
15 *the enactment of this Act.*

16 (2) *The amendments made by paragraphs (2) and (3)*
17 *of subsection (a) and paragraphs (1) and (3) of subsection*
18 *(b) shall apply with respect to any actions taken under sec-*
19 *tion 611 of the Foreign Service Act of 1980 after January*
20 *1, 1996.*

21 **SEC. 1327. AVAILABILITY PAY FOR CERTAIN CRIMINAL IN-**
22 **VESTIGATORS WITHIN THE DIPLOMATIC SE-**
23 **CURITY SERVICE.**

24 (a) *IN GENERAL.*—Section 5545a of title 5, United
25 *States Code, is amended by adding at the end the following:*

1 “(k)(1) For purposes of this section, the term ‘criminal
2 investigator’ includes an officer occupying a position under
3 title II of Public Law 99–399 if—

4 “(A) subject to subparagraph (C), such officer
5 meets the definition of such term under paragraph (2)
6 of subsection (a) (applied disregarding the parenthet-
7 ical matter before subparagraph (A) thereof);

8 “(B) the primary duties of the position held by
9 such officer consist of performing—

10 “(i) protective functions; or

11 “(ii) criminal investigations; and

12 “(C) such officer satisfies the requirements of
13 subsection (d) without taking into account any hours
14 described in paragraph (2)(B) thereof.

15 “(2) In applying subsection (h) with respect to an offi-
16 cer under this subsection—

17 “(A) any reference in such subsection to ‘basic
18 pay’ shall be considered to include amounts des-
19 igned as ‘salary’;

20 “(B) paragraph (2)(A) of such subsection shall
21 be considered to include (in addition to the provisions
22 of law specified therein) sections 609(b)(1), 805, 806,
23 and 856 of the Foreign Service Act of 1980; and

24 “(C) paragraph (2)(B) of such subsection shall
25 be applied by substituting for ‘Office of Personnel

1 *Management’ the following: ‘Office of Personnel Man-*
2 *agement or the Secretary of State (to the extent that*
3 *matters exclusively within the jurisdiction of the Sec-*
4 *retary are concerned)’.”.*

5 *(b) IMPLEMENTATION.—Not later than the date on*
6 *which the amendments made by this section take effect, each*
7 *special agent of the Diplomatic Security Service who satis-*
8 *fies the requirements of subsection (k)(1) of section 5545a*
9 *of title 5, United States Code, as amended by this section,*
10 *and the appropriate supervisory officer, to be designated by*
11 *the Secretary of State, shall make an initial certification*
12 *to the Secretary of State that the special agent is expected*
13 *to meet the requirements of subsection (d) of such section*
14 *5545a. The Secretary of State may prescribe procedures*
15 *necessary to administer this subsection.*

16 *(c) TECHNICAL AND CONFORMING AMENDMENTS.—(1)*
17 *Paragraph (2) of section 5545a(a) of title 5, United States*
18 *Code, is amended (in the matter before subparagraph (A))*
19 *by striking “Public Law 99–399)” and inserting “Public*
20 *Law 99–399, subject to subsection (k))”.*

21 *(2) Section 5542(e) of such title is amended by striking*
22 *“title 18, United States Code,” and inserting “title 18 or*
23 *section 37(a)(3) of the State Department Basic Authorities*
24 *Act of 1956,”.*

1 (d) *EFFECTIVE DATE.*—*The amendments made by this*
2 *section shall take effect on the first day of the first applica-*
3 *ble pay period—*

4 (1) *which begins on or after the 90th day follow-*
5 *ing the date of the enactment of this Act; and*

6 (2) *on which date all regulations necessary to*
7 *carry out such amendments are (in the judgment of*
8 *the Director of the Office of Personnel Management*
9 *and the Secretary of State) in effect.*

10 **SEC. 1328. LABOR MANAGEMENT RELATIONS.**

11 *Section 1017(e)(2) of the Foreign Service Act of 1980*
12 *(22 U.S.C. 4117(e)(2)) is amended to read as follows:*

13 “(2) *For the purposes of paragraph (1)(A)(ii) and*
14 *paragraph (1)(B), the term ‘management official’ does not*
15 *include chiefs of mission, principal officers or their depu-*
16 *ties, administrative and personnel officers abroad, or indi-*
17 *viduals described in section 1002(12)(B), (C), and (D) who*
18 *are not involved in the administration of this chapter or*
19 *in the formulation of the personnel policies and programs*
20 *of the Department.”.*

21 **SEC. 1329. OFFICE OF THE INSPECTOR GENERAL.**

22 (a) *PROCEDURES.*—*Section 209(c) of the Foreign*
23 *Service Act of 1980 (22 U.S.C. 3929(c)) is amended by add-*
24 *ing after paragraph (3) the following new paragraphs:*

1 “(4) *In the case of a formal interview where an*
2 *employee is the likely subject or target of an Inspector*
3 *General criminal investigation, the Inspector General*
4 *shall make all best efforts to provide the employee*
5 *with notice of the full range of his or her rights, in-*
6 *cluding the right to retain counsel and the right to re-*
7 *main silent, as well as the identification of those at-*
8 *tending the interview.*”

9 “(5) *In carrying out the duties and responsibil-*
10 *ities established under this section, the Inspector Gen-*
11 *eral shall develop and provide to employees—*

12 “(A) *information detailing their rights to*
13 *counsel; and*

14 “(B) *guidelines describing in general terms*
15 *the policies and procedures of the Office of In-*
16 *pector General with respect to individuals under*
17 *investigation, other than matters exempt from*
18 *disclosure under other provisions of law.”.*

19 (b) *REPORT.—Not later than April 30, 1998, the In-*
20 *pector General of the Department of State shall submit a*
21 *report to the appropriate congressional committees which*
22 *includes the following information:*

23 (1) *Detailed descriptions of the internal guidance*
24 *developed or used by the Office of the Inspector Gen-*
25 *eral with respect to public disclosure of any informa-*

1 *tion related to an ongoing investigation of any em-*
2 *ployee or official of the Department of State, the*
3 *United States Information Agency, or the Arms Con-*
4 *trol and Disarmament Agency.*

5 *(2) Detailed descriptions of those instances for*
6 *the year ending December 31, 1997, in which any dis-*
7 *closure of information to the public by an employee*
8 *of the Office of Inspector General about an ongoing*
9 *investigation occurred, including details on the recip-*
10 *ient of the information, the date of the disclosure, and*
11 *the internal clearance process for the disclosure.*

12 **TITLE XIV—UNITED STATES PUB-**
13 **LIC DIPLOMACY: AUTHORI-**
14 **TIES AND ACTIVITIES FOR**
15 **UNITED STATES INFORMA-**
16 **TIONAL, EDUCATIONAL, AND**
17 **CULTURAL PROGRAMS**

18 **SEC. 1401. EXTENSION OF AU PAIR PROGRAMS.**

19 *Section 1(b) of the Act entitled “An Act to extend au*
20 *pair programs.” (Public Law 104–72; 109 Stat. 1065(b))*
21 *is amended by striking “, through fiscal year 1997”.*

22 **SEC. 1402. RETENTION OF INTEREST.**

23 *Notwithstanding any other provision of law, with the*
24 *approval of the National Endowment for Democracy, grant*
25 *funds made available by the National Endowment for De-*

1 *mocracy may be deposited in interest-bearing accounts*
2 *pending disbursement and any interest which accrues may*
3 *be retained by the grantee without returning such interest*
4 *to the Treasury of the United States and interest earned*
5 *by be obligated and expended for the purposes for which*
6 *the grant was made without further appropriation.*

7 **SEC. 1403. CENTER FOR CULTURAL AND TECHNICAL INTER-**
8 **CHANGE BETWEEN NORTH AND SOUTH.**

9 *Section 208(e) of the Foreign Relations Authorization*
10 *Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2075(e)) is*
11 *amended by striking “\$10,000,000” and inserting*
12 *“\$4,000,000”.*

13 **SEC. 1404. USE OF SELECTED PROGRAM FEES.**

14 *Section 810 of the United States Information and*
15 *Educational Exchange Act of 1948 (22 U.S.C. 1475e) is*
16 *amended by inserting “educational advising and counsel-*
17 *ing, exchange visitor program services, advertising sold by*
18 *the Voice of America, receipts from cooperating inter-*
19 *national organizations and from the privatization of VOA*
20 *Europe,” after “library services,”.*

21 **SEC. 1405. MUSKIE FELLOWSHIP PROGRAM.**

22 *(a) GUIDELINES .—Section 227(c)(5) of the Foreign*
23 *Relations Authorization Act, Fiscal Years 1992 and 1993*
24 *(22 U.S.C. 2452 note) is amended—*

1 (1) *in the first sentence by inserting “journalism*
 2 *and communications, education administration, pub-*
 3 *lic policy, library and information science,” after*
 4 *“business administration,”; and*

5 (2) *in the second sentence by inserting “journal-*
 6 *ism and communications, education administration,*
 7 *public policy, library and information science,” after*
 8 *“business administration,”.*

9 (b) *REDESIGNATION OF SOVIET UNION.—Section 227*
 10 *of the Foreign Relations Authorization Act, Fiscal Years*
 11 *1992 and 1993 (22 U.S.C. 2452 note) is amended—*

12 (1) *by striking “Soviet Union” each place it ap-*
 13 *pears and inserting “Independent States of the*
 14 *Former Soviet Union”;* and

15 (2) *in the section heading by inserting “INDE-*
 16 ***PENDENT STATES OF THE FORMER***” after
 17 ***“FROM THE”.***

18 ***SEC. 1406. WORKING GROUP ON UNITED STATES GOVERN-***
 19 ***MENT SPONSORED INTERNATIONAL EX-***
 20 ***CHANGES AND TRAINING.***

21 *Section 112 of the Mutual Educational and Cultural*
 22 *Exchange Act of 1961 (22 U.S.C. 2460) is amended by add-*
 23 *ing at the end the following new subsection:*

24 “(g) ***WORKING GROUP ON UNITED STATES GOVERN-***
 25 ***MENT SPONSORED INTERNATIONAL EXCHANGES AND***

1 *TRAINING.*—(1) *In order to carry out the purposes of sub-*
2 *section (f) and to improve the coordination, efficiency, and*
3 *effectiveness of United States Government sponsored inter-*
4 *national exchanges and training, there is established within*
5 *the United States Information Agency a senior-level inter-*
6 *agency working group to be known as the Working Group*
7 *on United States Government Sponsored International Ex-*
8 *changes and Training (hereinafter in this section referred*
9 *to as ‘the Working Group’).*

10 “(2) *For purposes of this subsection, the term ‘Govern-*
11 *ment sponsored international exchanges and training’*
12 *means the movement of people between countries to promote*
13 *the sharing of ideas, to develop skills, and to foster mutual*
14 *understanding and cooperation, financed wholly or in part,*
15 *directly or indirectly, with United States Government*
16 *funds.*

17 “(3) *The Working Group shall be composed as follows:*

18 “(A) *The Associate Director for Educational and*
19 *Cultural Affairs of the United States Information*
20 *Agency, who shall act as Chair.*

21 “(B) *A senior representative designated by the*
22 *Secretary of State.*

23 “(C) *A senior representative designated by the*
24 *Secretary of Defense.*

1 “(D) A senior representative designated by the
2 Secretary of Education.

3 “(E) A senior representative designated by the
4 Attorney General.

5 “(F) A senior representative designated by the
6 Administrator of the Agency for International Devel-
7 opment.

8 “(G) Senior representatives of other departments
9 and agencies as the Chair determines to be appro-
10 priate.

11 “(4) Representatives of the National Security Adviser
12 and the Director of the Office of Management and Budget
13 may participate in the Working Group at the discretion
14 of the adviser and the director, respectively.

15 “(5) The Working Group shall be supported by an
16 interagency staff office established in the Bureau of Edu-
17 cational and Cultural Affairs of the United States Informa-
18 tion Agency.

19 “(6) The Working Group shall have the following pur-
20 poses and responsibilities:

21 “(A) To collect, analyze, and report data pro-
22 vided by all United States Government departments
23 and agencies conducting international exchanges and
24 training programs.

1 “(B) To promote greater understanding and co-
2 operation among concerned United States Govern-
3 ment departments and agencies of common issues and
4 challenges in conducting international exchanges and
5 training programs, including through the establish-
6 ment of a clearinghouse for information on inter-
7 national exchange and training activities in the gov-
8 ernmental and nongovernmental sectors.

9 “(C) In order to achieve the most efficient and
10 cost-effective use of Federal resources, to identify ad-
11 ministrative and programmatic duplication and over-
12 lap of activities by the various United States Govern-
13 ment departments and agencies involved in Govern-
14 ment sponsored international exchange and training
15 programs, to identify how each Government sponsored
16 international exchange and training program pro-
17 motes United States foreign policy, and to report
18 thereon.

19 “(D) Not later than 1 year after the date of the
20 enactment of the Foreign Relations Authorization Act,
21 Fiscal Years 1998 and 1999, to develop and thereafter
22 assess, annually, a coordinated and cost-effective
23 strategy for all United States Government sponsored
24 international exchange and training programs, and
25 to issue a report on such strategy. This strategy will

1 *include an action plan for consolidating United*
2 *States Government sponsored international exchange*
3 *and training programs with the objective of achieving*
4 *a minimum 10 percent cost saving through consolida-*
5 *tion or the elimination of duplication.*

6 *“(E) Not later than 2 years after the date of the*
7 *enactment of the Foreign Relations Authorization Act,*
8 *Fiscal Years 1998 and 1999, to develop recommenda-*
9 *tions on common performance measures for all United*
10 *States Government sponsored international exchange*
11 *and training programs, and to issue a report.*

12 *“(F) To conduct a survey of private sector inter-*
13 *national exchange activities and develop strategies for*
14 *expanding public and private partnerships in, and*
15 *leveraging private sector support for, United States*
16 *Government sponsored international exchange and*
17 *training activities.*

18 *“(G) Not later than 6 months after the date of*
19 *the enactment of the Foreign Relations Authorization*
20 *Act, Fiscal Years 1998 and 1999, to report on the fea-*
21 *sibility of transferring funds and program manage-*
22 *ment for the ATLAS and/or the Mandela Fellows pro-*
23 *grams in South Africa from the Agency for Inter-*
24 *national Development to the United States Informa-*
25 *tion Agency. The report shall include an assessment*

1 *of the capabilities of the South African Fulbright*
2 *Commission to manage such programs and the cost*
3 *advantages of consolidating such programs under one*
4 *entity.*

5 “(7) *All reports prepared by the Working Group shall*
6 *be submitted to the President, through the Director of the*
7 *United States Information Agency.*

8 “(8) *The Working Group shall meet at least on a quar-*
9 *terly basis.*

10 “(9) *All decisions of the Working Group shall be by*
11 *majority vote of the members present and voting.*

12 “(10) *The members of the Working Group shall serve*
13 *without additional compensation for their service on the*
14 *Working Group. Any expenses incurred by a member of the*
15 *Working Group in connection with service on the Working*
16 *Group shall be compensated by that member’s department*
17 *or agency.*

18 “(11) *With respect to any report promulgated pursu-*
19 *ant to paragraph (6), a member may submit dissenting*
20 *views to be submitted as part of the report of the Working*
21 *Group.”.*

1 **SEC. 1407. EDUCATIONAL AND CULTURAL EXCHANGES AND**
2 **SCHOLARSHIPS FOR TIBETANS AND BUR-**
3 **MESE.**

4 (a) *ESTABLISHMENT OF EDUCATIONAL AND CUL-*
5 *TURAL EXCHANGE FOR TIBETANS.*—*The Director of the*
6 *United States Information Agency shall establish programs*
7 *of educational and cultural exchange between the United*
8 *States and the people of Tibet. Such programs shall include*
9 *opportunities for training and, as the Director considers*
10 *appropriate, may include the assignment of personnel and*
11 *resources abroad.*

12 (b) *SCHOLARSHIPS FOR TIBETANS AND BURMESE.*—

13 (1) *IN GENERAL.*—*For each of the fiscal years*
14 *1998 and 1999, at least 30 scholarships shall be made*
15 *available to Tibetan students and professionals who*
16 *are outside Tibet, and at least 15 scholarships shall*
17 *be made available to Burmese students and profes-*
18 *sionals who are outside Burma.*

19 (2) *WAIVER.*—*Paragraph (1) shall not apply to*
20 *the extent that the Director of the United States In-*
21 *formation Agency determines that there are not*
22 *enough qualified students to fulfill such allocation re-*
23 *quirement.*

24 (3) *SCHOLARSHIP DEFINED.*—*For the purposes*
25 *of this section, the term “scholarship” means an*
26 *amount to be used for full or partial support of tui-*

1 *tion and fees to attend an educational institution,*
2 *and may include fees, books, and supplies, equipment*
3 *required for courses at an educational institution, liv-*
4 *ing expenses at a United States educational institu-*
5 *tion, and travel expenses to and from, and within, the*
6 *United States.*

7 **SEC. 1408. UNITED STATES—JAPAN COMMISSION.**

8 *(a) RELIEF FROM RESTRICTION OF INTERCHANGE-*
9 *ABILITY OF FUNDS.—*

10 *(1) Section 6(4) of the Japan-United States*
11 *Friendship Act (22 U.S.C. 2905(4)) is amended by*
12 *striking “needed, except” and all that follows through*
13 *“United States” and inserting “needed”.*

14 *(2) The second sentence of section 7(b) of the*
15 *Japan-United States Friendship Act (22 U.S.C.*
16 *2906(b)) is amended to read as follows: “Such invest-*
17 *ment may be made only in interest-bearing obliga-*
18 *tions of the United States, in obligations guaranteed*
19 *as to both principal and interest by the United*
20 *States, in interest-bearing obligations of Japan, or in*
21 *obligations guaranteed as to both principal and inter-*
22 *est by Japan.”.*

23 *(b) REVISION OF NAME OF COMMISSION.—*

24 *(1) After the date of the enactment of this Act,*
25 *the Japan-United States Friendship Commission*

1 *shall be designated as the “United States-Japan Com-*
2 *mission”. Any reference in any provision of law, Ex-*
3 *ecutive order, regulation, delegation of authority, or*
4 *other document to the Japan-United States Friend-*
5 *ship Commission shall be considered to be a reference*
6 *to the United States-Japan Commission.*

7 (2) *The heading of section 4 of the Japan-United*
8 *States Friendship Act (22 U.S.C. 2903) is amended*
9 *to read as follows:*

10 “UNITED STATES-JAPAN COMMISSION”.

11 (3) *The Japan-United States Friendship Act is*
12 *amended by striking “Japan-United States Friend-*
13 *ship Commission” each place such term appears and*
14 *inserting “United States-Japan Commission”.*

15 (c) *REVISION OF NAME OF TRUST FUND.—*

16 (1) *After the date of the enactment of this Act,*
17 *the Japan-United States Friendship Trust Fund shall*
18 *be designated as the “United States-Japan Trust*
19 *Fund”. Any reference in any provision of law, Execu-*
20 *tive order, regulation, delegation of authority, or other*
21 *document to the Japan-United States Friendship*
22 *Trust Fund shall be considered to be a reference to the*
23 *United States-Japan Trust Fund.*

24 (2) *Section 3(a) of the Japan-United States*
25 *Friendship Act (22 U.S.C. 2902(a)) is amended by*
26 *striking “Japan-United States Friendship Trust*

1 **SEC. 1411. PERMANENT ADMINISTRATIVE AUTHORITIES RE-**
2 **GARDING APPROPRIATIONS.**

3 *Section 701(f) of the United States Information and*
4 *Educational Exchange Act of 1948 (22 U.S.C. 1476(f)) is*
5 *amended by striking paragraph (4).*

6 **SEC. 1412. AUTHORITIES OF THE BROADCASTING BOARD OF**
7 **GOVERNORS.**

8 (a) *AUTHORITIES.*—*Section 305(a)(1) of the United*
9 *States International Broadcasting Act of 1994 (22 U.S.C.*
10 *6204(a)(1)) is amended by striking “direct and”.*

11 (b) *DIRECTOR OF THE BUREAU.*—*The first sentence*
12 *of section 307(b)(1) of the United States International*
13 *Broadcasting Act of 1994 (22 U.S.C. 6206(b)(1)) is amend-*
14 *ed to read as follows: “The Director of the Bureau shall*
15 *be appointed by the Board with the concurrence of the Di-*
16 *rector of the United States Information Agency.”.*

17 (c) *RESPONSIBILITIES OF THE DIRECTOR.*—*Section*
18 *307 of the United States International Broadcasting Act*
19 *of 1994 (22 U.S.C. 6206) is amended by adding at the end*
20 *the following new subsection:*

21 *“(c) RESPONSIBILITIES OF THE DIRECTOR.—The Di-*
22 *rector shall organize and chair a coordinating committee*
23 *to examine long-term strategies for the future of inter-*
24 *national broadcasting, including the use of new tech-*
25 *nologies, further consolidation of broadcast services, and*
26 *consolidation of currently existing public affairs and legis-*

1 *lative relations functions in the various international*
 2 *broadcasting entities. The coordinating committee shall in-*
 3 *clude representatives of RFA, RFE/RL, the Broadcasting*
 4 *Board of Governors, and, as appropriate, from the Office*
 5 *of Cuba Broadcasting, the Voice of America, and*
 6 *WorldNet.”.*

7 *(d) RADIO BROADCASTING TO CUBA.—Section 4 of the*
 8 *Radio Broadcasting to Cuba Act (22 U.S.C. 1465b) is*
 9 *amended by striking “of the Voice of America” and insert-*
 10 *ing “of the International Broadcasting Bureau”.*

11 *(e) TELEVISION BROADCASTING TO CUBA.—Section*
 12 *244(a) of the Television Broadcasting to Cuba Act (22*
 13 *U.S.C. 1465cc(a)) is amended in the third sentence by strik-*
 14 *ing “of the Voice of America” and inserting “of the Inter-*
 15 *national Broadcasting Bureau”.*

16 **TITLE XV—INTERNATIONAL OR-**
 17 **GANIZATIONS; UNITED NA-**
 18 **TIONS AND RELATED AGEN-**
 19 **CIES**

20 **CHAPTER 1—GENERAL PROVISIONS**

21 **SEC. 1501. SERVICE IN INTERNATIONAL ORGANIZATIONS.**

22 *(a) IN GENERAL.—Section 3582(b) of title 5, United*
 23 *States Code, is amended by striking all after the first sen-*
 24 *tence and inserting the following: “On reemployment, he is*
 25 *entitled to the rate of basic pay to which he would have*

1 *been entitled had he remained in the civil service. On reem-*
2 *ployment, the agency shall restore his sick leave account,*
3 *by credit or charge, to its status at the time of transfer.*
4 *The period of separation caused by his employment with*
5 *the international organization and the period necessary to*
6 *effect reemployment are deemed creditable service for all ap-*
7 *propriate civil service employment purposes. This sub-*
8 *section does not apply to a congressional employee.”.*

9 **(b) APPLICATION.**—*The amendment made by sub-*
10 *section (a) shall apply with respect transfers which take ef-*
11 *fect on or after the date of the enactment of this Act.*

12 **SEC. 1502. ORGANIZATION OF AMERICAN STATES.**

13 *Taking into consideration the long-term commitment*
14 *by the United States to the affairs of this hemisphere and*
15 *the need to build further upon the linkages between the*
16 *United States and its neighbors, it is the sense of the Con-*
17 *gress that the Secretary of State should make every effort*
18 *to pay the United States assessed funding levels for the Or-*
19 *ganization of American States, which is uniquely dependent*
20 *on United States contributions and is continuing fun-*
21 *damental reforms in its structure and its agenda.*

1 **CHAPTER 2—UNITED NATIONS AND**
2 **RELATED AGENCIES**

3 **SEC. 1521. REFORM IN BUDGET DECISIONMAKING PROCE-**
4 **DURES OF THE UNITED NATIONS AND ITS**
5 **SPECIALIZED AGENCIES.**

6 (a) *ASSESSED CONTRIBUTIONS.*—*Of amounts author-*
7 *ized to be appropriated for “Assessed Contributions to*
8 *International Organizations” by this Act, the President*
9 *may withhold 20 percent of the funds appropriated for the*
10 *United States assessed contribution to the United Nations*
11 *or to any of its specialized agencies for any calendar year*
12 *if the Secretary of State determines that the United Nations*
13 *or any such agency has failed to implement or to continue*
14 *to implement consensus-based decisionmaking procedures*
15 *on budgetary matters which assure that sufficient attention*
16 *is paid to the views of the United States and other member*
17 *states that are the major financial contributors to such as-*
18 *essed budgets.*

19 (b) *NOTICE TO CONGRESS.*—*The President shall notify*
20 *the Congress when a decision is made to withhold any share*
21 *of the United States assessed contribution to the United Na-*
22 *tions or its specialized agencies pursuant to subsection (a)*
23 *and shall notify the Congress when the decision is made*
24 *to pay any previously withheld assessed contribution. A no-*
25 *tification under this subsection shall include appropriate*

1 *consultation between the President (or the President's rep-*
2 *resentative) and the Committee on International Relations*
3 *of the House of Representatives and the Committee on For-*
4 *ign Relations of the Senate.*

5 (c) *CONTRIBUTIONS FOR PRIOR YEARS.*—Subject to
6 *the availability of appropriations, payment of assessed con-*
7 *tributions for prior years may be made to the United Na-*
8 *tions or any of its specialized agencies notwithstanding sub-*
9 *section (a) if such payment would further United States*
10 *interests in that organization.*

11 (d) *REPORT TO CONGRESS.*—Not later than February
12 *1 of each year, the President shall submit to the appropriate*
13 *congressional committees a report concerning the amount*
14 *of United States assessed contributions paid to the United*
15 *Nations and each of its specialized agencies during the pre-*
16 *ceding calendar year.*

17 **SEC. 1522. REPORTS ON EFFORTS TO PROMOTE FULL**
18 **EQUALITY AT THE UNITED NATIONS FOR IS-**
19 **RAEL.**

20 (a) *CONGRESSIONAL STATEMENT.*—It is the sense of
21 *the Congress that the United States must help promote an*
22 *end to the persistent inequity experienced by Israel in the*
23 *United Nations whereby Israel is the only longstanding*
24 *member of the organization to be denied acceptance into*
25 *any of the United Nation's regional blocs.*

1 (b) *REPORTS TO CONGRESS.*—Not later than 90 days
2 after the date of the enactment of this Act and on a quar-
3 terly basis thereafter, the Secretary of State shall submit
4 to the appropriate congressional committees a report which
5 includes the following information (in classified or unclas-
6 sified form as appropriate):

7 (1) *Actions taken by representatives of the Unit-*
8 *ed States to encourage the nations of the Western Eu-*
9 *rope and Others Group (WEOG) to accept Israel into*
10 *their regional bloc.*

11 (2) *Efforts undertaken by the Secretary General*
12 *of the United Nations to secure Israel's full and equal*
13 *participation in that body.*

14 (3) *Specific responses received by the Secretary*
15 *of State from each of the nations of the Western Eu-*
16 *rope and Others Group (WEOG) on their position*
17 *concerning Israel's acceptance into their organization.*

18 (4) *Other measures being undertaken, and which*
19 *will be undertaken, to ensure and promote Israel's full*
20 *and equal participation in the United Nations.*

21 **SEC. 1523. UNITED NATIONS POPULATION FUND.**

22 (a) *LIMITATION.*—Subject to subsections (b), (c), and
23 (d)(2), of the amounts made available for each of the fiscal
24 years 1998 and 1999 to carry out part I of the Foreign
25 Assistance Act of 1961, not more than \$25,000,000 shall be

1 *available for each such fiscal year for the United Nations*
2 *Population Fund.*

3 (b) *PROHIBITION ON USE OF FUNDS IN CHINA.*—None
4 *of the funds made available under this section shall be made*
5 *available for a country program in the People's Republic*
6 *of China.*

7 (c) *CONDITIONS ON AVAILABILITY OF FUNDS.*—

8 (1) *Not more than one-half of the amount made*
9 *available to the United Nations Population Fund*
10 *under this section may be provided to the Fund before*
11 *March 1 of the fiscal year for which funds are made*
12 *available.*

13 (2) *Amounts made available for each of the fiscal*
14 *years 1998 and 1999 under part I of the Foreign As-*
15 *sistance Act of 1961 for the United Nations Popu-*
16 *lation Fund may not be made available to the Fund*
17 *unless—*

18 (A) *the Fund maintains amounts made*
19 *available to the Fund under this section in an*
20 *account separate from accounts of the Fund for*
21 *other funds; and*

22 (B) *the Fund does not commingle amounts*
23 *made available to the Fund under this section*
24 *with other funds.*

25 (d) *REPORTS.*—

1 (1) *Not later than February 15, 1998, and Feb-*
2 *ruary 15, 1999, the Secretary of State shall submit a*
3 *report to the appropriate congressional committees in-*
4 *dicating the amount of funds that the United Nations*
5 *Population Fund is budgeting for the year in which*
6 *the report is submitted for a country program in the*
7 *People’s Republic of China.*

8 (2) *If a report under paragraph (1) indicates*
9 *that the United Nations Population Fund plans to*
10 *spend China country program funds in the People’s*
11 *Republic of China in the year covered by the report,*
12 *then the amount of such funds that the Fund plans*
13 *to spend in the People’s Republic of China shall be*
14 *deducted from the funds made available to the Fund*
15 *after March 1 for obligation for the remainder of the*
16 *fiscal year in which the report is submitted.*

17 **SEC. 1524. CONTINUED EXTENSION OF PRIVILEGES, EXEMP-**
18 **TIONS, AND IMMUNITIES OF THE INTER-**
19 **NATIONAL ORGANIZATIONS IMMUNITIES ACT**
20 **TO UNIDO.**

21 *Section 12 of the International Organizations Immu-*
22 *nities Act (22 U.S.C. 288f-2) is amended by inserting “and*
23 *the United Nations Industrial Development Organization”*
24 *after “International Labor Organization”.*

1 **TITLE XVI—ARMS CONTROL AND**
2 **DISARMAMENT AGENCY**

3 **SEC. 1601. COMPREHENSIVE COMPILATION OF ARMS CON-**
4 **TROL AND DISARMAMENT STUDIES.**

5 *Section 39 of the Arms Control and Disarmament Act*
6 *(22 U.S.C. 2579) is repealed.*

7 **SEC. 1602. USE OF FUNDS.**

8 *Section 48 of the Arms Control and Disarmament Act*
9 *(22 U.S.C. 2588) is amended by striking “section 11 of the*
10 *Act of March 1, 1919 (44 U.S.C. 111)” and inserting “any*
11 *other Act”.*

12 **TITLE XVII—FOREIGN POLICY**
13 **PROVISIONS**

14 **SEC. 1701. UNITED STATES POLICY REGARDING THE INVOL-**
15 **UNTARY RETURN OF REFUGEES.**

16 *(a) IN GENERAL.—No funds authorized to be appro-*
17 *priated by this division shall be available to effect the invol-*
18 *untary return by the United States of any person to a coun-*
19 *try in which the person has a well founded fear of persecu-*
20 *tion on account of race, religion, nationality, membership*
21 *in a particular social group, or political opinion, except*
22 *on grounds recognized as precluding protection as a refugee*
23 *under the United Nations Convention Relating to the Sta-*
24 *tus of Refugees of July 28, 1951, and the Protocol Relating*
25 *to the Status of Refugees of January 31, 1967.*

1 *for believing the person would be in danger of subjection*
2 *to torture.*

3 (b) *DEFINITIONS.—*

4 (1) *IN GENERAL.—Except as otherwise provided,*
5 *terms used in this section have the meanings given*
6 *such terms under the United Nations Convention*
7 *Against Torture and Other Cruel, Inhuman or De-*
8 *grading Treatment or Punishment, subject to any res-*
9 *ervations, understandings, declarations, and provisos*
10 *contained in the United States resolution of advice*
11 *and consent to ratification to such convention.*

12 (2) *INVOLUNTARY RETURN.—As used in this sec-*
13 *tion, the term “effect the involuntary return” means*
14 *to take action by which it is reasonably foreseeable*
15 *that a person will be required to return to a country*
16 *against the person’s will, regardless of whether such*
17 *return is induced by physical force and regardless of*
18 *whether the person is physically present in the United*
19 *States.*

20 **SEC. 1703. REPORTS ON CLAIMS BY UNITED STATES FIRMS**
21 **AGAINST THE GOVERNMENT OF SAUDI ARA-**
22 **BIA.**

23 (a) *IN GENERAL.—Within 60 days after the date of*
24 *the enactment of this Act and every 120 days thereafter,*
25 *the Secretary of State, in coordination with the Secretary*

1 of Defense and the Secretary of Commerce, shall report to
2 the appropriate congressional committees on specific ac-
3 tions taken by the Department of State, the Department of
4 Defense, and the Department of Commerce toward progress
5 in resolving the commercial disputes between United States
6 firms and the Government of Saudi Arabia that are de-
7 scribed in the June 30, 1993, report by the Secretary of
8 Defense pursuant to section 9140(c) of the Department of
9 Defense Appropriations Act, 1993 (Public Law 102–396),
10 including the additional claims noticed by the Department
11 of Commerce on page 2 of that report.

12 (b) *TERMINATION.*—Subsection (a) shall cease to have
13 effect when the Secretary of State, in coordination with the
14 Secretary of Defense and the Secretary of Commerce, cer-
15 tifies in writing to the appropriate congressional commit-
16 tees that the commercial disputes referred to in subsection
17 (a) have been resolved satisfactorily.

18 **SEC. 1704. HUMAN RIGHTS REPORTS.**

19 Section 116(d) of the Foreign Assistance Act of 1961
20 (22 U.S.C. 2151n) is amended—

21 (1) by striking “January 31” and inserting
22 “February 25”;

23 (2) redesignating paragraphs (3), (4), and (5) as
24 paragraphs (4), (5), and (6), respectively; and

1 (3) by inserting after paragraph (2) the follow-
2 ing new paragraph (3):

3 “(3) the status of child labor practices in each
4 country, including—

5 “(A) whether such country has adopted poli-
6 cies to protect children from exploitation in the
7 workplace, including a prohibition of forced and
8 bonded labor and policies regarding acceptable
9 working conditions; and

10 “(B) the extent to which each country en-
11 forces such policies, including the adequacy of re-
12 sources and oversight dedicated to such policies;”.

13 **SEC. 1705. REPORTS ON DETERMINATIONS UNDER TITLE IV**
14 **OF THE LIBERTAD ACT.**

15 Section 401 of the Cuban Liberty and Democratic Sol-
16 idarity (*LIBERTAD*) Act of 1996 (22 U.S.C. 6091) is
17 amended by adding at the end the following:

18 “(e) *REPORTS TO CONGRESS.*—The Secretary of State
19 shall, not later than 30 days after the date of the enactment
20 of this subsection and every 3 months thereafter, submit to
21 the Committee on International Relations of the House of
22 Representatives and the Committee on Foreign Relations of
23 the Senate a report on the implementation of this section.
24 Each report shall include—

1 “(1) an unclassified list, by economic sector, of
2 the number of entities then under review pursuant to
3 this section;

4 “(2) an unclassified list of all entities and a
5 classified list of all individuals that the Secretary of
6 State has determined to be subject to this section;

7 “(3) an unclassified list of all entities and a
8 classified list of all individuals that the Secretary of
9 State has determined are no longer subject to this sec-
10 tion;

11 “(4) an explanation of the status of the review
12 under way for the cases referred to in paragraph (1);
13 and

14 “(5) an unclassified explanation of each deter-
15 mination of the Secretary of State under subsection
16 (a) and each finding of the Secretary under sub-
17 section (c)—

18 “(A) since the date of the enactment of this
19 Act, in the case of the first report under this sub-
20 section; and

21 “(B) in the preceding 3-month period, in
22 the case of each subsequent report.”.

1 **SEC. 1706. REPORTS AND POLICY CONCERNING DIPLO-**
2 **MATIC IMMUNITY.**

3 (a) *ANNUAL REPORT CONCERNING DIPLOMATIC IMMUN-*
4 *NITY.—*

5 (1) *REPORT TO CONGRESS.—The Secretary of*
6 *State shall prepare and submit to the Congress, annu-*
7 *ally, a report concerning diplomatic immunity enti-*
8 *tled “Report on Cases Involving Diplomatic Immu-*
9 *nity”.*

10 (2) *CONTENT OF REPORT.—In addition to such*
11 *other information as the Secretary of State may con-*
12 *sider appropriate, the report under paragraph (1)*
13 *shall include the following:*

14 (A) *The number of persons residing in the*
15 *United States who enjoy full immunity from the*
16 *criminal jurisdiction of the United States under*
17 *laws extending diplomatic privileges and immu-*
18 *nities.*

19 (B) *Each case involving an alien described*
20 *in subparagraph (A) in which the appropriate*
21 *authorities of a State, a political subdivision of*
22 *a State, or the United States reported to the De-*
23 *partment of State that the authority had reason-*
24 *able cause to believe the alien committed a seri-*
25 *ous criminal offense within the United States.*

1 (C) *Each case in which the United States*
2 *has certified that a person enjoys full immunity*
3 *from the criminal jurisdiction of the United*
4 *States under laws extending diplomatic privi-*
5 *leges and immunities.*

6 (D) *The number of United States citizens*
7 *who are residing in a receiving state and who*
8 *enjoy full immunity from the criminal jurisdic-*
9 *tion of such state under laws extending diplo-*
10 *matic privileges and immunities.*

11 (E) *Each case involving a United States*
12 *citizen under subparagraph (D) in which the*
13 *United States has been requested by the govern-*
14 *ment of a receiving state to waive the immunity*
15 *from criminal jurisdiction of the United States*
16 *citizen.*

17 (3) *SERIOUS CRIMINAL OFFENSE DEFINED.—The*
18 *term “serious criminal offense” means—*

19 (A) *any felony under Federal, State, or*
20 *local law;*

21 (B) *any Federal, State, or local offense pun-*
22 *ishable by a term of imprisonment of more than*
23 *1 year ;*

1 (C) any crime of violence as defined for
2 purposes of section 16 of title 18, United States
3 Code; or

4 (D) driving under the influence of alcohol
5 or drugs or driving while intoxicated if the case
6 involves personal injury to another individual.

7 (b) UNITED STATES POLICY CONCERNING REFORM OF
8 DIPLOMATIC IMMUNITY.—It is the sense of the Congress that
9 the Secretary of State should explore, in appropriate fora,
10 whether states should enter into agreements and adopt legis-
11 lation—

12 (1) to provide jurisdiction in the sending state to
13 prosecute crimes committed in the receiving state by
14 persons entitled to immunity from criminal jurisdic-
15 tion under laws extending diplomatic privileges and
16 immunities; and

17 (2) to provide that where there is probable cause
18 to believe that an individual who is entitled to immu-
19 nity from the criminal jurisdiction of the receiving
20 state under laws extending diplomatic privileges and
21 immunities committed a serious crime, the sending
22 state will waive such immunity or the sending state
23 will prosecute such individual.

1 **SEC. 1707. CONGRESSIONAL STATEMENT WITH RESPECT TO**
2 **EFFICIENCY IN THE CONDUCT OF FOREIGN**
3 **POLICY.**

4 *It is the sense of the Congress that the Secretary, after*
5 *consultation with the appropriate congressional committees,*
6 *should submit a plan to the Congress to consolidate some*
7 *or all of the functions currently performed by the Depart-*
8 *ment of State, the agency for International Development,*
9 *and the Arms Control and Disarmament Agency, in order*
10 *to increase efficiency and accountability in the conduct of*
11 *the foreign policy of the United States.*

12 **SEC. 1708. CONGRESSIONAL STATEMENT CONCERNING**
13 **RADIO FREE EUROPE/RADIO LIBERTY.**

14 *It is the sense of the Congress that Radio Free Europe/*
15 *Radio Liberty should continue surrogate broadcasting be-*
16 *yond the year 2000 to countries whose people do not yet*
17 *fully enjoy freedom of expression. Recent events in Serbia,*
18 *Belarus, and Slovakia, among other nations, demonstrate*
19 *that even after the end of communist rule in such nations,*
20 *tyranny under other names still threatens the freedom of*
21 *their peoples, and hence the stability of Europe and the na-*
22 *tional security interest of the United States. The Broadcast-*
23 *ing Board of Governors should therefore continue to allocate*
24 *sufficient funds to Radio Free Europe/Radio Liberty to con-*
25 *tinue broadcasting at current levels to target countries and*

1 *to increase these levels in response to renewed threats to free-*
2 *dom.*

3 **SEC. 1709. PROGRAMS OR PROJECTS OF THE INTER-**
4 **NATIONAL ATOMIC ENERGY AGENCY IN CUBA.**

5 *(a) WITHHOLDING OF UNITED STATES PROPORTIONAL*
6 *SHARE OF ASSISTANCE.—*

7 *(1) IN GENERAL.—Section 307(c) of the Foreign*
8 *Assistance Act of 1961 (22 U.S.C. 2227(c)) is amend-*
9 *ed—*

10 *(A) by striking “The limitations” and in-*
11 *serting “(1) Subject to paragraph (2), the limita-*
12 *tions”; and*

13 *(B) by adding at the end the following:*

14 *“(2)(A) Except as provided in subparagraph (B), with*
15 *respect to funds authorized to be appropriated by this chap-*
16 *ter and available for the International Atomic Energy*
17 *Agency, the limitations of subsection (a) shall apply to pro-*
18 *grams or projects of such Agency in Cuba.*

19 *“(B)(i) Subparagraph (A) shall not apply with respect*
20 *to programs or projects of the International Atomic Energy*
21 *Agency that provide for the discontinuation, dismantling,*
22 *or safety inspection of nuclear facilities or related mate-*
23 *rials, or for inspections and similar activities designed to*
24 *prevent the development of nuclear weapons by a country*
25 *described in subsection (a).*

1 “(ii) Clause (i) shall not apply with respect to the
2 *Juragua Nuclear Power Plant near Cienfuegos, Cuba, or*
3 *the Pedro Pi Nuclear Research Center unless Cuba—*

4 “(I) ratifies the Treaty on the Non-Proliferation
5 *of Nuclear Weapons (21 UST 483) or the Treaty for*
6 *the Prohibition of Nuclear Weapons in Latin America*
7 *(commonly known as the Treaty of Tlatelolco);*

8 “(II) negotiates full-scope safeguards of the Inter-
9 *national Atomic Energy Agency not later than two*
10 *years after ratification by Cuba of such Treaty; and*

11 “(III) incorporates internationally accepted nu-
12 *clear safety standards.”.*

13 (2) *EFFECTIVE DATE.—The amendments made*
14 *by paragraph (1) shall take effect on October 1, 1997,*
15 *or the date of the enactment of this Act, whichever oc-*
16 *curs later.*

17 (b) *OPPOSITION TO CERTAIN PROGRAMS OR*
18 *PROJECTS.—The Secretary of State shall direct the United*
19 *States representative to the International Atomic Energy*
20 *Agency to oppose the following:*

21 (1) *Technical assistance programs or projects of*
22 *the Agency at the Juragua Nuclear Power Plant near*
23 *Cienfuegos, Cuba, and at the Pedro Pi Nuclear Re-*
24 *search Center.*

1 (2) *Any other program or project of the Agency*
2 *in Cuba that is, or could become, a threat to the secu-*
3 *rity of the United States.*

4 *(c) REPORTING REQUIREMENTS.—*

5 (1) *REQUEST FOR IAEA REPORTS.—The Sec-*
6 *retary of State shall direct the United States rep-*
7 *resentative to the International Atomic Energy Agen-*
8 *cy to request the Director-General of the Agency to*
9 *submit to the United States all reports prepared with*
10 *respect to all programs or projects of the Agency that*
11 *are of concern to the United States, including the pro-*
12 *grams or projects described in subsection (b).*

13 (2) *ANNUAL REPORTS TO THE CONGRESS.—Not*
14 *later than 180 days after the date of the enactment*
15 *of this Act, and on an annual basis thereafter, the*
16 *Secretary of State, in consultation with the United*
17 *States representative to the International Atomic En-*
18 *ergy Agency, shall prepare and submit to the Con-*
19 *gress a report containing a description of all pro-*
20 *grams or projects of the Agency in each country de-*
21 *scribed in section 307(a) of the Foreign Assistance Act*
22 *of 1961 (22 U.S.C. 2227(a)).*

1 **SEC. 1710. UNITED STATES POLICY WITH RESPECT TO JE-**
2 **RUSALEM AS THE CAPITAL OF ISRAEL.**

3 (a) *LIMITATION.*—*Of the amounts authorized to be ap-*
4 *propriated by section 1101(4) for “Acquisition and Mainte-*
5 *nance of Buildings Abroad” \$25,000,000 for the fiscal year*
6 *1998 and \$75,000,000 for the fiscal year 1999 is authorized*
7 *to be appropriated for the construction of a United States*
8 *Embassy in Jerusalem, Israel.*

9 (b) *LIMITATION ON USE OF FUNDS FOR CONSULATE*
10 *IN JERUSALEM.*—*None of the funds authorized to be appro-*
11 *priated by this division may be expended for the operation*
12 *of a United States consulate or diplomatic facility in Jeru-*
13 *salem unless such consulate or diplomatic facility is under*
14 *the supervision of the United States Ambassador to Israel.*

15 (c) *LIMITATION ON USE OF FUNDS FOR PUBLICA-*
16 *TIONS.*—*None of the funds authorized to be appropriated*
17 *by this division may be available for the publication of any*
18 *official government document which lists countries and*
19 *their capital cities unless the publication identifies Jerusa-*
20 *lem as the capital of Israel.*

21 (d) *RECORD OF PLACE OF BIRTH.*—*For purposes of*
22 *the registration of birth, certification of nationality, or issu-*
23 *ance of a passport of a United States citizen born in the*
24 *city of Jerusalem, upon request, the Secretary of State shall*
25 *permit the place of birth to be recorded as Jerusalem, Israel.*

1 **SEC. 1711. REPORT ON COMPLIANCE WITH THE HAGUE**
2 **CONVENTION ON INTERNATIONAL CHILD AB-**
3 **DUCTION.**

4 *Beginning 6 months after the date of the enactment*
5 *of this Act and every 12 months thereafter during the fiscal*
6 *years 1998 and 1999, the Secretary shall provide to the ap-*
7 *propriate congressional committees a report on the compli-*
8 *ance with the provisions of the the Hague Convention on*
9 *the Civil Aspects of International Child Abduction by the*
10 *signatories to such convention. Each such report shall in-*
11 *clude the following information:*

12 *(1) The number of applications for the return of*
13 *children submitted by United States citizens to the*
14 *Central Authority for the United States that remain*
15 *unresolved more than 18 months after the date of fil-*
16 *ing.*

17 *(2) A list of the countries to which children in*
18 *unresolved applications described in paragraph (1)*
19 *are alleged to have been abducted.*

20 *(3) A list of the countries that have demonstrated*
21 *a pattern of noncompliance with the obligations of*
22 *such convention with respect to applications for the*
23 *return of children submitted by United States citizens*
24 *to the Central Authority for the United States.*

1 (4) *Detailed information on each unresolved case*
2 *described in paragraph (1) and on actions taken by*
3 *the Department of State to resolve each such case.*

4 **SEC. 1712. SENSE OF CONGRESS RELATING TO RECOGNI-**
5 **TION OF THE ECUMENICAL PATRIARCHATE**
6 **BY THE GOVERNMENT OF TURKEY.**

7 *It is the sense of the Congress that the United States—*

8 (1) *should recognize the Ecumenical Patriarchate*
9 *and its nonpolitical, religious mission;*

10 (2) *should encourage the continued maintenance*
11 *of the institution's physical security needs, as pro-*
12 *vided for under Turkish and international law; and*

13 (3) *should use its good offices to encourage the*
14 *reopening of the Ecumenical Patriarchate's Halki Pa-*
15 *triarchal School of Theology.*

16 **SEC. 1713. RETURN OF HONG KONG TO PEOPLE'S REPUBLIC**
17 **OF CHINA.**

18 *It is the sense of the Congress that—*

19 (1) *the return of Hong Kong to the People's Re-*
20 *public of China should be carried out in a peaceful*
21 *manner, with respect for the rule of law and respect*
22 *for human rights, freedom of speech, freedom of the*
23 *press, freedom of association, freedom of movement;*
24 *and*

1 (2) *these basic freedoms are not incompatible*
2 *with the rich culture and history of the People's Re-*
3 *public of China.*

4 **SEC. 1714. DEVELOPMENT OF DEMOCRACY IN THE REPUB-**
5 **LIC OF SERBIA.**

6 (a) *FINDINGS.—The Congress finds the following:*

7 (1) *The United States stands as a beacon of de-*
8 *mocracy and freedom in the world.*

9 (2) *A stable and democratic Republic of Serbia*
10 *is important to the interests of the United States, the*
11 *international community, and to peace in the Bal-*
12 *kans.*

13 (3) *Democratic forces in the Republic of Serbia*
14 *are beginning to emerge, notwithstanding the efforts*
15 *of Europe's longest-standing communist dictator,*
16 *Slobodan Milosevic.*

17 (4) *The Republic of Serbia completed municipal*
18 *elections on November 17, 1996.*

19 (5) *In 14 of Serbia's 18 largest cities, and in a*
20 *total of 42 major municipalities, candidates rep-*
21 *resenting parties in opposition to the Socialist Party*
22 *of President Milosevic and the Yugoslav United Left*
23 *Party of his wife Mirjana Markovic won a majority*
24 *of the votes cast.*

1 (6) *Socialist Party-controlled election commis-*
2 *sions and government authorities thwarted the peo-*
3 *ple's will by annulling free elections in the cities of*
4 *Belgrade, Nis, Smederevska Palanka, and several*
5 *other cities where opposition party candidates won*
6 *fair elections.*

7 (7) *Countries belonging to the Organization for*
8 *Security and Cooperation in Europe (OSCE) on Jan-*
9 *uary 3, 1997, called upon President Milosevic and all*
10 *the political forces in the Republic of Serbia to honor*
11 *the people's will and honor the election results.*

12 (8) *Hundreds of thousands of Serbs marched in*
13 *the streets of Belgrade on a daily basis from Novem-*
14 *ber 20, 1996, through February 1997, demanding the*
15 *implementation of the election results and greater de-*
16 *mocracy in the country.*

17 (9) *The partial reinstatement of opposition*
18 *party victories in January 1997 and the subsequent*
19 *enactment by the Serbian legislature of a special law*
20 *implementing the results of all the 1996 municipal*
21 *elections does not atone for the Milosevic regime's*
22 *trampling of rule of law, orderly succession of power,*
23 *and freedom of speech and of assembly.*

24 (10) *The Serbian authorities have sought to con-*
25 *tinue to hinder the growth of a free and independent*

1 *news media in the Republic of Serbia, in particular*
2 *the broadcast news media, and harassed journalists*
3 *performing their professional duties.*

4 **(b) SENSE OF THE CONGRESS.**—*It is the sense of the*
5 *Congress that—*

6 *(1) the United States, the Organization for Secu-*
7 *rity and Cooperation in Europe (OSCE), and the*
8 *international community should continue to press the*
9 *Government of the Republic of Serbia to ensure the*
10 *implementation of free, fair, and honest presidential*
11 *and parliamentary elections in 1997, and to fully*
12 *abide by their outcome;*

13 *(2) the United States, the OSCE, the inter-*
14 *national community, nongovernmental organizations,*
15 *and the private sector should continue to promote the*
16 *building of democratic institutions and civic society*
17 *in the Republic of Serbia, help strengthen the inde-*
18 *pendent news media, and press for the Government of*
19 *the Republic of Serbia to respect the rule of law; and*

20 *(3) the normalization of relations between the*
21 *Federal Republic of Yugoslavia and the United States*
22 *requires, among other things, that President Milosevic*
23 *and the leadership of Serbia—*

1 (A) ensure the implementation of free, fair,
2 and honest presidential and parliamentary elec-
3 tions in 1997;

4 (B) abide by the outcome of such elections;
5 and

6 (C) promote the building of democratic in-
7 stitutions, including strengthening the independ-
8 ent news media and respecting the rule of law.

9 **SEC. 1715. RELATIONS WITH VIETNAM.**

10 (a) *SENSE OF CONGRESS.*—It is the sense of the Con-
11 gress that—

12 (1) the development of a cooperative bilateral re-
13 lationship between the United States and the Socialist
14 Republic of Vietnam should facilitate maximum
15 progress toward resolving outstanding POW/MIA is-
16 sues, promote the protection of human rights includ-
17 ing universally recognized religious, political, and
18 other freedoms, contribute to regional stability, and
19 encourage continued development of mutually bene-
20 ficial economic relations;

21 (2) the satisfactory resolution of United States
22 concerns with respect to outstanding POW/MIA,
23 human rights, and refugee issues is essential to the
24 full normalization of relations between the United
25 States and Vietnam;

1 (3) *the United States should upgrade the prior-*
2 *ity afforded to the ongoing bilateral human rights di-*
3 *alog between the United States and Vietnam by re-*
4 *quiring the Department of State to schedule the next*
5 *dialog with Vietnam, and all subsequent dialogs, at a*
6 *level no lower than that of Assistant Secretary of*
7 *State;*

8 (4) *during any future negotiations regarding the*
9 *provision of Overseas Private Investment Corporation*
10 *insurance to American companies investing in Viet-*
11 *nam and the granting of Generalized System of Pref-*
12 *erence status for Vietnam, the United States Govern-*
13 *ment should strictly hold the Government of Vietnam*
14 *to internationally recognized worker rights standards,*
15 *including the right of association, the right to orga-*
16 *nize and bargain collectively, and the prohibition on*
17 *the use of any forced or compulsory labor; and*

18 (5) *the Department of State should consult with*
19 *other governments to develop a coordinated multilat-*
20 *eral strategy to encourage Vietnam to invite the Unit-*
21 *ed Nations Special Rapporteur on Religious Intoler-*
22 *ance to visit Vietnam to carry out inquiries and*
23 *make recommendations.*

24 (b) *REPORT TO CONGRESS.—In order to provide Con-*
25 *gress with the necessary information by which to evaluate*

1 *the relationship between the United States and Vietnam,*
2 *the Secretary shall report to the appropriate congressional*
3 *committees, not later than 90 days after the enactment of*
4 *this Act and every 180 days thereafter during fiscal years*
5 *1998 and 1999, on the extent to which—*

6 (1) *the Government of the Socialist Republic of*
7 *Vietnam is cooperating with the United States in*
8 *providing the fullest possible accounting of all unre-*
9 *solved POW/MIA cases and the recovery and repatri-*
10 *ation of American remains;*

11 (2) *the Government of the Socialist Republic of*
12 *Vietnam has made progress toward the release of all*
13 *political and religious prisoners, including but not*
14 *limited to Catholic, Protestant, and Buddhist clergy;*

15 (3) *the Government of the Socialist Republic of*
16 *Vietnam is cooperating with requests by the United*
17 *States to obtain full and free access to persons of hu-*
18 *manitarian interest to the United States for inter-*
19 *views under the Orderly Departure (ODP) and Reset-*
20 *tlement Opportunities for Vietnamese Refugees*
21 *(ROVR) programs, and in providing exit visas for*
22 *such persons;*

23 (4) *the Government of the Socialist Republic of*
24 *Vietnam has taken vigorous action to end extortion,*

1 *bribery, and other corrupt practices in connection*
2 *with such exit visas; and*

3 *(5) the Government of the United States is mak-*
4 *ing vigorous efforts to interview and resettle former*
5 *reeducation camp victims, their immediate families*
6 *including, but not limited to, unmarried sons and*
7 *daughters, former United States Government employ-*
8 *ees, and other persons eligible for the ODP program,*
9 *and to give such persons the full benefit of all appli-*
10 *cable United States laws including, but not limited*
11 *to, sections 599D and 599E of the Foreign Oper-*
12 *ations, Export Financing, and Related Programs Ap-*
13 *propriations Act of 1990 (Public Law 101–167).*

14 **SEC. 1716. STATEMENT CONCERNING RETURN OF OR COM-**
15 **PENSATION FOR WRONGLY CONFISCATED**
16 **FOREIGN PROPERTIES.**

17 *The Congress—*

18 *(1) welcomes the efforts of many post-Communist*
19 *countries to address the complex and difficult question*
20 *of the status of plundered properties;*

21 *(2) urges countries which have not already done*
22 *so to return plundered properties to their rightful*
23 *owners or, as an alternative, pay compensation, in*
24 *accordance with principles of justice and in a man-*
25 *ner that is just, transparent, and fair;*

1 (3) calls for the urgent return of property for-
2 merly belonging to Jewish communities as a means of
3 redressing the particularly compelling problems of
4 aging and destitute survivors of the Holocaust;

5 (4) calls on the Czech Republic, Latvia, Lithua-
6 nia, Romania, Slovakia, and any other country with
7 restrictions which require those whose properties have
8 been wrongly plundered by Nazi or Communist re-
9 gimes to reside in or have the citizenship of the coun-
10 try from which they now seek restitution or com-
11 pensation to remove such restrictions from their res-
12 titution or compensation laws;

13 (5) calls upon foreign financial institutions, and
14 the states having legal authority over their operation,
15 that possess wrongfully and illegally obtained prop-
16 erty confiscated from Holocaust victims, from resi-
17 dents of former Warsaw Pact states who were forbid-
18 den by Communist law from obtaining restitution of
19 such property, and from states that were occupied by
20 Nazi, Fascist, or Communist forces, to assist and to
21 cooperate fully with efforts to restore this property to
22 its rightful owners; and

23 (6) urges post-Communist countries to pass and
24 effectively implement laws that provide for restitution
25 of, or compensation for, plundered property.

1 ***DIVISION C—FUNDING LEVELS***

2 ***SEC. 2001. AUTHORIZATION OF APPROPRIATIONS FOR CER-***
3 ***TAIN PROGRAMS.***

4 *Subject to section 634A of the Foreign Assistance Act*
5 *of 1961, there are authorized to be appropriated to the*
6 *President for fiscal year 1998, \$116,878,000. Amounts*
7 *made available pursuant to such authorization shall be*
8 *transferred to and merged with funds made available to ac-*
9 *counts authorized to be appropriated by this Act (and*
10 *amendments made by this Act) that are below the Presi-*
11 *dent's fiscal year 1998 request. Amounts transferred and*
12 *merged under this subsection may not increase an appro-*
13 *priation account above the President's fiscal year 1998 re-*
14 *quest.*