

109TH CONGRESS
1ST SESSION

H. R. 3930

To establish the Universal Education Account and the Universal Education Corporation to promote global education reform.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 2005

Mr. KIND (for himself, Mr. GILCHREST, and Mr. SCHIFF) introduced the following bill; which was referred to the Committee on International Relations

A BILL

To establish the Universal Education Account and the Universal Education Corporation to promote global education reform.

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 “Universal Education
5 Act”.

6 **SEC. 2. PURPOSES.**

7 The purposes of this Act are—

8 (1) to provide United States assistance for glob-
9 al education reform through the Universal Edu-
10 cation Corporation, as described in section 4; and

1 (2) to provide such assistance in a manner that
2 promotes education reform and strengthens good
3 governance, economic freedom, and investments in
4 people.

5 **SEC. 3. DEFINITIONS.**

6 In this Act:

7 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
8 **TEES.**—The term “appropriate congressional com-

9 mittees” means—
10 (A) the Committee on International Rela-
11 tions and the Committee on Appropriations of
12 the House of Representatives; and

13 (B) the Committee on Foreign Relations
14 and the Committee on Appropriations of the
15 Senate.

16 (2) **BOARD.**—The term “Board” means the
17 Board of Directors of the Corporation established
18 pursuant to section 4(c).

19 (3) **CANDIDATE COUNTRY.**—The term “can-

20 didate country” means a country that meets the re-
21 quirements of section 6.
22 (4) **CHIEF EXECUTIVE OFFICER.**—The term
23 “Chief Executive Officer” means the chief executive
24 officer of the Corporation appointed pursuant to sec-
25 tion 4(b).

1 (5) COMPACT.—The term “Compact” means a
2 Universal Education Compact described in section 9.

3 (6) CORPORATION.—The term “Corporation”
4 means the Universal Education Corporation estab-
5 lished by section 4(a).

6 (7) ELIGIBLE COUNTRY.—The term “eligible
7 country” means a candidate country that is deter-
8 mined, under section 7, to be an eligible country to
9 receive assistance under section 5.

10 **SEC. 4. ESTABLISHMENT AND MANAGEMENT OF THE UNI-**
11 **VERSAL EDUCATION CORPORATION.**

12 (a) ESTABLISHMENT.—There is established in the ex-
13 ecutive branch a corporation to be known as the “Uni-
14 versal Education Corporation” that shall be responsible
15 for carrying out this Act. The Corporation shall be a gov-
16 ernment corporation, as defined in section 103 of title 5,
17 United States Code.

18 (b) CHIEF EXECUTIVE OFFICER.—

19 (1) IN GENERAL.—There shall be in the Cor-
20 poration a Chief Executive Officer who shall be re-
21 sponsible for the management of the Corporation.

22 (2) APPOINTMENT.—

23 (A) IN GENERAL.—Except as provided in
24 subparagraph (B), the Chief Executive Officer

1 shall be appointed by the President, by and
2 with the advice and consent of the Senate.

3 (B) INTERIM CEO.—The members of the
4 Board of Directors described in subsection
5 (c)(3)(A) may designate by unanimous consent
6 in writing an individual who is an officer within
7 any Federal department or agency (and who
8 has been appointed to such position by the
9 President, by and with the advice and consent
10 of the Senate) to carry out the duties described
11 in this subsection until the Chief Executive Of-
12 ficer is appointed pursuant to subparagraph
13 (A).

14 (3) RELATIONSHIP TO BOARD.—The Chief Ex-
15 ecutive Officer shall report to and be under the di-
16 rect authority of the Board.

17 (4) COMPENSATION AND RANK.—

18 (A) IN GENERAL.—The Chief Executive
19 Officer shall be compensated at the rate pro-
20 vided for level II of the Executive Schedule
21 under section 5313 of title 5, United States
22 Code, and shall have the equivalent rank of
23 Deputy Secretary.

1 (B) AMENDMENT.—Section 5313 of title
2 5, United States Code, is amended by adding at
3 the end the following:

4 “Chief Executive Officer, Universal Education Corpora-
5 tion.”.

6 (5) AUTHORITIES AND DUTIES.—The Chief Ex-
7 ecutive Officer shall be responsible for the manage-
8 ment of the Corporation and shall exercise the pow-
9 ers and discharge the duties of the Corporation.

10 (6) AUTHORITY TO APPOINT OFFICERS.—In
11 consultation and with approval of the Board, the
12 Chief Executive Officer shall appoint all officers of
13 the Corporation.

14 (c) BOARD OF DIRECTORS.—

15 (1) ESTABLISHMENT.—There shall be in the
16 Corporation a Board of Directors.

17 (2) DUTIES.—The Board shall perform the
18 functions specified to be carried out by the Board in
19 this Act and may prescribe, amend, and repeal by-
20 laws, rules, regulations, and procedures governing
21 the manner in which the business of the Corporation
22 may be conducted and in which the powers granted
23 to it by law may be exercised.

24 (3) MEMBERSHIP.—The Board shall consist
25 of—

1 (A) the Secretary of State, the Secretary
2 of the Treasury, the Administrator of the
3 United States Agency for International Devel-
4 opment, the Chief Executive Officer of the Cor-
5 poration, and the Secretary of Education; and

6 (B) four other individuals with relevant
7 international experience with respect to edu-
8 cation issues who shall be appointed by the
9 President, by and with the advice and consent
10 of the Senate, of which—

11 (i) one individual should be appointed
12 from among a list of individuals submitted
13 by the majority leader of the House of
14 Representatives;

15 (ii) one individual should be appointed
16 from among a list of individuals submitted
17 by the minority leader of the House of
18 Representatives;

19 (iii) one individual should be ap-
20 pointed from among a list of individuals
21 submitted by the majority leader of the
22 Senate; and

23 (iv) one individual should be ap-
24 pointed from among a list of individuals

1 submitted by the minority leader of the
2 Senate.

3 (4) TERMS.—

4 (A) OFFICERS OF THE FEDERAL GOVERN-
5 MENT.—Each member of the Board described
6 in paragraph (3)(A) shall serve for a term that
7 is concurrent with the term of service of the in-
8 dividual's position as an officer within the other
9 Federal department or agency.

10 (B) OTHER MEMBERS.—Each member of
11 the Board described in paragraph (3)(B) shall
12 be appointed for a term of 3 years and may be
13 reappointed for a term of an additional 2 years.

14 (C) VACANCIES.—A vacancy in the Board
15 shall be filled in the manner in which the origi-
16 nal appointment was made.

17 (5) CHAIRPERSON.—There shall be a Chair-
18 person of the Board. The Secretary of State shall
19 serve as the Chairperson.

20 (6) QUORUM.—A majority of the members of
21 the Board shall constitute a quorum, which, except
22 with respect to a meeting of the Board during the
23 135-day period beginning on the date of the enact-
24 ment of this Act, shall include at least one member
25 of the Board described in paragraph (3)(B).

1 (7) MEETINGS.—The Board shall meet at the
2 call of the Chairperson.

3 (8) COMPENSATION.—

4 (A) OFFICERS OF THE FEDERAL GOVERN-
5 MENT.—

6 (i) IN GENERAL.—A member of the
7 Board described in paragraph (3)(A) may
8 not receive additional pay, allowances, or
9 benefits by reason of the member's service
10 on the Board.

11 (ii) TRAVEL EXPENSES.—Each such
12 member of the Board shall receive travel
13 expenses, including per diem in lieu of sub-
14 sistence, in accordance with applicable pro-
15 visions under subchapter I of chapter 57 of
16 title 5, United States Code.

17 (B) OTHER MEMBERS.—

18 (i) IN GENERAL.—Except as provided
19 in clause (ii), a member of the Board de-
20 scribed in paragraph (3)(B)—

21 (I) shall be paid compensation
22 out of funds made available for the
23 purposes of this Act at the daily
24 equivalent of the highest rate payable
25 under section 5332 of title 5, United

1 States Code, for each day (including
2 travel time) during which the member
3 is engaged in the actual performance
4 of duties as a member of the Board;
5 and

6 (II) while away from the mem-
7 ber's home or regular place of busi-
8 ness on necessary travel in the actual
9 performance of duties as a member of
10 the Board, shall be paid per diem,
11 travel, and transportation expenses in
12 the same manner as is provided under
13 subchapter I of chapter 57 of title 5,
14 United States Code.

15 (ii) LIMITATION.—A member of the
16 Board may not be paid compensation
17 under clause (i)(II) for more than 90 days
18 in any calendar year.

19 **SEC. 5. AUTHORIZATION OF ASSISTANCE.**

20 (a) ASSISTANCE.—Notwithstanding any other provi-
21 sion of law (other than a provision of this Act), the Board,
22 acting through the Chief Executive Officer, is authorized
23 to provide assistance under this section for each country
24 that enters into a Universal Education Compact with the
25 United States pursuant to section 9 to support policies

1 and programs that advance the progress of the country
2 in achieving lasting education reform and are in further-
3 ance of the purposes of this Act.

4 (b) FORM OF ASSISTANCE.—Assistance under this
5 section may be provided in the form of grants, cooperative
6 agreements, or contracts to or with eligible entities de-
7 scribed in subsection (c). Assistance under this section
8 may not be provided in the form of loans.

9 (c) ELIGIBLE ENTITIES.—An eligible entity referred
10 to in subsection (b) is—

11 (1) the national government of the eligible
12 country;

13 (2) regional or local governmental units of the
14 country; or

15 (3) a nongovernmental organization or a private
16 entity.

17 (d) APPLICATION.—The Chief Executive Officer, in
18 consultation with the Board and working with eligible
19 countries selected by the Board for negotiation of Com-
20 pacts, should develop and recommend procedures for con-
21 sidering solicited and unsolicited proposals in Compacts
22 prior to an approval of the Compacts by the Board.

23 (e) LIMITATIONS.—

24 (1) PROHIBITION ON MILITARY ASSISTANCE
25 AND TRAINING.—Assistance under this section may

1 not include military assistance or military training
2 for a country.

3 (2) PROHIBITION ON ASSISTANCE RELATING TO
4 UNITED STATES JOB LOSS OR PRODUCTION DIS-
5 PLACEMENT.—Assistance under this section may not
6 be provided for any project that is likely to cause a
7 substantial loss of United States jobs or a substan-
8 tial displacement of United States production.

9 (3) PROHIBITION ON ASSISTANCE RELATING TO
10 ENVIRONMENTAL, HEALTH, OR SAFETY HAZARDS.—
11 Assistance under this section may not be provided
12 for any project that is likely to cause a significant
13 environmental, health, or safety hazard.

14 (4) PROHIBITION ON USE OF FUNDS FOR ABOR-
15 TIONS AND INVOLUNTARY STERILIZATIONS.—The
16 prohibitions on use of funds contained in paragraphs
17 (1) through (3) of section 104(f) of the Foreign As-
18 sistance Act of 1961 (22 U.S.C. 2151b(f)(1)–(3))
19 shall apply to funds made available to carry out this
20 section to the same extent and in the same manner
21 as such prohibitions apply to funds made available
22 to carry out part I of such Act. The prohibition on
23 use of funds contained in any provision of law com-
24 parable to the eleventh and fourteenth provisos
25 under the heading “Child Survival and Health Pro-

1 grams Fund” of division E of Public Law 108–7
2 (117 Stat. 162) shall apply to funds made available
3 to carry out this section for fiscal year 2006.

4 (f) COORDINATION.—The provision of assistance
5 under this section shall be coordinated with other United
6 States foreign assistance programs.

7 (g) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that—

9 (1) the Board should encourage other countries,
10 particularly member countries of the European
11 Union (EU), and private donors to provide assist-
12 ance for countries that receive assistance under this
13 section for the same purposes for which assistance
14 is provided under this section; and

15 (2) assistance provided by other countries and
16 private donors in accordance with paragraph (1)
17 should be coordinated with assistance provided
18 under this section.

19 **SEC. 6. CANDIDATE COUNTRIES.**

20 (a) LOW INCOME COUNTRIES.—

21 (1) FISCAL YEAR 2006.—A country shall be a
22 candidate country for purposes of eligibility for as-
23 sistance for fiscal year 2006 if—

24 (A) the country is eligible for assistance
25 from the International Development Associa-

1 tion, and the per capita income of the country
2 is equal to or less than the historical ceiling of
3 the International Development Association for
4 that year, as defined by the International Bank
5 for Reconstruction and Development; and

6 (B) subject to paragraph (3), the country
7 is not ineligible to receive United States eco-
8 nomic assistance under part I of the Foreign
9 Assistance Act of 1961 by reason of the appli-
10 cation of any provision of the Foreign Assist-
11 ance Act of 1961 or any other provision of law.

12 (2) FISCAL YEAR 2007 AND SUBSEQUENT FIS-
13 CAL YEARS.—A country shall be a candidate country
14 for purposes of eligibility for assistance for fiscal
15 year 2007 or a subsequent fiscal year if—

16 (A) the per capita income of the country is
17 equal to or less than the historical ceiling of the
18 International Development Association for the
19 fiscal year involved, as defined by the Inter-
20 national Bank for Reconstruction and Develop-
21 ment; and

22 (B) the country meets the requirements of
23 paragraph (1)(B).

24 (3) RULE OF CONSTRUCTION.—For the pur-
25 poses of determining whether a country is eligible

1 for receiving assistance under section 5 pursuant to
2 paragraph (1)(B), the exercise by the President, the
3 Secretary of State, or any other officer or employee
4 of the United States of any waiver or suspension of
5 any provision of law referred to in such paragraph,
6 and notification to the appropriate congressional
7 committees in accordance with such provision of law,
8 shall be construed as satisfying the requirement of
9 such paragraph.

10 (b) LOWER MIDDLE INCOME COUNTRIES.—

11 (1) IN GENERAL.—In addition to countries de-
12 scribed in subsection (a), a country shall be a can-
13 didate country for purposes of eligibility for assist-
14 ance for fiscal year 2008 or a subsequent fiscal year
15 if the country—

16 (A) is classified as a lower middle income
17 country in the then most recent edition of the
18 World Development Report for Reconstruction
19 and Development published by the International
20 Bank for Reconstruction and Development and
21 has an income greater than the historical ceil-
22 ing for International Development Association
23 eligibility for the fiscal year involved; and

24 (B) meets the requirements of subsection
25 (a)(1)(B).

1 (2) LIMITATION.—The total amount of assist-
2 ance provided to countries described in paragraph
3 (1) for fiscal year 2008 or any subsequent fiscal
4 year may not exceed 25 percent of the total amount
5 of assistance provided to all countries under section
6 5 for fiscal year 2008 or the subsequent fiscal year,
7 as the case may be.

8 (c) IDENTIFICATION BY THE BOARD.—The Board
9 shall identify whether a country is a candidate country for
10 purposes of this section.

11 **SEC. 7. ELIGIBLE COUNTRIES.**

12 (a) DETERMINATION BY THE BOARD.—The Board
13 shall determine whether a candidate country is an eligible
14 country for purposes of this section. Such determination
15 shall be based, to the maximum extent possible, upon ob-
16 jective and quantifiable indicators of a country's dem-
17 onstrated commitment to the criteria in subsection (b),
18 and shall, where appropriate, take into account and assess
19 the role of women and girls.

20 (b) CRITERIA.—A candidate country should be con-
21 sidered to be an eligible country for purposes of this sec-
22 tion if the Board determines that the country has dem-
23 onstrated a commitment to—

24 (1) just and democratic governance, including a
25 demonstrated commitment to—

1 (A) promote political pluralism, equality,
2 and the rule of law;

3 (B) respect human and civil rights, includ-
4 ing the rights of people with disabilities;

5 (C) protect private property rights;

6 (D) encourage transparency and account-
7 ability of government; and

8 (E) combat corruption;

9 (2) economic freedom, including a demonstrated
10 commitment to economic policies that—

11 (A) encourage citizens and firms to partici-
12 pate in global trade and international capital
13 markets;

14 (B) promote private sector growth and the
15 sustainable management of natural resources;

16 (C) strengthen market forces in the econ-
17 omy; and

18 (D) respect worker rights, including the
19 right to form labor unions;

20 (3) investments in the people of such country,
21 particularly women and children, including programs
22 that—

23 (A) promote broad-based primary edu-
24 cation; and

1 (B) strengthen and build capacity to pro-
2 vide quality public health and reduce child mor-
3 tality; and

4 (4) education reform, such as inclusion of
5 women in schools and children with special needs in
6 schools, school nutrition programs, and curricula to
7 promote cultural, religious, and ethnic tolerance.

8 (c) SELECTION BY THE BOARD.—

9 (1) IN GENERAL.—At the time the Board deter-
10 mines eligible countries under this section for a fis-
11 cal year, the Board shall select those eligible coun-
12 tries with respect to which the United States will ini-
13 tially seek to enter into a Universal Education Com-
14 pact pursuant to section 9.

15 (2) FACTORS.—In selecting eligible countries
16 under paragraph (1), the Board shall consider the
17 following factors:

18 (A) The extent to which the country clearly
19 meets or exceeds the eligibility criteria.

20 (B) The opportunity to reduce poverty and
21 generate economic growth in the country.

22 (C) The availability of amounts to carry
23 out this Act.

24 (d) ESTABLISHMENT OF CRITERIA AND METHOD-
25 OLOGY.—The criteria and methodology submitted by the

1 Board to Congress and published in the Federal Register
2 under section 8(b)(2) with respect to a fiscal year shall
3 remain fixed for purposes of eligibility determinations for
4 such year.

5 (e) ANNUAL MODIFICATION OF CRITERIA AND
6 METHODOLOGY.—As appropriate, the Board, acting
7 through the Chief Executive Officer, shall review the eligi-
8 bility criteria and methodology and modify such criteria
9 and methodology in subsequent years consistent with sec-
10 tion 8(b).

11 **SEC. 8. CONGRESSIONAL AND PUBLIC NOTIFICATION OF**
12 **CANDIDATE COUNTRIES, ELIGIBILITY CRI-**
13 **TERIA, AND ELIGIBLE COUNTRIES.**

14 (a) IDENTIFICATION OF CANDIDATE COUNTRIES.—
15 Not later than 90 days prior to the date on which the
16 Board determines eligible countries under section 7 for a
17 fiscal year, the Chief Executive Officer—

18 (1) shall prepare and submit to the appropriate
19 congressional committees a report that contains a
20 list of all candidate countries identified under sec-
21 tion 6, and all countries that would be candidate
22 countries if the countries met the requirement con-
23 tained in section 6(a)(1)(B), for the fiscal year; and

1 (2) shall publish in the Federal Register the in-
2 formation contained in the report described in para-
3 graph (1).

4 (b) IDENTIFICATION OF ELIGIBILITY CRITERIA AND
5 METHODOLOGY.—Not later than 60 days prior to the date
6 on which the Board determines eligible countries under
7 section 7 for a fiscal year, the Chief Executive Officer—

8 (1) shall prepare and submit to the appropriate
9 congressional committees a report that contains a
10 list of the criteria and methodology described in sub-
11 sections (a) and (b) of section 7 that will be used
12 to determine eligibility for each candidate country
13 identified under subsection (a);

14 (2) shall publish in the Federal Register the in-
15 formation contained in the report described in para-
16 graph (1); and

17 (3) may conduct one or more public hearings on
18 the eligibility criteria and methodology.

19 (c) PUBLIC COMMENT AND CONGRESSIONAL CON-
20 SULTATION.—

21 (1) PUBLIC COMMENT.—The Chief Executive
22 Officer shall, for the 30-day period beginning on the
23 date of publication in the Federal Register of the in-
24 formation contained in the report described in sub-
25 section (b)(1), accept public comment and consider

1 such comment for purposes of determining eligible
2 countries under section 7.

3 (2) CONGRESSIONAL CONSULTATION.—The
4 Chief Executive Officer shall consult with the appro-
5 priate congressional committees on the extent to
6 which the candidate countries meet the criteria de-
7 scribed in section 7(b).

8 (d) IDENTIFICATION OF ELIGIBLE COUNTRIES.—Not
9 later than five days after the date on which the Board
10 determines eligible countries under section 7 for a fiscal
11 year, the Chief Executive Officer—

12 (1) shall prepare and submit to the appropriate
13 congressional committees a report that contains a
14 list of all such eligible countries, an identification of
15 those countries on such list with respect to which the
16 Board will seek to enter into a Compact under sec-
17 tion 9, and a justification for such eligibility deter-
18 mination and selection for Compact negotiation; and

19 (2) shall publish in the Federal Register the in-
20 formation contained in the report described in para-
21 graph (1).

22 **SEC. 9. UNIVERSAL EDUCATION COMPACT.**

23 (a) COMPACT.—The Board, acting through the Chief
24 Executive Officer of the Corporation, may provide assist-
25 ance for an eligible country only if the country enters into

1 an agreement with the United States, to be known as a
2 “Universal Education Compact”, that establishes a multi-
3 year plan for achieving shared education reform objectives
4 in furtherance of the purposes of this Act.

5 (b) ELEMENTS.—

6 (1) IN GENERAL.—The Compact should take
7 into account the national education reform strategy
8 of the eligible country and shall contain—

9 (A) the specific objectives that the country
10 and the United States expect to achieve during
11 the term of the Compact;

12 (B) the responsibilities of the country and
13 the United States in the achievement of such
14 objectives;

15 (C) regular benchmarks to measure, where
16 appropriate, progress toward achieving such ob-
17 jectives;

18 (D) an identification of the intended bene-
19 ficiaries, disaggregated by income level, gender,
20 and age, to the maximum extent practicable;

21 (E) a multi-year financial plan, including
22 the estimated amount of contributions by the
23 Corporation and the country and proposed
24 mechanisms to implement the plan and provide
25 oversight, that describes how the requirements

1 of subparagraphs (A) through (D) will be met,
2 including identifying the role of civil society in
3 the achievement of such requirements;

4 (F) where appropriate, a description of the
5 current and potential participation of other do-
6 nors in the achievement of such objectives;

7 (G) a plan to ensure appropriate fiscal ac-
8 countability for the use of assistance provided
9 under section 5;

10 (H) where appropriate, a process or proc-
11 esses for consideration of solicited proposals
12 under the Compact as well as a process for con-
13 sideration of unsolicited proposals by the Cor-
14 poration and national, regional, or local units of
15 government;

16 (I) a requirement that open, fair, and com-
17 petitive procedures are used in a transparent
18 manner in the administration of grants or coop-
19 erative agreements or the procurement of goods
20 and services for the accomplishment of objec-
21 tives under the Compact;

22 (J) the strategy of the eligible country to
23 sustain progress made toward achieving such
24 objectives after expiration of the Compact; and

1 (K) a description of the role of the United
2 States Agency for International Development in
3 any design, implementation, and monitoring of
4 programs and activities funded under the Com-
5 pact.

6 (2) LOWER MIDDLE INCOME COUNTRIES.—In
7 addition to the elements described in subparagraphs
8 (A) through (K) of paragraph (1), with respect to a
9 lower middle income country described in section
10 6(b), the Compact shall identify a contribution, as
11 appropriate, from the country relative to its national
12 budget, taking into account the prevailing economic
13 conditions, toward meeting the objectives of the
14 Compact. Any such contribution should be in addi-
15 tion to government spending allocated for such pur-
16 poses in the country’s budget for the year imme-
17 diately preceding the establishment of the Compact
18 and should continue for the duration of the Com-
19 pact.

20 (3) DEFINITION.—In this subsection, the term
21 “national education reform strategy” means any
22 strategy to achieve lasting education reform to ben-
23 efit students that has been developed by the govern-
24 ment of the country in consultation with a wide vari-
25 ety of civic participation, including nongovernmental

1 organizations, private and voluntary organizations,
2 academia, women's and student organizations, local
3 trade and labor unions, and the business community.

4 (c) ADDITIONAL PROVISION RELATING TO PROHIBI-
5 TION ON TAXATION.—In addition to the elements de-
6 scribed in subsection (c), each Compact shall contain a
7 provision that states that assistance provided by the
8 United States under the Compact shall be exempt from
9 taxation by the government of the eligible country.

10 (d) LOCAL INPUT.—In entering into a Compact, the
11 United States shall seek to ensure that the government
12 of an eligible country—

13 (1) takes into account the local-level perspec-
14 tives of the rural and urban poor, including women,
15 in the eligible country; and

16 (2) consults with private and voluntary organi-
17 zations, the business community, and other donors
18 in the eligible country.

19 (e) CONSULTATION.—During any discussions with a
20 country for the purpose of entering into a Compact with
21 the country, officials of the Corporation participating in
22 such discussions shall, at a minimum, consult with appro-
23 priate officials of the United States Agency for Inter-
24 national Development, particularly with those officials re-

1 sponsible for the appropriate region or country on develop-
2 ment issues related to the Compact.

3 (f) COORDINATION WITH OTHER DONORS.—To the
4 maximum extent feasible, activities undertaken to achieve
5 the objectives of the Compact shall be undertaken in co-
6 ordination with the assistance activities of other donors.

7 (g) ASSISTANCE FOR DEVELOPMENT OF COMPACT.—
8 Notwithstanding subsection (a), the Chief Executive Offi-
9 cer may enter into contracts or make grants for any eligi-
10 ble country for the purpose of facilitating the development
11 and implementation of the Compact between the United
12 States and the country.

13 (h) REQUIREMENT FOR APPROVAL BY THE
14 BOARD.—Each Compact shall be approved by the Board
15 before the United States enters into the Compact.

16 (i) INCREASE OR EXTENSION OF ASSISTANCE UNDER
17 A COMPACT.—Not later than 15 days after making a de-
18 termination to increase or extend assistance under a Com-
19 pact with an eligible country, the Board, acting through
20 the Chief Executive Officer—

21 (1) shall prepare and transmit to the appro-
22 priate congressional committees a written report and
23 justification that contains a detailed summary of the
24 proposed increase in or extension of assistance under

1 the Compact and a copy of the full text of the
2 amendment to the Compact; and

3 (2) shall publish a detailed summary, full text,
4 and justification of the proposed increase in or ex-
5 tension of assistance under the Compact in the Fed-
6 eral Register and on the Internet website of the Cor-
7 poration.

8 (j) DURATION OF COMPACT.—The duration of a
9 Compact shall not exceed 5 years.

10 (k) SUBSEQUENT COMPACTS.—An eligible country
11 and the United States may enter into and have in effect
12 only one Compact at any given time under this section.
13 An eligible country and the United States may enter into
14 one or more subsequent Compacts in accordance with the
15 requirements of this Act after the expiration of the exist-
16 ing Compact.

17 **SEC. 10. CONGRESSIONAL AND PUBLIC NOTIFICATION OF**
18 **COMPACT.**

19 (a) CONGRESSIONAL CONSULTATION PRIOR TO COM-
20 PACT NEGOTIATIONS.—Not later than 15 days prior to
21 the start of negotiations of a Compact with an eligible
22 country, the Board, acting through the Chief Executive
23 Officer—

1 (1) shall consult with the appropriate congress-
2 sional committees with respect to the proposed Com-
3 pact negotiation; and

4 (2) shall identify the objectives and mechanisms
5 to be used for the negotiation of the Compact.

6 (b) CONGRESSIONAL AND PUBLIC NOTIFICATION
7 AFTER ENTERING INTO A COMPACT.—Not later than 10
8 days after entering into a Compact with an eligible coun-
9 try, the Board, acting through the Chief Executive Offi-
10 cer—

11 (1) shall provide notification of the Compact to
12 the appropriate congressional committees, including
13 a detailed summary of the Compact and a copy of
14 the text of the Compact; and

15 (2) shall publish such detailed summary and
16 the text of the Compact in the Federal Register and
17 on the Internet website of the Corporation.

18 **SEC. 11. SUSPENSION AND TERMINATION OF ASSISTANCE.**

19 (a) SUSPENSION AND TERMINATION OF ASSIST-
20 ANCE.—After consultation with the Board, the Chief Ex-
21 ecutive Officer may suspend or terminate assistance in
22 whole or in part for a country or entity under section 5
23 if the Chief Executive Officer determines that—

1 (1) the country or entity is engaged in activities
2 which are contrary to the national security interests
3 of the United States;

4 (2) the country or entity has engaged in a pat-
5 tern of actions inconsistent with the criteria used to
6 determine the eligibility of the country or entity, as
7 the case may be; or

8 (3) the country or entity has failed to adhere to
9 its responsibilities under the Compact.

10 (b) REINSTATEMENT.—The Chief Executive Officer
11 may reinstate assistance for a country or entity under sec-
12 tion 5 only if the Chief Executive Officer determines that
13 the country or entity has demonstrated a commitment to
14 correcting each condition for which assistance was sus-
15 pended or terminated under subsection (a).

16 (c) CONGRESSIONAL NOTIFICATION.—Not later than
17 3 days after the date on which the Chief Executive Officer
18 suspends or terminates assistance under subsection (a) for
19 a country or entity, or reinstates assistance under sub-
20 section (b) for a country or entity, the Chief Executive
21 Officer shall submit to the appropriate congressional com-
22 mittees a report that contains the determination of the
23 Chief Executive Officer under subsection (a) or subsection
24 (b), as the case may be.

1 (d) **RULE OF CONSTRUCTION.**—The authority to sus-
2 pend or terminate assistance under this section includes
3 the authority to suspend or terminate obligations and sub-
4 obligations.

5 **SEC. 12. DISCLOSURE.**

6 (a) **REQUIREMENT FOR DISCLOSURE.**—The Corpora-
7 tion shall make available to the public on at least a quar-
8 terly basis, the following information:

9 (1) For assistance provided under section 5—

10 (A) the name of each entity to which as-
11 sistance is provided;

12 (B) the amount of assistance provided to
13 the entity; and

14 (C) a description of the program or
15 project, including—

16 (i) a description of whether the pro-
17 gram or project was solicited or unsolic-
18 ited; and

19 (ii) a detailed description of the objec-
20 tives and measures for results of the pro-
21 gram or project.

22 (2) For funds allocated or transferred under
23 section 19(b)—

1 (A) the name of each United States Gov-
2 ernment agency to which such funds are trans-
3 ferred or allocated;

4 (B) the amount of funds transferred or al-
5 located to such agency; and

6 (C) a description of the program or project
7 to be carried out by such agency with such
8 funds.

9 (b) DISSEMINATION.—The information required to be
10 disclosed under subsection (a) shall be made available to
11 the public by means of publication in the Federal Register
12 and on the Internet website of the Corporation, as well
13 as by any other methods that the Board determines appro-
14 priate.

15 **SEC. 13. ANNUAL REPORT.**

16 (a) REPORT.—Not later than March 31, 2007, and
17 each March 31 thereafter, the President shall submit to
18 Congress a report on the assistance provided under section
19 5 during the prior fiscal year.

20 (b) CONTENTS.—The report shall include the fol-
21 lowing:

22 (1) The amount of obligations and expenditures
23 for assistance provided to each eligible country dur-
24 ing the prior fiscal year.

1 (2) For each eligible country, an assessment
2 of—

3 (A) the progress made during each year by
4 the country toward achieving the objectives set
5 out in the Compact entered into by the country;
6 and

7 (B) the extent to which assistance provided
8 under section 5 has been effective in helping the
9 country to achieve such objectives.

10 (3) A description of the coordination of assist-
11 ance provided under section 5 with other United
12 States foreign assistance and related trade policies.

13 (4) A description of the coordination of assist-
14 ance provided under section 5 with assistance pro-
15 vided by other donor countries.

16 (5) Any other information the President con-
17 siders relevant with respect to assistance provided
18 under section 5.

19 **SEC. 14. POWERS OF THE CORPORATION; RELATED PROVI-**
20 **SIONS.**

21 (a) **POWERS.**—The Corporation—

22 (1) shall have perpetual succession unless dis-
23 solved by a law enacted after the date of the enact-
24 ment of this Act;

1 (2) may adopt, alter, and use a seal, which shall
2 be judicially noticed;

3 (3) may make and perform such contracts,
4 grants, and other agreements with any person or
5 government however designated and wherever situ-
6 ated, as may be necessary for carrying out the func-
7 tions of the Corporation;

8 (4) may determine and prescribe the manner in
9 which its obligations shall be incurred and its ex-
10 penses allowed and paid, including expenses for rep-
11 resentation;

12 (5) may lease, purchase, or otherwise acquire,
13 improve, and use such real property wherever situ-
14 ated, as may be necessary for carrying out the func-
15 tions of the Corporation;

16 (6) may accept cash gifts or donations of serv-
17 ices or of property (real, personal, or mixed), tan-
18 gible or intangible, for the purpose of carrying out
19 the provisions of this Act;

20 (7) may use the United States mails in the
21 same manner and on the same conditions as the ex-
22 ecutive departments;

23 (8) may contract with individuals for personal
24 services, who shall not be considered Federal em-

1 employees for any provision of law administered by the
2 Office of Personnel Management;

3 (9) may hire or obtain passenger motor vehi-
4 cles; and

5 (10) shall have such other powers as may be
6 necessary and incident to carrying out this Act.

7 (b) PRINCIPAL OFFICE.—The Corporation shall
8 maintain its principal office in the metropolitan area of
9 Washington, District of Columbia.

10 (c) POSITIONS WITH FOREIGN GOVERNMENTS.—
11 When approved by the Chief Executive Officer, for pur-
12 poses of implementing a Compact, employees of the Cor-
13 poration (including individuals detailed to the Corpora-
14 tion) may accept and hold offices or positions to which
15 no compensation is attached with governments or govern-
16 mental agencies of foreign countries or with international
17 organizations.

18 (d) OTHER AUTHORITIES.—Except to the extent in-
19 consistent with the provisions of this Act, the administra-
20 tive authorities contained in the State Department Basic
21 Authorities Act of 1956 (22 U.S.C. 2651a et seq.) and
22 the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et
23 seq.) shall apply to the implementation of this Act to the
24 same extent and in the same manner as such authorities
25 apply to the implementation of those Acts.

1 (e) APPLICABILITY OF GOVERNMENT CORPORATION
2 CONTROL ACT.—

3 (1) IN GENERAL.—The Corporation shall be
4 subject to chapter 91 of subtitle VI of title 31,
5 United States Code, except that the Corporation
6 shall not be authorized to issue obligations or offer
7 obligations to the public.

8 (2) CONFORMING AMENDMENT.—Section
9 9101(3) of title 31, United States Code, is amended
10 by adding at the end the following:

11 “(R) the Universal Education Corpora-
12 tion.”.

13 (f) INSPECTOR GENERAL.—

14 (1) IN GENERAL.—The Inspector General of
15 the United States Agency for International Develop-
16 ment shall serve as Inspector General of the Cor-
17 poration, and, in acting in such capacity, may con-
18 duct reviews, investigations, and inspections of all
19 aspects of the operations and activities of the Cor-
20 poration.

21 (2) AUTHORITY OF THE BOARD.—In carrying
22 out the responsibilities under this subsection, the In-
23 spector General shall report to and be under the
24 general supervision of the Board.

1 (3) REIMBURSEMENT AND AUTHORIZATION OF
2 SERVICES.—

3 (A) REIMBURSEMENT.—The Corporation
4 shall reimburse the United States Agency for
5 International Development for all expenses in-
6 curred by the Inspector General in connection
7 with the Inspector General’s responsibilities
8 under this subsection.

9 (B) AUTHORIZATION FOR SERVICES.—Of
10 the amount authorized to be appropriated
11 under section 19(a) for a fiscal year, up to
12 \$5,000,000 is authorized to be made available
13 to the Inspector General of the United States
14 Agency for International Development to con-
15 duct reviews, investigations, and inspections of
16 operations and activities of the Corporation.

17 (g) SPECIAL ASSISTANCE.—

18 (1) IN GENERAL.—The Chief Executive Officer
19 is authorized to contract with any nongovernmental
20 organization (including a university, independent
21 foundation, or other organization) in the United
22 States or in a candidate country, and, where appro-
23 priate, directly with a governmental agency of any
24 such country, that is undertaking research aimed at

1 improving data related to eligibility criteria under
2 this Act with respect to the country.

3 (2) FUNDING.—Of the amount authorized to be
4 appropriated under section 19(a) for a fiscal year,
5 up to \$5,000,000 is authorized to be made available
6 to carry out paragraph (1).

7 **SEC. 15. COORDINATION WITH UNITED STATES AGENCY**
8 **FOR INTERNATIONAL DEVELOPMENT.**

9 (a) REQUIREMENT FOR COORDINATION.—The Chief
10 Executive Officer shall consult with the Administrator of
11 the United States Agency for International Development
12 in order to coordinate the activities of the Corporation
13 with the activities of the Agency.

14 (b) USAID PROGRAMS.—The Administrator of the
15 United States Agency for International Development shall
16 seek to ensure that appropriate programs of the Agency
17 play a primary role in preparing candidate countries to
18 become eligible countries.

19 **SEC. 16. ASSISTANCE TO CERTAIN CANDIDATE COUNTRIES.**

20 (a) AUTHORIZATION.—The Board, acting through
21 the Chief Executive Officer, is authorized to provide as-
22 sistance to a candidate country described in subsection (b)
23 for the purpose of assisting such country to become an
24 eligible country.

1 (b) CANDIDATE COUNTRY DESCRIBED.—A candidate
2 country referred to in subsection (a) is a candidate coun-
3 try that—

4 (1) satisfies the requirements contained in sub-
5 section (a) or (b) of section 6; and

6 (2) demonstrates a significant commitment to
7 meet the requirements of section 7(b) but fails to
8 meet such requirements (including by reason of the
9 absence or unreliability of data).

10 (c) ADMINISTRATION.—Assistance under this section
11 may be provided through the United States Agency for
12 International Development.

13 (d) FUNDING.—Not more than 10 percent of the
14 amount appropriated pursuant to the authorization of ap-
15 propriations under section 19(a) for fiscal year 2006 is
16 authorized to be made available to carry out this section.

17 **SEC. 17. GENERAL PERSONNEL AUTHORITIES.**

18 (a) DETAIL OF PERSONNEL.—Upon request of the
19 Chief Executive Officer, the head of an agency may detail
20 any employee of such agency to the Corporation on a reim-
21 bursable basis. Any employee so detailed remains, for the
22 purpose of preserving such employee's allowances, privi-
23 leges, rights, seniority, and other benefits, an employee of
24 the agency from which detailed.

25 (b) REEMPLOYMENT RIGHTS.—

1 (1) IN GENERAL.—An employee of an agency
2 who is serving under a career or career conditional
3 appointment (or the equivalent), and who, with the
4 consent of the head of such agency, transfers to the
5 Corporation, is entitled to be reemployed in such em-
6 ployee’s former position or a position of like senior-
7 ity, status, and pay in such agency, if such em-
8 ployee—

9 (A) is separated from the Corporation for
10 any reason, other than misconduct, neglect of
11 duty, or malfeasance; and

12 (B) applies for reemployment not later
13 than 90 days after the date of separation from
14 the Corporation.

15 (2) SPECIFIC RIGHTS.—An employee who satis-
16 fies paragraph (1) is entitled to be reemployed (in
17 accordance with such paragraph) within 30 days
18 after applying for reemployment and, on reemploy-
19 ment, is entitled to at least the rate of basic pay to
20 which such employee would have been entitled had
21 such employee never transferred.

22 (c) HIRING AUTHORITY.—Of persons employed by
23 the Corporation, not to exceed 30 persons may be ap-
24 pointed, compensated, or removed without regard to the
25 civil service laws and regulations.

1 (d) BASIC PAY.—The Chief Executive Officer may fix
2 the rate of basic pay of employees of the Corporation with-
3 out regard to the provisions of chapter 51 of title 5,
4 United States Code (relating to the classification of posi-
5 tions), subchapter III of chapter 53 of such title (relating
6 to General Schedule pay rates), except that no employee
7 of the Corporation may receive a rate of basic pay that
8 exceeds the rate for level II of the Executive Schedule
9 under section 5313 of such title.

10 (e) DEFINITIONS.—In this section—

11 (1) the term “agency” means an executive
12 agency, as defined by section 105 of title 5, United
13 States Code; and

14 (2) the term “detail” means the assignment or
15 loan of an employee, without a change of position,
16 from the agency by which such employee is employed
17 to the Corporation.

18 **SEC. 18. PERSONNEL OUTSIDE THE UNITED STATES.**

19 (a) ASSIGNMENT TO UNITED STATES EMBASSIES.—
20 An employee of the Corporation, including an individual
21 detailed to or contracted by the Corporation, may be as-
22 signed to a United States diplomatic mission or consular
23 post or a United States Agency for International Develop-
24 ment field mission.

1 (b) PRIVILEGES AND IMMUNITIES.—The Secretary of
2 State shall seek to ensure that an employee of the Cor-
3 poration, including an individual detailed to or contracted
4 by the Corporation, and the members of the family of such
5 employee, while the employee is performing duties in any
6 country or place outside the United States, enjoy the privi-
7 leges and immunities that are enjoyed by a member of
8 the Foreign Service, or the family of a member of the For-
9 eign Service, as appropriate, of comparable rank and sal-
10 ary of such employee, if such employee or a member of
11 the family of such employee is not a national of or perma-
12 nently resident in such country or place.

13 (c) RESPONSIBILITY OF CHIEF OF MISSION.—An
14 employee of the Corporation, including an individual de-
15 tailed to or contracted by the Corporation, and a member
16 of the family of such employee, shall be subject to section
17 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)
18 in the same manner as United States Government employ-
19 ees while the employee is performing duties in any country
20 or place outside the United States if such employee or
21 member of the family of such employee is not a national
22 of or permanently resident in such country or place.

23 **SEC. 19. AUTHORIZATION OF APPROPRIATIONS.**

24 (a) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated to carry out this Act

1 such sums as may be necessary for each of the fiscal years
2 2006 and 2007.

3 (b) ALLOCATION OF FUNDS.—

4 (1) IN GENERAL.—The Corporation may allo-
5 cate or transfer to any agency of the United States
6 Government any of the funds available for carrying
7 out this Act. Such funds shall be available for obli-
8 gation and expenditure for the purposes for which
9 the funds were authorized, in accordance with au-
10 thority granted in this Act or under authority gov-
11 erning the activities of the United States Govern-
12 ment agency to which such funds are allocated or
13 transferred.

14 (2) NOTIFICATION.—The Corporation shall no-
15 tify the appropriate congressional committees not
16 less than 15 days prior to an allocation or transfer
17 of funds pursuant to paragraph (1).

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