

An amendment by Ms. McCOLLUM regarding unexploded ordnance.

□ 1333

□ 1330

Each such amendment may be offered only by the Member designated in this request, or a designee, or the Member who caused it to be printed in the RECORD, or a designee, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Except as otherwise specified, each amendment shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent. An amendment shall be considered to fit the description stated in this request if it addresses in whole or in part the object described.

The SPEAKER pro tempore (Mr. CANTOR). Is there objection to the request of the gentleman from Arizona?

Mr. OBEY. Reserving the right to object, Mr. Speaker, I would simply point out that this is an effort to try to complete action on this bill before Members leave. I would also note that, as I count the minutes that this agreement provides for, when you include a time for votes, it means that we will be very lucky to be out of here by 10:30 or 11 o'clock at night. So we would appreciate Members' cooperation if Members want to get out of here, whether it is to catch airplanes or do something even more constructive. It would be helpful if they would work with the committee to try to limit the time that it takes for consideration of these amendments.

Mr. Speaker, I withdraw my reservation of objection.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for his comments and certainly concur.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

Mrs. LOWEY. Mr. Speaker, I reserve the right to object. I want to say that we have tried to accommodate everybody with their amendments, and I believe this agreement does so. I look forward to working with the chairman, and, hopefully, everyone will go along with the plan.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there further objection to the request of the gentleman from Arizona?

There was no objection.

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore. Pursuant to House Resolution 715 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4818.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4818) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2005, and for other purposes.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 20 by the gentleman from California (Mr. SHERMAN) had been postponed, and the bill was open from page 6, line 16 to page 12, line 4.

Pursuant to the order of the House of today, the remainder of the bill is considered as having been read and open for amendment at any point.

The text of the remainder of H.R. 4818 is as follows:

DEVELOPMENT ASSISTANCE

For necessary expenses of the United States Agency for International Development to carry out the provisions of sections 103, 105, 106, and 131, and chapter 10 of part I of the Foreign Assistance Act of 1961, \$1,429,000,000, to remain available until September 30, 2006: *Provided*, That \$194,000,000 should be allocated for trade capacity building: *Provided further*, That \$300,000,000 should be allocated for basic education: *Provided further*, That of the funds appropriated under this heading and managed by the United States Agency for International Development Bureau of Democracy, Conflict, and Humanitarian Assistance, not less than \$15,000,000 shall be made available only for programs to improve women's leadership capacity in recipient countries: *Provided further*, That such funds may not be made available for construction: *Provided further*, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed \$32,500, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs.

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For necessary expenses of the United States Agency for International Development to carry out the provisions of section 491 of the Foreign Assistance Act of 1961 for international disaster relief, rehabilitation, and reconstruction assistance, \$335,500,000, to remain available until expended.

In addition, for necessary expenses for assistance for famine prevention and relief, including for mitigation of the effects of famine, \$20,000,000, to remain available until expended: *Provided*, That such funds shall be made available utilizing the general authorities of section 491 of the Foreign Assistance Act of 1961, and shall be in addition to amounts otherwise available for such purposes: *Provided further*, That funds appropriated by this paragraph shall be available for obligation subject to prior consultation with the Committees on Appropriations.

TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, \$47,500,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: *Provided*,

That such support may include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: *Provided further*, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a new program of assistance: *Provided further*, That if the President determines that it is important to the national interests of the United States to provide transition assistance in excess of the amount appropriated under this heading, up to \$15,000,000 of the funds appropriated by this Act to carry out the provisions of part I of the Foreign Assistance Act of 1961 may be used for purposes of this heading and under the authorities applicable to funds appropriated under this heading: *Provided further*, That funds made available pursuant to the previous proviso shall be made available subject to prior consultation with the Committees on Appropriations.

DEVELOPMENT CREDIT AUTHORITY (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans and loan guarantees provided by the United States Agency for International Development, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961, funds may be derived by transfer from funds appropriated by this Act to carry out part I of such Act and under the heading "Assistance for Eastern Europe and the Baltic States": *Provided*, That such funds shall not exceed \$21,000,000, which shall be made available only for micro and small enterprise programs, urban programs, and other programs which further the purposes of part I of the Act: *Provided further*, That such costs, including the cost of modifying such direct and guaranteed loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That funds made available by this paragraph may be used for the cost of modifying any such guaranteed loans under this Act or prior Acts, and funds used for such costs shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading.

In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, \$8,000,000, which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development: *Provided*, That funds made available under this heading shall remain available until September 30, 2007.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$42,500,000.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961, \$618,000,000, of which up to \$25,000,000 may remain available until September 30, 2006: *Provided*, That none of the funds appropriated under this heading and under the heading "Capital Investment Fund" may be made available to finance the construction (including architect and engineering services), purchase, or long term

lease of offices for use by the United States Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: *Provided further*, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed \$1,000,000: *Provided further*, That contracts or agreements entered into with funds appropriated under this heading may entail commitments for the expenditure of such funds through fiscal year 2006: *Provided further*, That none of the funds in this Act may be used to open a new overseas mission of the United States Agency for International Development without the prior written notification of the Committees on Appropriations: *Provided further*, That the authority of sections 610 and 109 of the Foreign Assistance Act of 1961 may be exercised by the Secretary of State to transfer funds appropriated to carry out chapter 1 of part I of such Act to "Operating Expenses of the United States Agency for International Development" in accordance with the provisions of those sections.

CAPITAL INVESTMENT FUND

For necessary expenses for overseas construction and related costs, and for the procurement and enhancement of information technology and related capital investments, pursuant to section 667 of the Foreign Assistance Act of 1961, \$64,800,000, to remain available until expended: *Provided*, That this amount is in addition to funds otherwise available for such purposes: *Provided further*, That funds appropriated under this heading shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this heading and under the heading "Operating Expenses of the United States Agency for International Development" may be made available for USAID's contribution to the Capital Cost Sharing Program only if all other agencies who have agreed to participate in that program during the current fiscal year are making their contributions to the program.

OPERATING EXPENSES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961, \$35,000,000, to remain available until September 30, 2006, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,450,000,000, to remain available until September 30, 2006: *Provided*, That of the funds appropriated under this heading, not less than \$360,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 2004, whichever is later: *Provided further*, That not less than \$535,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal

years: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement in an amount proportional to the fiscal year 1999 agreement: *Provided further*, That of the funds appropriated under this heading, not less than \$250,000,000 should be made available only for assistance for Jordan: *Provided further*, That not to exceed \$200,000,000 of the funds appropriated under this heading may be used for the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and guarantees for Pakistan: *Provided further*, That amounts that are made available under the previous proviso for the cost of modifying direct loans and guarantees shall not be considered "assistance" for the purposes of provisions of law limiting assistance to a country: *Provided further*, That \$13,500,000 of the funds appropriated under this heading should be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicomunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus: *Provided further*, That \$35,000,000 of the funds appropriated under this heading should be made available for assistance for Lebanon, of which not less than \$4,000,000 should be made available for scholarships and direct support of American educational institutions in Lebanon: *Provided further*, That funds appropriated under this heading that are made available for assistance for the Central Government of Lebanon shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That \$22,000,000 of the funds appropriated under this heading should be made available for assistance for the Democratic Republic of Timor-Leste: *Provided further*, That \$50,000,000 of the funds appropriated under this heading should be made available for assistance for Haiti: *Provided further*, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That in the previous proviso, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: *Provided further*, That funds appropriated under this heading that are made available for a Middle East Financing Facility, Middle East Enterprise Fund, or any other similar entity in the Middle East shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That with respect to funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, \$18,500,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until September 30, 2006.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, \$375,000,000, to remain available until September 30, 2006, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(c) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the United States Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(d) The provisions of section 529 of this Act shall apply to funds made available under subsection (c) and to funds appropriated under this heading: *Provided*, That notwithstanding any provision of this or any other Act, including provisions in this subsection regarding the application of section 529 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.

(e) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between state sponsors of terrorism and terrorist organizations and Bosnian officials has not been terminated.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet

Union and for related programs, \$550,000,000, to remain available until September 30, 2006: *Provided*, That the provisions of such chapters shall apply to funds appropriated by this paragraph: *Provided further*, That funds made available for the Southern Caucasus region may be used notwithstanding any other provision of law, for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: *Provided further*, That of the funds appropriated under this heading, \$1,500,000 should be available only to meet the health and other assistance needs of victims of trafficking in persons: *Provided further*, That, notwithstanding any other provision of law, funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, that are made available pursuant to the provisions of section 807 of Public Law 102-511 shall be subject to a 6 percent ceiling on administrative expenses.

(b) Of the funds appropriated under this heading, not less than \$65,000,000 should be made available for assistance for Armenia.

(c) Of the funds appropriated under this heading, not less than \$57,000,000 should be made available, in addition to funds otherwise available for such purposes, for assistance for child survival, environmental and reproductive health, and to combat HIV/AIDS, tuberculosis and other infectious diseases, and for related activities.

(d)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation:

(A) has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability; and

(B) is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons; and

(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(e) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104-201 or non-proliferation assistance;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

For necessary expenses to carry out the functions of the Inter-American Foundation

in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, \$16,238,000, to remain available until September 30, 2006.

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, \$18,579,000, to remain available until September 30, 2006: *Provided*, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the board of directors of the Foundation: *Provided further*, That interest earned shall be used only for the purposes for which the grant was made: *Provided further*, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the \$250,000 limitation contained in that section with respect to a project: *Provided further*, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$330,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 2006.

MILLENNIUM CHALLENGE CORPORATION

For necessary expenses for the "Millennium Challenge Corporation", \$1,250,000,000, to remain available until expended: *Provided*, That of the funds appropriated under this heading, not more than \$30,000,000 may be available for administrative expenses of the Millennium Challenge Corporation: *Provided further*, That none of the funds appropriated under this heading may be made available for the provision of assistance until the Chief Executive Officer of the Millennium Challenge Corporation provides a written budget justification to the Committees on Appropriations: *Provided further*, That up to 10 percent of the funds appropriated under this heading may be made available to carry out the purposes of section 616 of the Millennium Challenge Act of 2003: *Provided further*, That none of the funds available to carry out section 616 of such Act may be made available until the Chief Executive Officer of the Millennium Challenge Corporation provides a report to the Committees on Appropriations listing the candidate countries that will be receiving assistance under section 616 of such Act, the level of assistance proposed for each such country, a description of the proposed programs, projects and activities, and the implementing agency or agencies of the United States Government: *Provided further*, That section 605(e)(4) of the Millennium Challenge Act of 2003 shall apply to funds appropriated under this heading: *Provided further*, That funds appropriated under this heading, and funds appropriated under this heading in division D of Public Law 108-199, may be made available for a Millennium Challenge Compact entered into pursuant to section 609 of the Millennium Challenge Act of 2003 only if such Compact obligates, or contains a commitment to obligate subject to the availability of funds and the mutual agreement of the parties to the Compact to proceed, the entire amount of the United States Government funding anticipated for the duration of the Compact: *Provided further*, That the previous proviso shall be effective on the date of enactment of this Act.

DEPARTMENT OF STATE

GLOBAL HIV/AIDS INITIATIVE

For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 for the prevention, treatment, and control of, and research on, HIV/AIDS, \$1,260,000,000, to remain available until expended: *Provided*, That of the funds appropriated under this heading, not more than \$8,818,000 may be made available for administrative expenses of the Office of the Coordinator of United States Government Activities to Combat HIV/AIDS Globally of the Department of State: *Provided further*, That of the funds appropriated under this heading, not less than \$26,000,000 should be made available as a contribution to the International AIDS Vaccine Initiative.

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, \$328,820,000, to remain available until September 30, 2007: *Provided*, That during fiscal year 2005, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That the Secretary of State shall provide to the Committees on Appropriations not later than 45 days after the date of the enactment of this Act and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of all funds under this heading on a country-by-country basis for each proposed program, project, or activity: *Provided further*, That up to \$10,000,000 of the funds appropriated under this heading should be made available for demand reduction programs: *Provided further*, That of the funds appropriated under this heading, not more than \$26,117,000 may be available for administrative expenses.

ANDEAN COUNTERDRUG INITIATIVE

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961 to support counterdrug activities in the Andean region of South America, \$731,000,000, to remain available until September 30, 2007: *Provided*, That in fiscal year 2005, funds available to the Department of State for assistance to the Government of Colombia shall be available to support a unified campaign against narcotics trafficking, against activities by organizations designated as terrorist organizations such as the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the United Self-Defense Forces of Colombia (AUC), and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations: *Provided further*, That this authority shall cease to be effective if the Secretary of State has credible evidence that the Colombian Armed Forces are not conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations: *Provided further*, That the President shall ensure that if any helicopter procured with funds under this heading is used to aid or abet the operations of any illegal self-defense group or illegal security cooperative, such helicopter shall be immediately returned to the United States: *Provided further*, That none of the funds appropriated by this Act may be made available to support a Peruvian air interdiction program until the

Secretary of State and Director of Central Intelligence certify to the Congress, 30 days before any resumption of United States involvement in a Peruvian air interdiction program, that an air interdiction program that permits the ability of the Peruvian Air Force to shoot down aircraft will include enhanced safeguards and procedures to prevent the occurrence of any incident similar to the April 20, 2001 incident: *Provided further*, That the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall provide to the Committees on Appropriations not later than 45 days after the date of the enactment of this Act and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of all funds under this heading on a country-by-country basis for each proposed program, project, or activity: *Provided further*, That section 482(b) of the Foreign Assistance Act of 1961 shall not apply to funds appropriated under this heading: *Provided further*, That assistance provided with funds appropriated under this heading that is made available notwithstanding section 482(b) of the Foreign Assistance Act of 1961 shall be made available subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That no United States Armed Forces personnel or United States civilian contractor employed by the United States will participate in any combat operation in connection with assistance made available by this Act for Colombia: *Provided further*, That of the funds appropriated under this heading, not more than \$16,285,000 may be available for administrative expenses of the Department of State, and not more than \$4,500,000 may be available, in addition to amounts otherwise available for such purposes, for administrative expenses of the United States Agency for International Development.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$756,000,000, which shall remain available until expended: *Provided*, That not more than \$21,000,000 may be available for administrative expenses: *Provided further*, That funds appropriated under this heading may be made available for a headquarters contribution to the International Committee of the Red Cross only if the Secretary of State determines (and so reports to the appropriate committees of Congress) that the Magen David Adom Society of Israel is not being denied participation in the activities of the International Red Cross and Red Crescent Movement.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)), \$20,000,000, to remain available until expended.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism, demining and related

programs and activities, \$382,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, and section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: *Provided*, That of this amount not to exceed \$30,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to non-proliferation and disarmament: *Provided further*, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That of the funds made available for demining and related activities, not to exceed \$690,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program: *Provided further*, That funds appropriated under this heading shall be made available for programs and countries in the amounts contained in the table included in the report accompanying this Act: *Provided further*, That any proposed increases or decreases to the amounts contained in such table shall be subject to the regular notification procedures of the Committees on Appropriations and section 634A of the Foreign Assistance Act of 1961 and notifications shall be transmitted at least 15 days in advance of the obligation of funds.

DEPARTMENT OF THE TREASURY INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961, \$19,000,000, to remain available until September 30, 2007, which shall be available notwithstanding any other provision of law.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under

section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113, \$105,000,000, to remain available until September 30, 2007: *Provided*, That not less than \$20,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: *Provided further*, That up to \$75,000,000 of the funds appropriated under this heading may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113: *Provided further*, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—

- (1) the Inter-American Development Bank;
- (2) the African Development Fund;
- (3) the African Development Bank; and
- (4) the Central American Bank for Economic Integration:

Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: *Provided further*, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: *Provided further*, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to the HIPC Trust Fund of amounts for such countries and institutions: *Provided further*, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—

(1) have committed, for a period of 24 months, not to accept new market-rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institutions to export-oriented commercial projects that generate foreign exchange which are generally referred to as “enclave” loans; and

(2) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand upon those previously available for such purposes:

Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: *Provided further*, That none of the funds made available under this heading in this or any other appropriations Act shall be made available for Sudan or Burma unless the Secretary of the Treasury determines and notifies the Committees on

Appropriations that a democratically elected government has taken office: *Provided further*, That none of the funds appropriated under this heading may be paid to the HIPC Trust Fund for the benefit of any country that has accepted loans from an international financial institution between such country's decision point and completion point: *Provided further*, That the terms "decision point" and "completion point" shall have the same meaning as defined by the International Monetary Fund.

TITLE III—MILITARY ASSISTANCE
FUNDS APPROPRIATED TO THE PRESIDENT
INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$89,730,000, of which up to \$3,000,000 may remain available until expended: *Provided*, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: *Provided further*, That funds appropriated under this heading for military education and training for Guatemala may only be available for expanded international military education and training, and funds made available for Nigeria and Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations.

FOREIGN MILITARY FINANCING PROGRAM
(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$4,777,500,000: *Provided*, That of the funds appropriated under this heading, not less than \$2,220,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be made available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 2004, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than \$580,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That in addition to the funds appropriated under this heading, up to \$150,000,000 for assistance for Pakistan may be derived by transfer from unobligated balances of funds appropriated under the headings "Economic Support Fund" and "Foreign Military Financing Program" in prior appropriations Acts and not otherwise designated in those Acts for a specific country, use, or purpose: *Provided further*, That funds appropriated or otherwise made available by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an

agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That none of the funds appropriated under this heading shall be available for assistance for Sudan, Indonesia and Guatemala: *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: *Provided further*, That the authority contained in the previous proviso or any other provision of law relating to the use of funds for programs under this heading, including provisions contained in previously enacted appropriations Acts, shall not apply to activities relating to the clearance of unexploded ordnance resulting from United States Armed Forces testing or training exercises: *Provided further*, That the previous proviso shall not apply to San Jose Island, Republic of Panama: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That not more than \$40,500,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than \$367,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2005 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That foreign military financing program funds estimated to be outlaid for Egypt during fiscal year 2005 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act or by October 31, 2004, whichever is later.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$104,000,000: *Provided*, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT
INTERNATIONAL FINANCIAL INSTITUTIONS
GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, \$107,500,000 to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of

the Treasury, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$850,000,000, to remain available until expended.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, \$25,000,000, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, \$112,212,465, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, \$5,100,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$79,532,933.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, \$118,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,431,111 for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended: *Provided*, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations and shall be transmitted at least 15 days in advance of the obligation of funds.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$121,996,662.

CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, \$15,000,000, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$323,450,000: *Provided*, That none of the funds appropriated under this heading may be made available to the International Atomic Energy Agency (IAEA).

TITLE V—GENERAL PROVISIONS

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 501. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 502. None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$100,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$125,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed \$4,000 shall be available for entertainment expenses and not to exceed \$130,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to

exceed \$2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$4,000 shall be available for representation and entertainment allowances: *Provided further*, That of the funds made available by this Act under the heading "Millennium Challenge Corporation", not to exceed \$130,000 shall be available for representation and entertainment allowances.

PROHIBITION ON TAXATION OF UNITED STATES ASSISTANCE

SEC. 506. (a) PROHIBITION ON TAXATION.—None of the funds appropriated by this Act may be made available to provide assistance for a foreign country under a new bilateral agreement governing the terms and conditions under which such assistance is to be provided unless such agreement includes a provision stating that assistance provided by the United States shall be exempt from taxation, or reimbursed, by the foreign government, and the Secretary of State shall expeditiously seek to negotiate amendments to existing bilateral agreements, as necessary, to conform with this requirement.

(b) REIMBURSEMENT OF FOREIGN TAXES.—An amount equivalent to 200 percent of the total taxes assessed during fiscal year 2005 on funds appropriated by this Act by a foreign government or entity against commodities financed under United States assistance programs for which funds are appropriated by this Act, either directly or through grantees, contractors and subcontractors shall be withheld from obligation from funds appropriated for assistance for fiscal year 2006 and allocated for the central government of such country and for the West Bank and Gaza Program to the extent that the Secretary of State certifies and reports in writing to the Committees on Appropriations that such taxes have not been reimbursed to the Government of the United States.

(c) DE MINIMIS EXCEPTION.—Foreign taxes of a de minimis nature shall not be subject to the provisions of subsection (b).

(d) REPROGRAMMING OF FUNDS.—Funds withheld from obligation for each country or entity pursuant to subsection (b) shall be reprogrammed for assistance to countries which do not assess taxes on United States assistance or which have an effective arrangement that is providing substantial reimbursement of such taxes.

(e) DETERMINATIONS.—

(1) The provisions of this section shall not apply to any country or entity the Secretary of State determines—

(A) does not assess taxes on United States assistance or which has an effective arrangement that is providing substantial reimbursement of such taxes; or

(B) the foreign policy interests of the United States outweigh the policy of this section to ensure that United States assistance is not subject to taxation.

(2) The Secretary of State shall consult with the Committees on Appropriations at least 15 days prior to exercising the authority of this subsection with regard to any country or entity.

(f) IMPLEMENTATION.—The Secretary of State shall issue rules, regulations, or policy guidance, as appropriate, to implement the prohibition against the taxation of assistance contained in this section.

(g) DEFINITIONS.—As used in this section—

(1) the terms "taxes" and "taxation" refer to value added taxes and customs duties imposed on commodities financed with United

States assistance for programs for which funds are appropriated by this Act; and

(2) the term "bilateral agreement" refers to a framework bilateral agreement between the Government of the United States and the government of the country receiving assistance that describes the privileges and immunities applicable to United States foreign assistance for such country generally, or an individual agreement between the Government of the United States and such government that describes, among other things, the treatment for tax purposes that will be accorded the United States assistance provided under that agreement.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Libya, North Korea, Iran, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: *Provided*, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: *Provided further*, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: *Provided further*, That funds made available pursuant to the previous provisions shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS

SEC. 509. (a)(1) LIMITATION ON TRANSFERS BETWEEN AGENCIES.—None of the funds made available by this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

(2) Notwithstanding paragraph (1), in addition to transfers made by, or authorized elsewhere in, this Act, funds appropriated by this Act to carry out the purposes of the Foreign Assistance Act of 1961 may be allocated or transferred to agencies of the United States Government pursuant to the provisions of sections 109, 610, and 632 of the Foreign Assistance Act of 1961.

(b) TRANSFERS BETWEEN ACCOUNTS.—None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, not less than five days prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

(c) AUDIT OF INTER-AGENCY TRANSFERS.—Any agreement for the transfer or allocation of funds appropriated by this Act, or prior Acts, entered into between the United States Agency for International Development and another agency of the United States Government under the authority of section 632(a) of the Foreign Assistance Act of 1961 or any

comparable provision of law, shall expressly provide that the Office of the Inspector General for the agency receiving the transfer or allocation of such funds shall perform periodic program and financial audits of the use of such funds: *Provided*, That funds transferred under such authority may be made available for the cost of such audits.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 510. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapters 4, 6, 8, and 9 of part II of the Foreign Assistance Act of 1961, section 23 of the Arms Export Control Act, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to the government of any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the Committees on Appropriations, that assistance to such country is in the national interest of the United States.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause sub-

stantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact on the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Health Programs Fund", "Development Assistance", "International Organizations and Programs", "Trade and Development Agency", "International Narcotics Control and Law Enforcement", "Andean Counterdrug Initiative", "Assistance for Eastern Europe and the Baltic States", "Assistance for the Independent States of the Former Soviet Union", "Economic Support Fund", "Global HIV/AIDS Initiative", "Peacekeeping Operations", "Capital Investment Fund", "Operating Expenses of the United States Agency for International Development", "Operating Expenses of the United States Agency for International Development Office of Inspector General", "Nonproliferation, Anti-terrorism, Demining and Related Programs", "Millennium Challenge Corporation" (by country only), "Foreign Military Financing Program", "International Military Education and Training", "Peace Corps", and "Migration and Refugee Assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Committees on Ap-

propriations for obligation under any of these specific headings unless the Committees on Appropriations of both Houses of Congress are previously notified 15 days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project for which funds are appropriated under title II of this Act of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2006.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 517. (a) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union—

(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other

Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: *Provided*, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" shall be made available for any state to enhance its military capability: *Provided*, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(d) Funds appropriated under the heading "Assistance for the Independent States of the Former Soviet Union" for the Russian Federation, Armenia, Georgia, and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading "Assistance for the Independent States of the Former Soviet Union" and under comparable headings in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to Europe and Eurasia and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2005, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25

percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Liberia, Serbia, Sudan, or Zimbabwe except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development "program, project, and activity" shall also be considered to include central, country, regional, and program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND HEALTH ACTIVITIES

SEC. 522. Up to \$13,500,000 of the funds made available by this Act for assistance under the heading "Child Survival and Health Programs Fund", may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: *Provided*, That up to \$3,500,000 of the funds made available by this Act for assistance under the heading "Development Assistance" may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: *Provided further*, That funds appropriated by titles II and III of this Act that are made available for bilateral assistance for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law except for the provisions under the heading "Child Survival and Health Programs Fund" and the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 7601 et seq.).

AFGHANISTAN

SEC. 523. Of the funds appropriated by titles II and III of this Act, not less than \$977,000,000 should be made available for humanitarian, reconstruction, and related assistance for Afghanistan: *Provided*, That \$60,000,000 of the funds allocated for assistance for Afghanistan from this Act and other Acts making appropriations for foreign operations, export financing, and related programs for fiscal year 2005 should be made available for assistance for Afghan women and girls.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 524. Prior to providing excess Department of Defense articles in accordance with

section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees if such defense articles are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or are valued (in terms of original acquisition cost) at \$7,000,000 or more, or if notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such excess defense articles: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA

SEC. 525. Notwithstanding any other provision of this Act, none of the funds that are appropriated by this Act that are made available to support the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund) may be made available to the Global Fund until the Secretary of State certifies to the Committees on Appropriations that—

(1) the Global Fund is making concerted efforts to—

(A) establish a full time, professional, independent office which reports directly to the Global Fund Board regarding, among other things, the integrity of processes for consideration and approval of grant proposals, and the implementation, monitoring and evaluation of grants made by the Global Fund;

(B) strengthen domestic civil society participation, especially for people living with HIV/AIDS, in-country coordinating mechanisms; and

(C) establish procedures to assess the need for, and coordinate, technical assistance for Global Fund activities, in cooperation with bilateral and multilateral donors; and

(2) the Global Fund has established clear, consistent progress indicators upon which to determine the release of incremental disbursements;

(3) the Global Fund is releasing such incremental disbursements only if sufficient positive results have been attained based on those indicators; and

(4) the Global Fund is providing an appropriate level of support and oversight to country-level entities, such as country coordinating mechanisms, principal recipients, and local Fund agents, to enable them to fulfill their mandates.

DEMOCRACY PROGRAMS

SEC. 526. (a) The Secretary of Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to support projects in Tibet if such projects do not provide incentives for the migration and settlement of non-Tibetans into Tibet or facilitate the transfer of ownership of Tibetan land and natural resources to non-Tibetans; are based on a thorough needs-assessment; foster self-sufficiency of the Tibetan people and respect Tibetan culture and traditions; and are subject to effective monitoring.

(b) Notwithstanding any other provision of law, not less than \$4,000,000 of the funds appropriated by this Act under the heading "Economic Support Fund" should be made available to nongovernmental organizations to support activities which preserve cultural

traditions and promote sustainable development and environmental conservation in Tibetan communities in the Tibetan Autonomous Region and in other Tibetan communities in China.

(c) Notwithstanding any other provision of law, not less than \$250,000 of the funds appropriated under the heading "Economic Support Fund" should be made available for human rights and democracy programs for Tibetans.

(d) Not less than \$27,000,000 of the funds appropriated by this Act under the heading "Economic Support Fund" should be allocated for the Human Rights and Democracy Fund: *Provided*, That up to \$1,200,000 may be used for the Reagan/Fascell Democracy Fellows program.

(e) Notwithstanding any other provision of law, up to \$1,500,000 of the funds appropriated by this Act under the heading "Economic Support Fund" may be provided to make grants to educational, humanitarian, and nongovernmental organizations and individuals inside Iran and Syria to support the advancement of democracy and human rights in Iran and Syria, and such funds may be provided through the National Endowment for Democracy.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

DEBT-FOR-DEVELOPMENT

SEC. 528. In order to enhance the continued participation of nongovernmental organizations in debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and, subject to the regular notification procedures of the Committees on Appropriations, and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 529. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the United States Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated; and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the United States Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The United States Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapter 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) REPORTING REQUIREMENT.—The Administrator of the United States Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapter 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98-1159).

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including,

as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

ENTERPRISE FUND RESTRICTIONS

SEC. 530. (a) Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

(b) Funds made available by this Act for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

SUDAN

SEC. 531. (a) Of the funds appropriated by title II of this Act, not less than \$311,000,000 should be made available for assistance for Sudan.

(b) Subject to section (c):

(1) Notwithstanding section 501(a) of the International Malaria Control Act of 2000 (Public Law 106-570) or any other provision of law, none of the funds appropriated by this Act may be made available for assistance for the Government of Sudan.

(2) None of the funds appropriated by this Act may be made available for the cost, as defined in section 502, of the Congressional Budget Act of 1974, of modifying loans and loan guarantees held by the Government of Sudan, including the cost of selling, reducing, or canceling amounts owed to the United States, and modifying concessional loans, guarantees, and credit agreements.

(c) Subsection (b) shall not apply if the Secretary of State determines and certifies to the Committees on Appropriations that—

(1) the Government of Sudan has disarmed and disbanded government-supported militia groups in the Darfur region;

(2) the Government of Sudan and all government-supported militia groups are honoring their commitments made in the cease-fire agreement of April 8, 2004; and

(3) the Government of Sudan is allowing full and unconditional access to Darfur to humanitarian aid organizations, the human rights investigation and humanitarian teams of the United Nations, including protection officers, and an international monitoring team that is based in Darfur and that has the support of the United States.

(d) EXCEPTIONS.—The provisions of subsection (b) shall not apply to—

(1) humanitarian assistance; and

(2) assistance for Darfur and for areas outside the control of the Government of Sudan.

(e) DEFINITIONS.—For the purposes of the Act and section 501 of Public Law 106-570, the terms "Government of Sudan", "areas outside of control of the Government of Sudan", and "area in Sudan outside of control of the Government of Sudan" shall have the same meaning and application as was the case immediately prior to the conclusion of the cease-fire agreement of April 8, 2004.

AUTHORITIES FOR THE PEACE CORPS, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 532. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-

American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 533. None of the funds appropriated by this Act may be obligated or expended to provide—

(1) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; or

(2) assistance for any program, project, or activity that contributes to the violation of internationally recognized workers rights, as defined in section 507(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That the application of section 507(4) (D) and (E) of such Act should be commensurate with the level of development of the recipient country and sector, and shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

SPECIAL AUTHORITIES

SEC. 534. (a) AFGHANISTAN, PAKISTAN, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated by this Act that are made available for assistance for Afghanistan may be made available notwithstanding section 512 of this Act or any similar provision of law and section 660 of the Foreign Assistance Act of 1961, and funds appropriated in titles I and II of this Act that are made available for Montenegro, Pakistan, and for victims of war, displaced children, and displaced Burmese, and to assist victims of trafficking in persons and, subject to the regular notification procedures of the Committees on Appropriations, to combat such trafficking, may be made available notwithstanding any other provision of law.

(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities managed by the agency until permanent direct hire personnel are hired and trained: *Provided*, That not more than 10 of such contractors shall be assigned to any bureau or office: *Provided further*, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may

be made available only for personal services contractors assigned to the Office of Food for Peace.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(e) SMALL BUSINESS.—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.

(f) RECONSTITUTING CIVILIAN POLICE AUTHORITY.—In providing assistance with funds appropriated by this Act under section 660(b)(6) of the Foreign Assistance Act of 1961, support for a nation emerging from instability may be deemed to mean support for regional, district, municipal, or other subnational entity emerging from instability, as well as a nation emerging from instability.

(g) NATIONAL ENDOWMENT FOR DEMOCRACY.—Funds appropriated by this Act that are provided to the National Endowment for Democracy may be provided notwithstanding any other provision of law or regulation.

(h) WORLD FOOD PROGRAM.—Of the funds managed by the Bureau for Democracy, Conflict, and Humanitarian Assistance of the United States Agency for International Development, from this or any other Act, not less than \$6,000,000 shall be made available as a general contribution to the World Food Program, notwithstanding any other provision of law.

(i) EXTENSION OF AUTHORITY.—Public Law 107-57, as amended, is further amended—

(1) in section 1(b)—

(A) in the heading, by striking “2004” and inserting “2005”; and

(B) in paragraph (1), by striking “2004” and inserting “2005”;

(2) in section 3(2), by striking “and 2004” and inserting in lieu thereof “2004, and 2005”; and

(3) in section 6, by striking “2004” and inserting in lieu thereof “2005”.

ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 535. It is the sense of the Congress that—

(1) the Arab League boycott of Israel, and the secondary boycott of American firms that have commercial ties with Israel, is an impediment to peace in the region and to United States investment and trade in the Middle East and North Africa;

(2) the Arab League boycott, which was regrettably reinstated in 1997, should be immediately and publicly terminated, and the Central Office for the Boycott of Israel immediately disbanded;

(3) the three Arab League countries with diplomatic and trade relations with Israel should return their ambassadors to Israel, should refrain from downgrading their relations with Israel, and should play a constructive role in securing a peaceful resolution of the Israeli-Arab conflict;

(4) the remaining Arab League states should normalize relations with their neighbor Israel;

(5) the President and the Secretary of State should continue to vigorously oppose the Arab League boycott of Israel and find

concrete steps to demonstrate that opposition by, for example, taking into consideration the participation of any recipient country in the boycott when determining to sell weapons to said country; and

(6) the President should report to Congress annually on specific steps being taken by the United States to encourage Arab League states to normalize their relations with Israel to bring about the termination of the Arab League boycott of Israel, including those to encourage allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ELIGIBILITY FOR ASSISTANCE

SEC. 536. (a) ASSISTANCE THROUGH NON-GOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading “Assistance for Eastern Europe and the Baltic States”: *Provided*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2005, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to the government of a country that violates internationally recognized human rights.

RESERVATIONS OF FUNDS

SEC. 537. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the United States Agency

for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: *Provided*, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 538. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 539. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: *Provided*, That not to exceed \$750,000 may be made available to carry out the provisions of section 316 of Public Law 96-533.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 540. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION

SEC. 541. None of the funds appropriated or made available pursuant to this Act shall be available to a nongovernmental organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the United States Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 542. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver authority of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the fur-

nishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 543. (a) Subject to subsection (c), of the funds appropriated by this Act that are made available for assistance for a foreign country, an amount equal to 110 percent of the total amount of the unpaid fully adjudicated parking fines and penalties owed by such country shall be withheld from obligation for such country until the Secretary of State submits a certification to the appropriate congressional committees stating that such parking fines and penalties are fully paid.

(b) Funds withheld from obligation pursuant to subsection (a) may be made available for other programs or activities funded by this Act, after consultation with and subject to the regulation notification procedures of the appropriate congressional committees, provided that no such funds shall be made available for assistance to the central government of a foreign country that has not paid the total amount of the fully adjudicated parking fines and penalties owed by such country.

(c) Subsection (a) shall not include amounts that have been withheld under any other provision of law.

(d) The Secretary of State may waive the requirements set forth in subsection (a) no sooner than 60 days from the date of enactment of this Act, or at any time with respect to a particular country, if the Secretary determines that it is in the national interests of the United States to do so.

(e) Not later than 6 months after the initial exercise of the waiver authority in subsection (d), the Secretary of State, after consultations with the City of New York, shall submit a report to the Committees on Appropriations describing a strategy, including a timetable and steps currently being taken, to collect the parking fines and penalties owed by nations receiving foreign assistance under this Act.

(f) In this section:

(1) The term "appropriate congressional committees" means the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives.

(2) The term "fully adjudicated" includes circumstances in which the person to whom the vehicle is registered—

(A) has not responded to the parking violation summons; or

(i) has not followed the appropriate adjudication procedure to challenge the summons; and

(B) the period of time for payment of or challenge to the summons has lapsed.

(3) The term "parking fines and penalties" means parking fines and penalties—

(A) owed to—

(i) the District of Columbia; or

(ii) New York, New York; and

(B) incurred during the period April 1, 1997 through September 30, 2004.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 544. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104-107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still

in effect: *Provided*, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 545. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961 of up to \$30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: *Provided further*, That funds made available for tribunals other than Yugoslavia, Rwanda, or the Special Court for Sierra Leone shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

SEC. 546. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 547. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 548. None of the funds appropriated or otherwise made available by this Act under the heading "International Military Education and Training" or "Foreign Military

Financing Program” for Informational Program activities or under the headings “Child Survival and Health Programs Fund”, “Development Assistance”, and “Economic Support Fund” may be obligated or expended to pay for—

- (1) alcoholic beverages; or
- (2) entertainment expenses for activities that are substantially of a recreational character, including but not limited to entrance fees at sporting events, theatrical and musical productions, and amusement parks.

HAITI

SEC. 549. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 550. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(d) REPORT.—Whenever the waiver authority pursuant to subsection (b) is exercised, the President shall submit a report to the Committees on Appropriations detailing the steps the Palestinian Authority has taken to arrest terrorists, confiscate weapons and dismantle the terrorist infrastructure. The report shall also include a description of how funds will be spent and the accounting procedures in place to ensure that they are properly disbursed.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

SEC. 551. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: *Provided*, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: *Provided further*, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

FOREIGN MILITARY TRAINING REPORT

SEC. 552. The annual foreign military training report required by section 656 of the Foreign Assistance Act of 1961 shall be submitted by the Secretary of Defense and the Secretary of State to the Committees on Appropriations of the House of Representatives and the Senate by the date specified in that section.

AUTHORIZATION REQUIREMENT

SEC. 553. Funds appropriated by this Act, except funds appropriated under the head-

ings “Trade and Development Agency”, “Millennium Challenge Corporation”, and “Global HIV/AIDS Initiative”, may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

CAMBODIA

SEC. 554. The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to meet basic human needs.

PALESTINIAN STATEHOOD

SEC. 555. (a) LIMITATION ON ASSISTANCE.—None of the funds appropriated by this Act may be provided to support a Palestinian state unless the Secretary of State determines and certifies to the appropriate congressional committees that—

(1) a new leadership of a Palestinian governing entity has been democratically elected through credible and competitive elections;

(2) the elected governing entity of a new Palestinian state—

(A) has demonstrated a firm commitment to peaceful co-existence with the State of Israel;

(B) is taking appropriate measures to counter terrorism and terrorist financing in the West Bank and Gaza, including the dismantling of terrorist infrastructures;

(C) is establishing a new Palestinian security entity that is cooperative with appropriate Israeli and other appropriate security organizations; and

(3) the Palestinian Authority (or the governing body of a new Palestinian state) is working with other countries in the region to vigorously pursue efforts to establish a just, lasting, and comprehensive peace in the Middle East that will enable Israel and an independent Palestinian state to exist within the context of full and normal relationships, which should include—

(A) termination of all claims or states of belligerency;

(B) respect for and acknowledgement of the sovereignty, territorial integrity, and political independence of every state in the area through measures including the establishment of demilitarized zones;

(C) their right to live in peace within secure and recognized boundaries free from threats or acts of force;

(D) freedom of navigation through international waterways in the area; and

(E) a framework for achieving a just settlement of the refugee problem.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the newly elected governing entity should enact a constitution assuring the rule of law, an independent judiciary, and respect for human rights for its citizens, and should enact other laws and regulations assuring transparent and accountable governance.

(c) WAIVER.—The President may waive subsection (a) if he determines that it is vital to the national security interests of the United States to do so.

(d) EXEMPTION.—The restriction in subsection (a) shall not apply to assistance intended to help reform the Palestinian Authority and affiliated institutions, or a newly elected governing entity, in order to help meet the requirements of subsection (a), consistent with the provisions of section 550 of this Act (“Limitation on Assistance to the Palestinian Authority”).

COLOMBIA

SEC. 556. (a) DETERMINATION AND CERTIFICATION REQUIRED.—Notwithstanding any

other provision of law, funds appropriated by this Act that are available for assistance for the Colombian Armed Forces, may be made available as follows:

(1) Up to 75 percent of such funds may be obligated prior to a determination and certification by the Secretary of State pursuant to paragraph (2).

(2) Up to 12.5 percent of such funds may be obligated only after the Secretary of State certifies and reports to the appropriate congressional committees that:

(A) The Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank who, according to the Minister of Defense or the Procuraduría General de la Nación, have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations.

(B) The Colombian Government is vigorously investigating and prosecuting those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations, and is promptly punishing those members of the Colombian Armed Forces found to have committed such violations of human rights or to have aided or abetted paramilitary organizations.

(C) The Colombian Armed Forces have made substantial progress in cooperating with civilian prosecutors and judicial authorities in such cases (including providing requested information, such as the identity of persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses, relevant military documents, and other requested information).

(D) The Colombian Armed Forces have made substantial progress in severing links (including denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation) at the command, battalion, and brigade levels, with paramilitary organizations, especially in regions where these organizations have a significant presence.

(E) The Colombian Armed Forces are dismantling paramilitary leadership and financial networks by arresting commanders and financial backers, especially in regions where these networks have a significant presence.

(3) The balance of such funds may be obligated after July 31, 2005, if the Secretary of State certifies and reports to the appropriate congressional committees, after such date, that the Colombian Armed Forces are continuing to meet the conditions contained in paragraph (2) and are conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations.

(b) CONGRESSIONAL NOTIFICATION.—Funds made available by this Act for the Colombian Armed Forces shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) CONSULTATIVE PROCESS.—Not later than 60 days after the date of enactment of this Act, and every 90 days thereafter until September 30, 2006, the Secretary of State shall consult with internationally recognized human rights organizations regarding progress in meeting the conditions contained in that subsection.

(d) DEFINITIONS.—In this section:

(1) AIDED OR ABETTED.—The term “aided or abetted” means to provide any support to

paramilitary groups, including taking actions which allow, facilitate, or otherwise foster the activities of such groups.

(2) **PARAMILITARY GROUPS.**—The term “paramilitary groups” means illegal self-defense groups and illegal security cooperatives.

ILLEGAL ARMED GROUPS

SEC. 557. (a) DENIAL OF VISAS TO SUPPORTERS OF COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to subsection (b), the Secretary of State shall not issue a visa to any alien who the Secretary determines, based on credible evidence—

(1) has willfully provided any support to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), or the United Self-Defense Forces of Colombia (AUC), including taking actions or failing to take actions which allow, facilitate, or otherwise foster the activities of such groups; or

(2) has committed, ordered, incited, assisted, or otherwise participated in the commission of gross violations of human rights, including extra-judicial killings, in Colombia.

(b) **WAIVER.**—Subsection (a) shall not apply if the Secretary of State determines and certifies to the appropriate congressional committees, on a case-by-case basis, that the issuance of a visa to the alien is necessary to support the peace process in Colombia or for urgent humanitarian reasons.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 558. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

WEST BANK AND GAZA PROGRAM

SEC. 559. (a) OVERSIGHT.—For fiscal year 2005, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading “Economic Support Fund” for the West Bank and Gaza.

(b) **VETTING.**—Prior to the obligation of funds appropriated by this Act under the heading “Economic Support Fund” for assistance for the West Bank and Gaza, the Secretary of State shall take all appropriate steps to ensure that such assistance is not provided to or through any individual, private or government entity, or educational institution that the Secretary knows or has reason to believe advocates, plans, sponsors, engages in, or has engaged in, terrorist activity. The Secretary of State shall, as appropriate, establish procedures specifying the steps to be taken in carrying out this subsection and shall terminate assistance to any individual, entity, or educational institution found to be involved in or advocating terrorist activity.

(c) **AUDITS.**—(1) The Administrator of the United States Agency for International Development shall ensure that Federal or non-Federal audits of all contractors and grantees, and significant subcontractors and subgrantees, under the West Bank and Gaza Program, are conducted at least on an annual basis to ensure, among other things, compliance with this section.

(2) Of the funds appropriated by this Act under the heading “Economic Support Fund” that are made available for assistance

for the West Bank and Gaza, up to \$1,000,000 may be used by the Office of the Inspector General of the United States Agency for International Development for audits, inspections, and other activities in furtherance of the requirements of this subsection. Such funds are in addition to funds otherwise available for such purposes.

CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

SEC. 560. (a) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under “International Organizations and Programs”, \$25,000,000 for fiscal year 2005 shall be available for the United Nations Population Fund (hereafter in this section referred to as the “UNFPA”).

(b) **PROHIBITION ON USE OF FUNDS IN CHINA.**—None of the funds made available under “International Organizations and Programs” may be made available for the UNFPA for a country program in the People’s Republic of China.

(c) **CONDITIONS ON AVAILABILITY OF FUNDS.**—Amounts made available under “International Organizations and Programs” for fiscal year 2005 for the UNFPA may not be made available to UNFPA unless—

(1) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

(2) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and

(3) the UNFPA does not fund abortions.

WAR CRIMINALS

SEC. 561. (a)(1) None of the funds appropriated or otherwise made available pursuant to this Act may be made available for assistance, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to vote against any new project involving the extension by such institutions of any financial or technical assistance, to any country, entity, or municipality whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to implement its international legal obligations to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia (the “Tribunal”) all persons in their territory who have been indicted by the Tribunal and to otherwise cooperate with the Tribunal.

(2) The provisions of this subsection shall not apply to humanitarian assistance or assistance for democratization.

(b) The provisions of subsection (a) shall apply unless the Secretary of State determines and reports to the appropriate congressional committees that the competent authorities of such country, entity, or municipality are—

(1) cooperating with the Tribunal, including access for investigators to archives and witnesses, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension; and

(2) are acting consistently with the Dayton Accords.

(c) Not less than 10 days before any vote in an international financial institution regarding the extension of any new project involving financial or technical assistance or grants to any country or entity described in subsection (a), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committees on Appropriations a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(d) In carrying out this section, the Secretary of State, the Administrator of the United States Agency for International Development, and the Secretary of the Treasury shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (a).

(e) The Secretary of State may waive the application of subsection (a) with respect to projects within a country, entity, or municipality upon a written determination to the Committees on Appropriations that such assistance directly supports the implementation of the Dayton Accords.

(f) **DEFINITIONS.**—As used in this section—

(1) **COUNTRY.**—The term “country” means Bosnia and Herzegovina, Croatia and Serbia.

(2) **ENTITY.**—The term “entity” refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro and the Republika Srpska.

(3) **MUNICIPALITY.**—The term “municipality” means a city, town or other subdivision within a country or entity as defined herein.

(4) **DAYTON ACCORDS.**—The term “Dayton Accords” means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

USER FEES

SEC. 562. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) and the International Monetary Fund to oppose any loan, grant, strategy or policy of these institutions that would require user fees or service charges on poor people for primary education or primary healthcare, including prevention and treatment efforts for HIV/AIDS, malaria, tuberculosis, and infant, child, and maternal well-being, in connection with the institutions’ financing programs.

FUNDING FOR SERBIA

SEC. 563. (a) Funds appropriated by this Act may be made available for assistance for Serbia after March 31, 2005, if the President has made the determination and certification contained in subsection (c).

(b) After March 31, 2005, the Secretary of the Treasury should instruct the United States executive directors to the international financial institutions to support loans and assistance to the Government of the Federal Republic of Yugoslavia (or a government of a successor state) subject to the conditions in subsection (c): *Provided*, That section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as amended, shall not apply to the provision of loans and assistance to the Federal Republic of Yugoslavia (or a successor state) through international financial institutions.

(c) The determination and certification referred to in subsection (a) is a determination by the President and a certification to the Committees on Appropriations that the Government of the Federal Republic of Yugoslavia (or a government of a successor state) is—

(1) cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension, including making all practicable efforts to apprehend and transfer Ratko Mladic;

(2) taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions; and

(3) taking steps to implement policies which reflect a respect for minority rights and the rule of law, including the release of political prisoners from Serbian jails and prisons.

(d) This section shall not apply to Montenegro, Kosovo, humanitarian assistance, assistance to promote democracy in municipalities, or assistance to nongovernmental organizations to promote democracy.

COMMUNITY-BASED POLICE ASSISTANCE

SEC. 564. (a) AUTHORITY.—Funds made available by this Act to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority in Jamaica and El Salvador through training and technical assistance in human rights, the rule of law, strategic planning, and through assistance to foster civilian police roles that support democratic governance including assistance for programs to prevent conflict and foster improved police relations with the communities they serve.

(b) NOTIFICATION.—Assistance provided under subsection (a) shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 565. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as “Paris Club Agreed Minutes”.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as “IDA-only” countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to the funds appropriated by this Act under the heading “Debt Restructuring”.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for the purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 566. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to

a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading “Debt Restructuring”.

BASIC EDUCATION

SEC. 567. Of the funds appropriated by title II of this Act, not less than \$400,000,000 shall be made available for basic education.

RECONCILIATION PROGRAMS

SEC. 568. Of the funds appropriated under the heading “Economic Support Fund”, not less than \$12,000,000 should be made available to support reconciliation programs and activities which bring together individuals of different ethnic, religious, and political backgrounds from areas of civil conflict and war.

DEBT RESTRUCTURING AUTHORITY

SEC. 569. Funds appropriated under the heading “Iraq Relief and Reconstruction Fund” in title II of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106) may be made available for the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees for Iraq, without regard to the sectoral allocations and related provisos under that heading in such Act: *Provided*, That the authority of this section shall be used subject to prior consultation with the Committees on Appropriations: *Provided further*, That the obligation of funds pursuant to the authority provided in this section shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That amounts made available pursuant to the authority of this section are designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That amounts made available pursuant to the authority of this section shall not be considered “assistance” for the purposes of provisions of law limiting assistance to a country.

TRADE CAPACITY BUILDING

SEC. 570. Of the funds appropriated by this Act, under the headings “Trade and Development Agency”, “Development Assistance”, “Transition Initiatives”, “Economic Support Fund”, “International Affairs Technical Assistance”, and “International Organizations and Programs”, not less than \$517,000,000 should be made available for trade capacity building assistance.

EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTH EUROPEAN COUNTRIES AND CERTAIN OTHER COUNTRIES

SEC. 571. Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during fiscal year 2005, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavian Republic of

Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

CUBA

SEC. 572. None of the funds appropriated by this Act under the heading "International Narcotics Control and Law Enforcement" may be made available for assistance to the Government of Cuba.

OFFICE OF THE INSPECTOR GENERAL OF THE COALITION PROVISIONAL AUTHORITY

SEC. 573. (a) ESTABLISHMENT OF NEW OFFICE.—(1) The Office of the Inspector General of the Coalition Provisional Authority shall be reconstituted as a separate office within the Department of State and redesignated the Office of the Inspector General for Iraq Reconstruction (hereinafter "the Office").

(2) Any reference in title III of Public Law 108-106 to the "Office of the Inspector of the Coalition Provisional Authority" or to the "Inspector General of the Coalition Provisional Authority" shall be deemed to be a reference to the Office of the Inspector General for Iraq Reconstruction or the Inspector General for Iraq Reconstruction, respectively.

(3) Any reference in title III of Public Law 108-106 to "appropriated funds" shall be deemed to be a reference to funds appropriated in that Act and in Public Law 108-11 under the heading "Iraq Relief and Reconstruction Fund".

(b) INSPECTOR GENERAL OF THE OFFICE.—The Inspector General of the Coalition Provisional Authority (hereinafter "the Inspector General") and Assistant Inspectors General of that office should be reappointed by the Secretary of State to serve in the same capacity in the Office established by subsection (a).

(c) PURPOSE AND AUTHORITIES.—(1) The Inspector General shall—

(A) conduct independent and objective audits and investigations relating to the programs and operations funded with amounts appropriated for the "Iraq Relief and Reconstruction Fund";

(B) make independent and objective recommendations on policies designed to promote economy, efficiency, and effectiveness in the administration of such programs and operations, and to prevent and detect fraud, waste, and abuse in such programs and operations; and

(C) provide an independent and objective means of keeping the Secretary of State fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.

(2) The Inspector General shall have the duties, responsibilities, powers, and authorities described in sections 3001 (f), (g), and (h) of Public Law 108-106.

(d) RELATIONSHIP TO THE SECRETARY OF STATE.—

(1) The Inspector General shall report directly to and be under the supervision of the Secretary of State.

(2) Any reference in title III of Public Law 108-106 to the "Coalition Provisional Authority" or to the "head of the Coalition Provisional Authority" shall be deemed to be a reference to the Department of State or to the Secretary of State, respectively.

(e) COORDINATION WITH OTHER INSPECTORS GENERAL.—In carrying out the duties, responsibilities, and authorities of the Inspector General, the Inspector General shall coordinate with, and receive the cooperation of, the Inspector General of the Department of State, the Inspector General of the Department of Defense, the Inspector General

of the United States Agency for International Development, and any other Inspector General carrying out functions related to the provision of reconstruction assistance for Iraq with funds appropriated for "Iraq Relief and Reconstruction Fund".

(f) FUNDING.—Funds available pursuant to section 3001(n) of Public Law 108-106 shall be transferred to the Office and used for purposes of this section.

(g) The Office of Inspector General for Iraq Reconstruction shall terminate on September 30, 2007.

OVERSIGHT OF IRAQ RECONSTRUCTION

SEC. 574. (a) Section 2207(a) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), is amended by striking "The Director of the Office of Management and Budget, in consultation with the Administrator of the Coalition Provisional Authority (CPA) and the Committees on Appropriations," and inserting "The Secretary of State".

(b) The allocation of any funds appropriated under the heading "Iraq Relief and Reconstruction Fund" in chapter 2 of title II of Public Law 108-106 for administrative expenses purposes pursuant to the authority contained in the seventh proviso under that heading, shall be subject to the regular notification procedures of the Committees on Appropriations.

INDONESIA

SEC. 575. Congress notes that the Indonesian Government and Armed Forces have pledged to cooperate with the Federal Bureau of Investigation with respect to its investigation into the August 31, 2002, murders of two American citizens and one Indonesian citizen in Timika, Indonesia. Therefore, funds appropriated under the heading "International Military Education and Training" may be made available for Indonesia if the Secretary of State determines and reports to the appropriate congressional committees that the Indonesian Government and Armed Forces are cooperating with the Federal Bureau of Investigation's investigation: *Provided*, That this restriction shall not apply to expanded international military education and training, which may include English language training.

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2005".

The CHAIRMAN. No further amendment to the bill may be offered except:

Pro forma amendments offered at any point in the reading by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate;

Amendments 5, 6, 7, 8, 12, 14, and 21; Amendments 11 and 17, which shall be debatable for 20 minutes;

Amendment 15, which shall be debatable for 30 minutes;

Amendments 9, 13, and 18, which shall be debatable for 40 minutes;

An amendment by Mr. GARRETT of New Jersey regarding conference attendance;

An amendment by Ms. JACKSON-LEE of Texas regarding agricultural development in sub-Saharan Africa;

An amendment by Mr. SANDERS regarding Export-Import Bank loans, which shall be debatable for 40 minutes;

An amendment by Mr. DEAL of Georgia regarding extradition, which shall be debatable for 20 minutes;

An amendment by Mr. WEINER regarding Saudi Arabia, which shall be debatable for 30 minutes;

An amendment by Mr. BUYER regarding monitoring of elections, which shall be debatable for 20 minutes;

An amendment by Mr. OTTER regarding West Bank/Gaza;

An amendment by Mr. MENENDEZ regarding Latin American child survival and development assistance;

An amendment by Mr. SCHIFF regarding Armenian genocide;

An amendment by Ms. LEE regarding global AIDS, which shall be debatable for 30 minutes;

An amendment by Ms. DELAURO regarding child survival;

An amendment by Ms. WATERS regarding contract fraud; and

An amendment by Ms. MCCOLLUM regarding unexploded ordnance.

Each such amendment may be offered only by the Member designated in the request, or a designee, or the Member who caused it to be printed in the RECORD, or a designee, shall be considered as read, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Except as otherwise specified, each amendment shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent. An amendment shall be considered to fit the description stated in the request if it addresses in whole or in part the object described.

Are there any points of order to the portion of the bill which is open?

POINT OF ORDER

Mr. GOODLATTE. Mr. Chairman, I make a point of order against section 565(a)(3) for the reason it violates rule XXI, clause 2, which prohibits legislative language in a general appropriation bill.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

Mr. KOLBE. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The gentleman from Arizona concedes the point of order, and the point of order is sustained. This language is thereby stricken from the bill.

Are there any amendments to this portion of the bill?

AMENDMENT OFFERED BY MS. LEE

Ms. LEE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. LEE:

In title II, at the end of the item relating to "CHILD SURVIVAL AND HEALTH PROGRAMS FUND", insert the following:

In addition to the amount provided in the preceding paragraph for a United States contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria, \$800,000,000 for such purpose, to remain available until September 30, 2006: *Provided*, That such amount is designated as an emergency requirement

pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress).

Mr. KOLBE. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. A point of order is reserved on the amendment.

Pursuant to the order of the House of today, the gentlewoman from California (Ms. LEE) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that today I rise, having just returned yesterday afternoon, from the 15th International AIDS Conference in Bangkok, Thailand, as the only Member of this body in attendance. This was the third International AIDS Conference which I have had the privilege to participate in: several years ago, Durban, South Africa; following that Barcelona, Spain; and now Bangkok, Thailand.

My experiences at these conferences, especially very recently in Bangkok, confirmed the vital need for this amendment, which designates \$800 million in emergency funding for the Global Fund to fight AIDS, tuberculosis, and malaria. Together with the \$400 million which the base bill provides for the fund, my amendment would increase the total United States contribution to the fund to \$1.2 billion this coming fiscal year.

Based on its projection of need, the fund estimates that it will require approximately \$3.6 billion in fiscal year 2005. By bringing the total United States contribution to the fund to \$1.2 billion, this amendment would provide one-third of that figure as laid out in the Global AIDS legislation. The funding will help treat an additional 2 million people for tuberculosis and an additional half million people for AIDS.

Having spent this week, well, the last few days, actually, among the international leaders on the global pandemic, and also with people living with the virus, I can tell my colleagues that the international community is quite disappointed, to put it mildly, about the United States' failure to deliver on promised funding to date; and this amendment would help restore what many see as really the lack of United States leadership and credibility on the HIV/AIDS pandemic.

This point was reinforced by Secretary of Health Tommy Thompson's decision to allow a delegation of only approximately 50 people to attend the World AIDS conference this year, down by 236 the year before in Barcelona. It is shameful, I believe, that this administration has prevented many of our best and our brightest scientists at the Centers for Disease Control and the National Institutes of Health from gaining new insights from their colleagues in the international community and from sharing the research they have conducted on this pandemic with their colleagues in the global community.

It is tragic that this administration's unilateralist and ideological tendencies have now spread, unfortunately, to the fight on HIV and AIDS. It is morally wrong to allow right-wing ideology to trump science when it comes to the administration's HIV/AIDS prevention policies. Their policies set aside 33 percent of all funding for abstinence only. That denies access to lifesaving technology, including condoms. Simply put, this is irresponsible, unethical, and inhumane. Emphasis should be science based, not ideological.

It is unethical, I believe, that the antiretroviral treatment policies are focused more on protecting patents and big pharmaceutical companies than on the urgent need to get fixed-dose combination into the hands of those who need them. Emphasis really should be put on saving lives.

And I think it is pretty disingenuous that the administration has proposed cutting our support for the Global Fund, given all these enormous problems that we have, to a measly contribution of about \$200 million, rather than the \$1.2 billion, which is desperately needed.

I must thank the gentleman from Arizona (Mr. KOLBE) and our ranking member, the gentlewoman from New York (Mrs. LOWEY), for their unwavering commitment to helping to increase this funding and actually doubling the funding for this Global Fund twice as much as what the initial bill provided for. But, Mr. Chairman, I think we must go further in providing the resources.

We have a battle before us to get this devastating and deadly pandemic under control. And why the fund? This fund is the best way to get the money out into the hands of the NGOs immediately. It is a multilateral approach. For example, \$1 billion could leverage up to \$9 billion to \$10 billion from the private sector, from additional donor countries, and from foundations. We are the wealthiest country in the world. We should be leading the charge. This Global Fund is the best vehicle to show that type of cooperation to provide for the quick release of this money.

I met with too many people, Mr. Chairman, who are living and dying with this disease. For example, I participated in one meeting with women leaders. There were maybe 50 to 75 women in the room. Over half of them were living with the virus. One woman happened to share a story with us, and she indicated that she had recently gotten married. She did not know that her husband was HIV infected. Four months later, after her marriage, lo and behold she has the virus.

I could go on and on with stories about orphans and vulnerable children; stories about women who cannot negotiate abstinence; stories about women who are subjected to violence; stories about women and children that need help in terms of antiretroviral treatment. The quickest way for us to address this pandemic is to get the money out, and to get it out quickly.

The fund is headed by Secretary Tommy Thompson. It is directed by Dr. Feachem, based in Geneva, Switzerland. They know what they are doing in terms of establishing the criteria, and they know how to get the money out quickly. I would say the bureaucracy is not as stringent as it is through the bilateral programs. So, quite naturally, the money can get to where the people are more quickly and in a way that is more effective.

So I would just ask for consideration of this very modest amendment. It is only \$800 million more, and it will save millions and millions of lives.

Mr. Chairman, I reserve the balance of my time.

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Mr. KOLBE. Mr. Chairman, I am prepared to make my point of order unless the gentlewoman wishes to speak further.

Ms. LEE. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Mrs. LOWEY), ranking member on the Subcommittee on Foreign Operations, Export Financing and Related Programs. I want to acknowledge her very stellar work and her commitment to addressing this pandemic in a very real way.

Mrs. LOWEY. Mr. Chairman, I want to thank the gentlewoman from California for her important leadership on this issue. I know that she recently returned from the HIV/AIDS conference in Bangkok. I know that in this very busy place we never have adequate time to really listen and learn, but she has truly been a leader, and I hope that we all have the opportunity to share her experiences with her. I thank her.

Mr. Chairman, while the bill before us already contains \$2.2 billion for HIV/AIDS programs, which is the requested level, it only contains \$400 million for the Global Fund to Fight AIDS, TB and Malaria. The Global Fund has made clear to us that a \$400 million U.S. contribution for fiscal year 2005 will endanger completion of multiyear grant agreements it has already signed and will totally shut down the Fund's ability to make new grants. The Fund has appealed to us for a total U.S. contribution of \$1.2 billion this year, which is its estimate of the funds needed to meet anticipated demands for the next round of grant awards.

I want to point out that the committee has not been totally satisfied with the management performance of the Fund, and there are a number of reforms mandated in the bill to improve its performance. But, despite these concerns, the demand for increased funds for meeting the needs for HIV treatment, prevention, and awareness are vast and growing. One need only cite the daunting statistics of the most recent U.N. reports on the spread of HIV to understand the need for more funds. Based on this alone, I would support the gentlewoman's amendment.

I do, however, have another compelling reason to support the amendment,

and that is because I am convinced that the Global Fund is doing a better job at scaling up HIV treatment programs than our bilateral program currently is. As many of the Members know, the administration recently announced that the Food and Drug Administration would institute new policies that would dramatically speed up the process of approving generic drugs for HIV treatment. Unfortunately, this announcement was completely misleading.

As documented in a recent letter to HHS Secretary Thompson from our colleague from California (Mr. WAXMAN), ranking member on the House Committee on Government Reform, the administration's announcement in May that the FDA would be able to review these drugs in "2 to 6 weeks" raised the expectation of their imminent purchase and distribution. After close review, however, of FDA plans, it becomes clear that the expedited review starts only after companies have submitted a complete application to FDA. In order to have a complete application, these companies may have to repeat clinical studies, undergo a raw materials review, and submit to detailed inspections. The bottom line is that this presubmission process could add months, if not years, to the approval process.

The Bush administration has made treatment of those living with HIV its highest priority, stating that 200,000 people will be in treatment within 1 year and 2 million by 2007. As the cost for generic "one pill combinations" continues to decline to less than \$150 per year, the United States is still purchasing brand-name drugs at four to five times that price. Without a viable regime in place to certify safe and effective generic drugs to treat HIV, our ability to meet the goals set out by the President will diminish. WHO has standards in place and in use today, but they are not currently recognized by the United States.

I believe that either the administration should implement a realistic plan for rapid approval of safe and effective combination therapies by expediting the FDA approval process, or we should participate in the WHO approval process.

I do not believe Congress should have to get involved in this issue. It is best left to medical experts to determine what is safe and effective in treating HIV. However, I also believe that the President should not mislead Congress and the American people. We should not continue indefinitely to purchase expensive brand-name drugs with no clear plan in place by the FDA to expedite its review of cheaper generics. Unfortunately, that is where we find ourselves today.

I intend, along with Chairman KOLBE, to follow up with Global AIDS Coordinator Tobias and Secretary Thompson. In the meantime, providing more funds to the Global Fund will speed progress toward reaching the

treatment and prevention goals we all share.

I urge support of this amendment.

Ms. LEE. Mr. Chairman, I yield the balance of my time to the gentleman from Washington (Mr. MCDERMOTT) who has been sounding the alarm about this pandemic for many, many years. I thank him for his leadership.

The CHAIRMAN. The gentleman from Washington is recognized for 3 minutes.

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Chairman, I rise in support of the Lee amendment, and I want to talk about what this issue really means. The issue of whether or not we give the money for AIDS to the Global Fund or to the President's Millennium Account is a big decision. The Millennium Account is limited to 15 countries. The Global Fund deals the world over, including China, India and Russia, where the rates are going up at the fastest rates in the world.

So the question, first of all, is, do we want to reach the whole world or do we not? The President actually, unfortunately, I think, says good things but then in his allocations moves backward. He says he wants to reach the whole world but reduces the amount we are giving to the Global Fund.

Mr. Chairman, I include for printing in the CONGRESSIONAL RECORD two articles, one on the 14th of July and one on the 15th of July, because these issues talk about a second problem. It is really related to this country's policies of using only brand-name drugs and making it difficult to use generics. The first thing is, they say, "Well, they're not safe." One of these articles is about the Doctors Without Borders experiments. They have dealt with 12,000 patients worldwide. The multiple drug dose generic works. There is no question about it. So all this business about running all the drugs through the FDA to see if they work is simply a stall. There is no question about what they are doing.

Why is the stall there? If one company owns one drug and another company owns another drug, you can put them together in a pill and give the patient one pill, and it is a lot easier to monitor when a patient is taking one pill that has two or three components in it. But the problem of the patents get in the way of Pfizer and Merck getting together, or Ayerst or whatever company it is, they cannot work out how they can put their two drugs together in one. Who gets the money? Or what is the price?

The generics that the Indians and the Brazilians are making are much less expensive. We could get much more bang for our buck if we would use generics, because we would not only be getting less costly drugs but we would be able to get it down to single pills. If you care about this, you want to give the money to the Global Fund because

they can use generics. They do not have to run it through the complicated process of the United States.

[From the New York Times, July 15, 2004]

FIXED-DOSE MIXTURES OF GENERIC AIDS DRUGS PROVE EFFECTIVE

(By Lawrence K. Altman)

BANGKOK, July 14.—The first large-scale study of AIDS patients receiving fixed-dose combinations of generic antiretroviral drugs in poor countries documented their effectiveness, scientists reported at the 15th International AIDS Conference here on Wednesday.

The combinations consist of three antiretroviral drugs formulated into one pill that is taken twice a day. The aim is to simplify therapy because experience has shown that the fewer the pills a patient needs to take, the better the compliance.

Doctors Without Borders, the group that carried out the study in 21 countries, bought the pills from two manufacturers in India, Cipla and Ranbaxy Laboratories Ltd.

Fixed-dose generic drug combinations have been controversial. Critics contend that they may be less effective than patented versions and not as safe.

This study expands on a much smaller study with similar results published in the *Lancet* early this month.

The findings from Doctors Without Borders should assure patients, donors, health workers, governments and others, said Dr. Alexandra Calmy, an AIDS adviser to Doctors Without Borders in Geneva.

When Doctors Without Borders began prescribing the fixed-dose combinations in 2002, "we were convinced they would work or we would not have done it," said Dr. Calmy, who specializes in infectious diseases. "It was common sense."

But to make certain, her group undertook the study reported Wednesday.

"We found a very robust outcome, and the findings are important for the Global Fund and other groups that are recommending" use of generic fixed dose combinations of antiretroviral drugs, Dr. Calmy said in an interview.

The combination that Doctors Without Borders uses for first-line therapy is the same one recommended by the World Health Organization, drugs known as stavudine, lamivudine, 3TC and nevirapine.

Of the 12,058 adults that Doctors Without Borders has treated with antiretroviral drugs in 21 countries in Africa, Central America and Asia since 2002, 6,861 received fixed-dose combinations. Since March, 80 percent of the group's new AIDS patients have received fixed-dose combinations.

Among the fixed-dose combination recipients, the probability of survival after one year was calculated as 82.4 percent, Dr. Calmy reported. About 60 percent of the deaths occurred in the first three months of therapy. The deaths occurred largely among patients who were so ill that they began the antiretroviral therapy too late to protect them from the infections that often kill patients as a complication of AIDS.

Among the 6,861 fixed-dose combination recipients, there was a significant increase in the number of immune cells, known as CD-4 cells, that are destroyed by H.I.V., the virus that causes AIDS. The CD-4 count rose by an average of 137 cells in a year, in about half the patients.

Because of logistical difficulties in treating patients in slums and rural areas in countries like Malawi with poor roads and transportation, Doctors Without Borders does not routinely monitor each patient with the tests that measure the amount of virus in the blood. Doctors in developed countries

routinely use such tests, known as viral loads, to determine the effectiveness of therapy.

However, a viral load test in a subset of patients showed that fixed-dose combinations failed in 12 percent of the 477 tested, which is comparable to findings in developed countries, Dr. Calmy said.

Among the 6,861 patients who had been on treatment for one year or longer, 51 had to switch to other drugs because they had suffered side effects to one or more of the drugs in the fixed-dose combination. For those who had taken a new regimen, the number of pills was 13 or more a day.

Nevirapine was the most common cause of the unwanted effects. Of the 51 who suffered reactions such as rashes and liver damage, 23 changed to other regimens. An additional nine patients switched to other drugs because they suffered nerve damage and disfiguring accumulations of fat on the neck, back and abdomen.

The frequency of adverse reactions was comparable to that observed among recipients of patented drugs in developed countries, Dr. Calmy said.

In a separate part of the study conducted in Malawi, Dr. Arno Jeannin's Doctors Without Borders team randomly tested the amount of H.I.V. in the blood of 477 patients who had received fixed-dose combinations there for six months or longer. Of these, H.I.V. could not be detected in 85 percent, showing the overall effectiveness of the fixed-dose combinations.

The annual cost of the fixed-dose combinations was \$389 or less.

[From the New York Times, July 14, 2004]

EARLY TESTS FOR U.S. IN ITS GLOBAL FIGHT ON AIDS

(By Deborah Sontag)

The Bush administration did not consult with Mozambique last year before designating the country as a beneficiary of its emergency AIDS plan. Mozambique was simply informed that it would be one of 12 African nations, and 15 countries overall, awarded substantial financial assistance.

The pledge of big money was certainly welcome, said Francisco, Songane, the Mozambican health minister; AIDS has lowered life expectancy in Mozambique to 38. But the approach, perceived by many Mozambicans as arrogant and neocolonial, was not.

Mozambique, in southeastern Africa, had spent considerable time developing a national strategy to combat its high rate of H.I.V. infection. Other international donors had agreed to pool their contributions and let the Mozambicans control their own health programs. Thus, Mozambican officials recoiled when the Americans said earlier this year, "We want to move quickly, and we know that your government doesn't have the capacity," Mr. Songane said.

The Bush administration wanted the bulk of its funding to go toward more costly brand-name antiretroviral drugs for treatment programs run by nongovernmental organizations. But Mozambique had already decided to treat its people with 3-in-1 generic pills, which were cheaper and simpler to take. Also, Mozambique did not want an American program dependent on costly foreign consultants, N.G.O.'s and the largesse of foreign political leaders, that would run parallel to its own.

There were confrontational meetings in Washington and in Maputo, the capital of Mozambique. And in the end, to the surprise of many, the Bush administration agreed to give Mozambique the kind of help it really wanted, by strengthening its laboratories, blood-transfusion centers and the Health

Ministry itself—albeit indirectly, through a grant to Columbia University.

"What I witnessed in Mozambique was a disaster averted," said Dr. Steven Gloyd, an international health specialist at the University of Washington who works with Mozambique. "So, for countries like Mozambique, this may turn out to be a positive intervention, even though it could be a lot more."

Seventeen months after President Bush announced his five-year, \$15 billion emergency AIDS initiative, the program is belatedly getting under way, and surprising some critics of what is seen as its go-it-alone approach. In some cases, the plan is proving to be more adaptive and collaborative than had been expected, especially when countries are strong enough to stand their ground.

The plan is already directing considerable money into health clinics, laboratories, testing centers and hospices, AIDS treatment, prevention of H.I.V. and care of orphans.

For every Mozambique, however, where Washington has altered its plans to meet local objections, there is a Zambia, where local officials are in the dark. The Zambian health minister, Brian Chituwo, said his government did not have a formal meeting on the program with the American ambassador until May, 15 months after Zambia's role was announced. Further, he said, on everything but blood-transfusion services, which were negotiated, the Americans' plans for Zambia have "all come from Washington." The American plan, one senior United Nations official said, "has created turbulence wherever it has gone." But another, Michel Sidibe, praised the Americans for making a "major shift" in May by signing "a declaration of harmonization" in which they pledged to coordinate their anti-AIDS activities with other donors.

The president's program, a centerpiece of his compassionate conservatism, has been a prime topic of conversation at the International AIDS Conference in Bangkok—and a magnet for some protests. On Tuesday, President Jacques Chirac of France accused the United States of blackmailing developing countries into bartering their right to produce generic H.I.V. drugs for free-trade agreements. American officials dismissed the charge as groundless.

After decades when the pandemic in Africa spread unchecked, billions in anti-AIDS money is suddenly pledged to assist the continent, and questions about how to channel that outpouring have taken center stage. The administration's AIDS effort is under sharp scrutiny because it is so big, so unabashedly Washington-dominated and tinged by the administration's political ideology.

Many critics see big pharmaceutical companies behind the Bush administration's preference for costlier brand-name drugs, conservative Christians behind its heavy promotion of abstinence, and hard-line unilateralists behind its decision to bypass the Global Fund to Fight AIDS, Tuberculosis and Malaria in creating its own plan.

Randall L. Tobias, a former chief executive of the Eli Lilly & Company drug group and a Republican donor who became the administration's global AIDS coordinator last October, lamented the politicized environment and suggested that critics refocus their antagonism. "The enemy here ought to be apathy, denial and stigma," he said. "I don't know why people spend so much time fighting each other."

Still, the administration's refusal thus far to use its money to buy generics is complicating the roll-out of its own emergency plan. Like the Mozambicans, other African officials have resisted the distribution of brand name drugs as first-line therapy. As a result, in a half a dozen or more of the focus

countries, the governments themselves or other donors are picking up most of the cost of life-saving drugs.

The goal set by President Bush in January 2003 was to treat two million people in five years. Under the plan, an estimated 6,000 to 10,000 people have started on antiretroviral drugs so far, according to a Congressional appropriations expert. The global AIDS office could not give a figure. In the slums of Lusaka, Zambia, American money was put to use quickly this spring renovating four clinics and training workers to distribute drugs. American doctors worked in concert with a local health official to salvage a stockpile of government AIDS drugs that were about to expire.

In late April, they started handing out drugs that ward off death for some very ill people, and within two months, they had 700 patients on antiretroviral therapy.

"There was a patient whose family had sadly sent her off to a hospice" to die, said Jeffrey Stringer, a doctor from the University of Alabama who is running the program. Recently, a health worker escorted the patient back home." And there was a woman who couldn't crawl who has now gained weight and is walking around."

Dr. Stringer, who is working in collaboration with the Elizabeth Glaser Pediatric AIDS Foundation in Los Angeles, noted that he had not voted for President Bush. But he had to admit, he said, "They ponied up."

Other American experts are more skeptical.

"Sure, off the bat, you can put 5,000" on antiretroviral drugs, said Josh Ruxin, an assistant clinical professor of public health at Columbia and a consultant to Rwanda and Nigeria. "They're easy to ID, they're terribly sick, they need drugs now, they live in cities, they have cell phones. So that's the low-hanging fruit. But then what happens? You quickly reach a point where you can't treat more people unless you develop the national health systems, and that is not something I've heard the American government commit to in a big way."

FOR BUSH, A 'WORK OF MERCY'

Mr. Bush presented the President's Emergency Fund for AIDS Relief in his 2003 State of the Union address, which also began the countdown to the war in Iraq. He called it a "work of mercy," offering the soft power of American humanitarianism to counterbalance the imminent use of military force.

"As our nation moves troops and builds alliances to make our world safer, we must also remember our calling as a blessed country to make this world better," he said.

Mr. Bush declared a five-year goal of getting 2 million into treatment, preventing 7 million infections and providing care to 10 million infected people and AIDS orphans in what he called the most afflicted countries in Africa and the Caribbean.

The 14 focus countries named were: Botswana, Ethiopia, Guyana, Haiti, Ivory Coast, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda and Zambia. Vietnam was added last month at Congress's insistence that there be another nation from a different region.

The sheer ambition of the proposal stunned advocates for huge increases in global AIDS funding into applause. Jeffrey Sachs, the Columbia University economist, called the president's commitment "historic" and a "breakthrough."

But at a time when American power was being imposed and questioned in the military arena, the AIDS plan struck some as another kind of unilateralism. They feared that Mr. Bush's program would undermine the multilateral Global Fund, which assists eight times as many countries, including

India, China and Russia, whose infection rates are rising rapidly. And these experts thought it was retrogressive in its reliance on American universities, faith-based organizations and nongovernmental organizations, whose ability to pay higher salaries could drain workers from local public health systems that should be reinforced instead.

Dr. Paul Zeitz, executive director of the Global AIDS Alliance, said advocates were baffled. "We thought the international community had come to a consensus that there needed to be a new way of doing business where we all worked together and helped strengthen national capacities," he said.

When he took office, Mr. Bush had inherited a kind of global momentum toward an international AIDS fund, and a drumbeat for action was building at home, too. Senators Bill Frist and John Kerry formed a bipartisan team to fight for greater American involvement. The Rev. Franklin Graham, who delivered the invocation at Mr. Bush's inauguration, was catalyzing the evangelical community to get over its aversion to the disease and confront it as part of its mission.

The push for an international fund was led by, among others, Mr. Sachs and Secretary General Kofi Annan at the United Nations. But the Bush administration was a major force in shaping the Global Fund as an independent, multilateral, public-private partnership, and not a World Bank or United Nations program.

The Global Fund's approach was conceived as a reaction against years of inefficient and often ineffective foreign development programs. The idea was to funnel aid from multiple donors to the affected countries and let them run their own health programs, thereby eliminating waste, duplication and burdensome demands on patients.

Yet it took a couple of years for the Global Fund, which is based in Geneva, to persuade countries to develop plans that could be financed, and to get the money flowing from government coffers into health care. The Bush administration was impatient, and concerned that other countries were not contributing their share. The Global Fund did not seem the ideal repository for the billions it wanted to pour into the pandemic.

After the 2003 State of the Union address, Richard Feacham, executive director of the Global Fund, said: "There was to some degree a mood in Washington of dichotomy" between the president's plan and the Global Fund. "People felt the need to make a choice and see a rivalry. We worked extremely hard to convey the message that the world needs both. You can't stop the pandemic in 15 countries. The Global Fund is in 130. We also focus on TB and malaria, the greatest killer of African children."

Right after the State of the Union address, Tommy G. Thompson, the secretary of health and human services, became the new chairman of the Global Fund, which made some European donors fear an American takeover. But Mr. Bush has instead moved to pull back. In his budget request for 2004, he sought to reduce America's contribution. And in his 2005 request, he is asking for a 60 percent cut in the contribution.

Congress, however, refused the Global Fund's allocation for 2004, instead nearly tripling the administration's request. It also increased the global financing to \$2.4 billion, of which \$1.9 billion goes for H.I.V./AIDS (and the rest for tuberculosis and malaria). Several members of Congress complained that \$2.4 billion was not a lot of money for a global health emergency, especially compared with more than \$100 billion spent on military operations in Iraq.

The global AIDS coordinator's office, in fact, had only \$488 million in new money this year. It also used old money in new ways,

though, By the end of the 2004 budget year, it will have committed—but not yet spent—\$865 million, one-fifth of which is committed to faith-based groups. Some \$253 million will go toward treatment programs, but the drug issue has made spending that money more difficult than expected.

GENERIC DRUGS VS. BRAND NAMES

"We are using generics here because they are cheaper," Mr. Songane of Mozambique said. "And apart from being cheaper, they are prepared in a manner which is simple for our patients, and even simpler for our staff."

Like Mozambique, many countries prefer generics because they can be used to treat more people and because, given patent problems, only generics now come in fixed-dose combinations, which combine three drugs in one tablet, improving adherence to pill-taking schedules.

Foreign-made 3-in-1 pills have been approved by the World Health Organization and purchased in bulk by the Global Fund and many developing countries. But the Bush administration is insisting on brand-name antiretroviral drugs because the generics have not been reviewed by the Food and Drug Administration. The F.D.A., Mr. Tobias said, is the most stringent regulatory authority in the world and should make the determination whether drugs for an American overseas program are safe and effective, and of the highest quality.

Mr. Tobias noted that the World Health Organization recently withdrew two generic antiretroviral drugs made by Cipla of India from its list of approved treatments. (Its fixed dose tablets remain on the list.) This, he suggested, cast doubt on the W.H.O.'s screening procedures.

Cipla has said that the problem lay not with the product but with a contract research laboratory that it no longer uses. Tests are being repeated in different labs, and the company says it is confident that the drugs will be back on the approved list soon.

Further, earlier this month, researchers who studied Cipla's Triomune reported in the *Lancet* medical journal, that fixed-dose generic AIDS drugs work as well as brand-name drugs, according to the first clinical trial. Triomune costs as little as \$140 a year per patient, compared with about \$562 for the brand-name versions in the 3-in-1 pill.

In early spring, the Americans discovered that resistance to their rule on brand-name drugs was coming even from the American organizations who were getting multi-country, multiyear grants to set up treatment programs. The American organizations, which are expected to receive more than \$600 million over five years, are the Harvard School of Public Health; the Glaser foundation; the Joseph L. Mailman School of Public Health at Columbia University; and a faith-based consortium led by Catholic Relief Services.

Some expressed their preferences for generics outright. Barry R. Bloom, the dean of public health at Harvard, said, "The Indian pills are terrific—you take just two a day." Allan Rosenfield, dean at Mailman, issued a statement urging the Bush administration to allow American money to purchase generics.

At an American-initiated conference in Botswana in late March, Jacqueline Patterson, who manages the program for a Protestant medical association that is part of the Catholic Relief Services' consortium, declared that most mission hospitals and clinics in Africa and the Caribbean were already using fixed-dose combinations and wanted to continue. She read comments from the field that voiced a collective anxiety about the imposition of brand-name drugs, resulting in

fewer people in treatment and more skipping doses and sharing pills.

With countries like Mozambique, Namibia and Rwanda holding fast to their positions that generics would be their first-line drugs, American officials realized that their assistance in those places would be limited. They would be able to provide medicine for children, for whom only brand-name drugs are available, and for those adults, say, who had developed a resistance to the generics. But essentially, they would be providing technical support for the drug treatment program rather than the drugs themselves.

In May, the Bush administration announced that it would set up a new expedited review for generic antiretrovirals, including the 3-in-1 pills. If approved, the drugs would be eligible for use in the AIDS plan, it said.

An executive at an American foundation engaged in global AIDS work said it remained to be seen whether "the F.D.A. process is real, a stalling tactic, or ultimately a tool for the R-and-D companies." But, he said, his foundation was encouraging foreign drug companies to submit dossiers to the agency.

So far, no foreign drug companies have applied for the expedited review. William F. Haddad, an American representative for Cipla, said the Indian company was left with unanswered questions about the accelerated approval process. "When they come back to us with answers, Cipla will make up its mind about whether to apply," he said. "But the bottom line is that this is a political act, not a scientific one. Why is the World Health Organization's stamp of approval O.K. for the World Bank and the Global Fund and not for the U.S.?"

ABSTINENCE VS. CONDOMS

With its focus on treatment, Mr. Bush's plan is profoundly changing a two-decades-long emphasis on H.I.V. prevention as the American strategy abroad. The prevention efforts are continuing but, on Congress's mandate, they are being given a new emphasis on abstinence, with \$86 million devoted this year to promoting abstinence.

World Relief International, the humanitarian arm of the National Association of Evangelicals, is to receive \$9.6 million over five years to promote abstinence. Deborah Dortzbach, international director for its H.I.V./AIDS programs, said World Relief would use a network of churches, schools and "Choose Life" clubs in Haiti, Kenya, Rwanda and Mozambique.

"We teach abstinence as an opportunity," she said, "as a way to delay the gift of sexuality and its pleasures until they can experience it with responsibility."

A guide for World Relief instructors includes a detailed chapter on condom use and how to negotiate the use of a condom with a reluctant partner. Ms. Dortzbach acknowledged, however, that many pastors were reluctant to discuss condoms at all with youths and needed some persuasion to mention them during marriage counseling.

Any discussion of condoms, Ms. Dortzbach said, emphasized that condoms were not perfectly safe and that "the only guarantee for protection is abstinence," which is the Bush administration's message.

That message is predicated on the success of the A B C model in Uganda, which stands for Abstain, Be Faithful, Condomize. Critics say, however, that the Americans are paying too little attention to "C."

The American government is probably buying more condoms now than at any time in its history, Mr. Tobias said, but Congress did not want a broad distribution of condoms to be the primary prevention tool, as it has been historically. In Africa, too, some experts question the efficacy of condoms, given

that infection rates continue to climb as many men refuse to use them.

The Bush administration's strategy does suggest condoms for "high risk" individuals like prostitutes, soldiers, drug users and "serodiscordant" couples. But critics say everybody in a sub-Saharan country with a sky-high infection rate is high risk.

"In their approach, they ignore the basic reality that a large share of unmarried adolescents are already sexually active and so at high risk," said Jodi L. Jacobson, executive director of the Center for Health and Gender Equity in Maryland. "They also ignore the fact that marriage doesn't protect married teens and women from H.I.V., and that sexual violence and coercion are facts of life."

THE LONGER TERM

In Maputo, health officials said that they were struck by the Americans' obsession with numeric goals.

"To see an increase in numbers of people on antiretrovirals, that was their only concern," said Mr. Songane, the health minister. "But this is a complex disease. We can not judge the success of our fight just by the numbers of people on treatment."

The Mozambicans wanted to move gradually and to strengthen their health sector at the same time. They did not want to neglect other health issues, like malaria, childhood diseases and maternal health. They did not want to use nongovernmental organizations where the Americans would pay the salaries, buy the drugs and purchase the vehicles that would travel to the villages to distribute the drugs.

"In one year, two years' time, who is going to follow those people?" he asked. "When the N.G.O. is gone, who is going to take over?"

Dr. Paul Farmer, an American renowned for his treatment programs in rural Haiti, said international projects intending to help poor countries should pay heed, as Mozambique does, to the need to integrate AIDS treatment with overall health care.

"When you're in a clinic in rural Haiti and someone comes in with a broken arm or in obstructed labor, you can't say, 'Sorry, we only do AIDS prevention and care,'" said Dr. Farmer, a Harvard professor. "The massive loss of life due to H.I.V. disease is only one symptom of a very sick world in which hundreds of millions are going without any modern medical care at all. Addressing AIDS properly offers a chance to set some of this right."

Mr. KOLBE. Mr. Chairman, I rise in opposition to the amendment; and I yield myself such time as I may consume.

Mr. Chairman, I count myself among the Fund's strongest supporters. Last year, I worked with my colleagues on both sides of the aisle to increase the U.S. contributions to the Fund from the President's request of \$200 million to \$550 million.

Not including funds in the bill under discussion, the United States has made available nearly \$1.2 billion of the Fund's \$3.4 billion in pledges and contributions through 2004.

However, this is a global disease, and we must have the commitment of many partners to fight it. That's why Congress requires that other donors match the U.S. funds, at a 2:1 ratio. Unfortunately, other countries have not contributed enough this year for the entire U.S. contribution to be released—we have nearly \$190 million waiting for other donors to step up to the plate. The Committee took this fact into account in making its recommendation.

I must note that it is more than unfortunate that some in the AIDS community continue to

scold the United States for not giving more to the Global Fund. Their time would be better spent encouraging other donors to contribute and to improving the Fund's operations.

Of the more than \$3 billion that the Fund has approved in grants, only \$428 million has even made it out of the Global Fund's account. That means nearly \$2.6 billion in committed funding is simply sitting in the Global Fund's account.

The Committee has recommended provisions in this year's bill to help the Fund improve its disbursements. I can only ask that others begin to take a hard look at the Fund's operations, rather than blindly call for more money, more money. We need the Fund around for the long-term, and improving its operations is the only way to maintain public confidence in it.

If other countries step up to the plate, and provide sufficient contributions to allow more from the U.S. than Congress appropriates, and if the Fund improves its operations, then we will take these developments into account for future years.

Ms. WATERS. Mr. Chairman, I rise to support the Lee amendment to add \$800 million to the Global Fund to Fight AIDS, Tuberculosis and Malaria.

The HIV/AIDS epidemic is having a devastating impact on Africa and the world. Over 60 million people have been infected by the AIDS virus since the beginning of the epidemic, and 42 million people are currently living with this dreadful disease. Approximately three million people died of AIDS last year, and another five million people became infected with HIV.

The HIV/AIDS epidemic has already curtailed the economic development of many countries in Africa. AIDS is responsible for shortages of skilled workers and teachers, high rates of absenteeism and labor turnover, and the deaths of workers and managers throughout business and government. Teachers and other skilled workers can be very difficult to replace. Tragically, in some parts of Africa, employers even find it necessary to hire two workers for every job opening, because they expect one of them to die of AIDS.

On May 1, 2003, the House passed H.R. 1298, "the Global AIDS Bill," which authorizes appropriations of \$3 billion per year over five years for global HIV/AIDS treatment and prevention efforts. This bill, which is critically needed and long overdue, was signed into law by the President on May 27 of last year. However, it has never been fully funded.

According to UNAIDS, HIV/AIDS has spread rapidly in Eastern Europe, and gained a strong foothold in India and China over the past year. Fortunately, there has been progress, as infection rates actually fell last year in a few hard-hit areas of Africa. Without adequate funding, however, our progress will be short-lived.

I urge my colleagues to support the Lee amendment.

POINT OF ORDER

Mr. KOLBE. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing

law and constitutes legislation on an appropriation bill and, therefore, violates clause 2 of rule XXI.

The rule states, in pertinent part, "an amendment to a general appropriation bill shall not be in order if changing existing law." The amendment includes an emergency designation under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 and as such constitutes legislation in violation of clause 2 of rule XXI.

I ask for a ruling from the Chair.

The CHAIRMAN. Does any other Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that this amendment includes an emergency designation. The amendment, therefore, constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained and the amendment is not in order.

AMENDMENT NO. 14 OFFERED BY MR. LANTOS

Mr. LANTOS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. LANTOS: Page 18, line 22, after "\$2,450,000,000", insert the following: "(increased by \$325,000,000)".

Page 19, line 3, after "\$535,000,000", insert the following: "(increased by \$325,000,000)".

Page 19, line 8, after "fiscal years:", insert the following: "Provided further, That of the amounts that are made available under the previous proviso for Egypt, \$325,000,000 shall not be obligated until after September 1, 2005:".

Page 42, line 13, after "\$4,777,500,000", insert the following: "(reduced by \$325,000,000)".

Page 42, line 16, after "\$1,300,000,000", insert the following: "(reduced by \$325,000,000)".

POINT OF ORDER

Mr. YOUNG of Florida. Mr. Chairman, I rise to make a point of order against the amendment.

The CHAIRMAN. Does the gentleman from Florida wish to make a point of order?

Mr. YOUNG of Florida. I do.

Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill and, therefore, violates clause 2 of rule XXI.

The rule states in pertinent part, "an amendment to a general appropriation bill shall not be in order if changing existing law." The amendment includes a legislative prohibition on the obligation of funds.

I ask for a ruling from the Chair.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

Mr. LANTOS. Mr. Chairman, I request to be heard on the point of order.

The CHAIRMAN. The gentleman from California is recognized to be heard on the point of order.

Mr. LANTOS. Mr. Chairman, my amendment is sponsored by a distinguished list of Republicans and Democrats. It does not change by one penny the amount of aid that Egypt will receive. It merely shifts the ratio from military to economic aid, which is clearly in the interest of the Egyptian people since Egypt faces no military threat but its economic conditions are dire. The amendment does not alter the appropriations for Egypt.

The CHAIRMAN. Does any other Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The Chair finds that this amendment includes language imparting direction regarding the obligation of funds. The amendment therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained and the amendment is not in order.

AMENDMENT NO. 13 OFFERED BY MR. LANTOS

Mr. LANTOS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. LANTOS: Page 18, line 22, after "\$2,450,000,000", insert the following: "(increased by \$570,000,000)".

Page 19, line 3, after "\$535,000,000", insert the following: "(increased by \$570,000,000)".

Page 42, line 13, after "\$4,777,500,000", insert the following: "(reduced by \$570,000,000)".

Page 42, line 16, after "\$1,300,000,000", insert the following: "(reduced by \$570,000,000)".

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from California (Mr. LANTOS) and the gentleman from Arizona (Mr. KOLBE) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is a very simple amendment. It shifts \$325 million from Egypt's economic aid that we provide and increases Egypt's economic aid that we provide by that exact amount.

The logic of the amendment is clear. Egypt is facing no military threat. Few states on the face of this planet inhabit a strategic environment more secure than Egypt. Egypt shares land borders with three states, and it is at peace with all of them. Recently, Egypt's security environment has improved dramatically as Libya divested itself of its weapons of mass destruction.

Despite this enviable security environment, Egypt has embarked on a major military buildup of a sort one would expect from a nation under dire and imminent threat. This buildup is not only puzzling but, in my view, it is a policy choice with seriously damaging implications for Egyptian society. As a matter of fact, Mr. Chairman, the civilian leaders of Egyptian society are welcoming my amendment because

this would enable them to deal with the dire economic conditions of that country in the field of education, health and other areas.

Per capita income in Egypt is less than \$1,000. The majority of women over 15 are illiterate. Yet we are pouring our aid money into cutting-edge military equipment rather than into desperately needed economic and social programs. What do we get for this lavish support of the Egyptian military, over \$30 billion in recent years? When we needed Egypt's support, the powerful Egyptian military on the whole has been AWOL. Just imagine how politically and militarily useful would have been Egyptian police presence in Afghanistan. It still would be. The Egyptian government said, "Sorry, it's not our fight."

□ 1400

And that is on its best days when it is not viciously criticizing our policies. If Egypt is not going to support us militarily, we can nevertheless serve the interests of the Egyptian people and our own national interest by supporting health, education, and economic development programs that contribute to the stability of Egypt. We can do this by correcting our own mistaken priorities in Egyptian foreign aid. That is exactly what we intend to do.

The amendment which the gentleman from Indiana (Mr. PENCE), the gentleman from New York (Mr. ACKERMAN), the gentlewoman from Florida (Ms. ROS-LEHTINEN), and the gentleman from Virginia (Mr. CANTOR) and others support, would transfer the funds from military to economic assistance. This clearly is in the interests of the Egyptian people, and it is in the long-term interests of diminishing the military confrontation in the Middle East. Our amendment would not force the cancellation of any existing military contracts, contrary to a phony letter designed by the Department of State and distributed in this body.

One would have thought that the Department of State would learn the difference between fiction and fact because the Department of State sent out the Secretary of State to the United Nations on a globally televised program where he peddled fiction and was presenting it as fact. We do not want the Department of State to be equally embarrassed again by peddling fiction instead of dealing with facts.

The framework of the Egyptian-Israeli peace process is now 25 years old. We should no longer have to pay the Egyptian military political protection money to keep it in place. The biggest threat to Egyptian stability is its bloated military budget, which undermines economic and educational development and democratization. In fact, if we enhance our support for economic and social projects in Egypt, our credibility with the Egyptian people will soar.

I strongly urge my colleagues to support this reasonable, logical amend-

ment, which is in the interests of the Egyptian people, which is in the interests of strengthening the forces of peace in the Middle East, and which clearly is in our own national interests.

Mr. Chairman, I reserve the balance of my time.

Mr. KOLBE. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin (Mr. OBEY), distinguished ranking member of the full committee.

Mr. OBEY. Mr. Chairman, those who know me in this House know that I have a vast preference in almost all instances for economic assistance rather than military assistance, not just in the Middle East but in virtually every other area of the world. I think that for years we have been unbalanced in terms of military assistance as a policy weapon instead of trying to deal with more basic long-term economic and structural problems within recipient societies.

But I happen to believe that in this instance it would be counterproductive to pass the amendment offered by the distinguished gentleman from California. I greatly respect his knowledge in the area. I respect his passion. I respect his guts. But I think that at a time when we have been questioning unilateral practices on behalf of the White House, this would be a peculiarly strange time for me on this side of the aisle to practice some unilateralism myself, and I think that is what this amendment does.

Secondly, I would point out that it is in Israel's interest, as our most reliable ally in the region, it is in Israel's best interest for us to maintain the best possible relationships with our friends in the Arab world that we can possibly retain. And I would point out that right now we need Egypt to deal with the pending withdrawal from Gaza on the part of the Israelis. We need Egypt's help in training police so that we can see real security provided in that region and help protect Israel itself against attack.

And I also think that we do not at this point want to weaken Mr. Mubarak with his military because I think that civilian control of the military in that country is tenuous at best; and even though Mr. Mubarak is out of the military, it is in our interest for a decent and healthy and strong relationship between Mr. Mubarak and the Egyptian military to continue to exist.

I would urge Members to recognize that right now American influence in the Arab world is at an all-time low. Much exploitation has occurred against America's interests, much exploitation of Arab public opinion has occurred because of the activities in Iraq. Regardless of how we feel about that, we have to admit that that is the case with respect to Arab public opinion.

I think it would be a disastrous development for the Congress to take a unilateral action which would undercut the administration's ability to work with what moderate forces are left in

the Arab world, and I would strongly urge that we oppose this amendment.

I recognize the emotional force that lies behind the amendment; but sometimes we have to think with our heads, not with our spleens. This is certainly not of those occasions, and I would urge rejection of the amendment.

Mr. LANTOS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I thank the gentleman from California and the gentleman from Arizona for bringing this bill forward. And I rise in support of the amendment by the gentleman from California.

As he has stated, Egypt has embarked on a major military buildup of a sort one would expect from a nation under dire and imminent threat. Last year, the Egyptian Navy created 11 new battle units. At a time of 30 percent illiteracy and a per capita income of less than \$1,000, Egypt is pouring its money into cutting-edge military equipment rather than schools, hospitals, and economic development.

The United States has a vital stake in Egypt's stability and prosperity, and the U.S. can best serve that goal and the strengthening of the relationship with Egypt by supporting educational and economic development, as well as political freedom, that contributes most effectively to Egyptian stability.

The amendment offered by the gentleman from California (Mr. LANTOS), the gentleman from Indiana (Mr. PENCE), the gentlewoman from Florida (Ms. ROS-LEHTINEN), the gentleman from New York (Mr. ACKERMAN), and others will not, as the gentleman from Wisconsin suggests, preclude Egypt's ability to help the United States in brokering the pull-out from Gaza which Israel has embarked upon. It will not weaken Mr. Mubarak in the eyes of his military. My goodness, as the gentleman from California has stated, we have given Egypt \$30 billion over the last 20 years. This will not preclude our ability to work with Egypt, a moderate Arab ally.

Instead, Mr. Chairman, this amendment supports the Egyptian people and the U.S. interests by transforming approximately 25 percent from the Egyptian military, changing that into economic assistance that will improve the quality of life of the Egyptian people and contribute to the overall prospects for peace in the Middle East.

Mr. KOLBE. Mr. Chairman, I yield 4 minutes to the distinguished gentlewoman from New York (Mrs. LOWEY), ranking member of the subcommittee.

Mrs. LOWEY. Mr. Chairman, I rise in reluctant opposition to this amendment. For the last several years I have joined many of my colleagues, including this amendment's sponsor, in expressing concern about the composition of the United States aid package to Egypt. Why at a time when Egypt has no major enemies should we be providing over \$1 billion each year in military assistance? Why, when economic

conditions in Egypt are so dire, should we be maintaining such a high level of military aid even as economic assistance levels drop?

I share the concerns many of my colleagues have expressed about Egypt's record. Egypt's media is rife with anti-Israel and anti-Semitic images and language, including constant comparisons between Israel and the Nazis in television shows that perpetuate anti-Semitism. Egyptian officials have called Israel a "terrorist organization" by taking self-defensive actions against terrorists in the West Bank and Gaza. Egypt's move towards political reform has been slow and bumpy, with little support from that country's top leaders for adopting measures to make Egyptian society more democratic and inclusive.

As for Egypt's record on security and peace process issues, I have other serious concerns. The Egyptians have dragged their feet in stemming the flow of smuggled weapons through tunnels under the Egypt-Gaza border. The Egyptian leadership has not historically been helpful in pressing the Palestinians to comply with agreements they have already made and to negotiate with Israel on matters of grave importance to regional stability and security. Egypt has failed to return its ambassador to Israel since it recalled him nearly 4 years ago.

All these examples point to one conclusion: Egypt has not acted the way we should expect one of the largest recipients of United States foreign aid to act. Its policies have at times been in outright opposition to the best interests of United States national security. For these reasons, I agree with the message of the gentleman's amendment.

However, as much as I agree with my good friend's message, I am troubled by the timing. In the wake of Israeli Prime Minister Sharon's decision to pursue a unilateral Israel withdrawal from Gaza, which I strongly support, Egypt has signaled a new readiness to play a constructive role in making the region secure. Egyptian intelligence chief Omar Suleiman has become the point man in discussions with the Palestinians, delivering the message of the United States and the Quartet that the Palestinians must consolidate and reform their security forces and empower their prime minister rather than Chairman Arafat.

Egypt is taking actions right now that are supportive of what Israel has determined is in its best security interests. So at a time when Egypt is preparing to take on the Herculean task of consolidating and training the Palestinian security services, a task that will require steely resolve and sustained pressure on Arafat to achieve, I am concerned about the unintended consequences this amendment may have.

In a July 2 op-ed in *The Washington Post*, former Middle East envoy Dennis Ross, who has served both administra-

tions and is probably one of the foremost experts in this region of the world, warned that the Egyptians are unlikely to succeed at the long list of goals they have, goals shared by both the United States and Israel without active United States support. I agree with Ambassador Ross, and I believe that this amendment could have the effect of chilling these efforts at a time when they could be most helpful for bolstering security in the region.

□ 1415

Mr. LANTOS. Mr. Chairman, first I want to thank my good friend for eloquently and powerfully making the case for my amendment.

Mr. Chairman, I am now pleased to yield 2 minutes to my friend, the gentleman from New York (Mr. ACKERMAN), the ranking member of the Subcommittee on the Middle East and Central Asia.

Mr. ACKERMAN. Mr. Chairman, I thank the distinguished ranking member for his leadership on this very important issue.

Mr. Chairman, it is important to be clear about what this amendment does not do. It does not cut the overall level of assistance to Egypt but merely redirects a portion of our military assistance to economic assistance.

For many years we went in the opposite direction. We decreased our economic assistance to Egypt, while our military aid has remained the same. At the same time, I have wondered why Egypt needs all of these advanced weapons from us. Who are they arming themselves against? Finland?

I have met repeatedly with senior Egyptian military leaders and posed this question to them. The answer I get is that they need capabilities to respond to the "unknown threat." But someone, somewhere, must have an idea of what that threat is. Otherwise, how do you know what equipment to buy or what capabilities you need?

I recognize that Egypt has admirably provided the United States with overflight rights and swift transit through the Suez Canal. I also recognize that a certain level of interoperability between the United States and Egyptian forces is necessary in order for them to participate in future peacekeeping missions. Therefore, some level of military assistance is necessary to maintain that interoperability.

But I believe what Egypt needs now is not a larger, more powerful military, but a stronger, more prosperous economy. Decreasing our economic assistance while military assistance remains the same does neither Egypt nor us any favors.

Egypt faces significant economic challenges. Real wages stagnate, there is a growing debt burden, unemployment is far in excess of official estimates. All of this requires us to redouble our efforts to encourage economic reform in Egypt. Egypt's current economic growth rate is insufficient to absorb the 600,000 to 800,000 new entrants into the job market each year.

What is needed is more and faster reform, but the insistence of the government of Egypt on going slow on economic reform and has continued to discourage foreign direct and indirect investment, a key input if the Egyptian economy is to grow at a rate that will actually lower unemployment.

Shifting the emphasis of our aid to Egypt will also assist in supporting political reform there. Egypt has recently been saying all of the right things about political reform, although not much seems to be happening of late. The energy and enthusiasm for reform that emerged after Egypt's National Democratic Party's conference last year seems to have dissipated with opposition parties charging that the NDP has not consulted with them on the next steps in the reform process as promised.

Mr. Chairman, Egypt is an important partner to us in the pursuit of peace in the Middle East and Egypt has in the past taken courageous steps to pursue that peace. For that reason, I support the amendment and urge our colleagues to do so as well.

Mr. KOLBE. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Florida (Mr. YOUNG), the distinguished chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate the gentleman yielding me this time.

I want to say to the author of this amendment that I understand his interest and I think it is a good-faith effort, but I just cannot agree with it.

I think the gentleman would agree, that one of the only stabilizing factors in the very unstable Middle East is the relationship that the United States has, on behalf of Israel, with President Mubarak and the nation of Egypt. Any change to the Egyptian military assistance account, I believe, would seriously undermine that strong U.S.-Egypt partnership that started in 1979 at the Camp David Accords and continues to be one of the foundations for achieving our own foreign policy goals in the Middle East.

Members know that U.S. military aid to Egypt is a cornerstone of the Camp David Accords. The Administration is opposed to an amendment that would modify our commitment to the parties as contained in that agreement. This commitment is the foundation of our efforts to promote peace in the region, to combat terrorism, and to advance interoperability with the Egyptian military.

In addition, this reduction in military assistance could lead to the cancellation of approximately \$2.2 billion in total contract value. These contracts all go towards the purchase of United States products.

Our military assistance to Egypt has contributed to regional stability in an area that had previously been the scene of military conflict against Israel. This calming of tensions has enabled us to develop a strategic partnership with Egypt that has contributed to a broad range of U.S. objectives in the region, including the global War on Terrorism, the stabilization and reconstruction of

Iraq, and, more recently, the efforts to stop the humanitarian crisis in the Sudan.

Egypt has also taken a critical initiative to work with Israel to support the Israeli withdrawal from the Gaza Strip through the reorganization and training of the Palestinian security services.

On a bilateral military-to-military level, our assistance has helped to modernize the Egyptian military, thereby creating a defensive force that is interoperable with and capable of supporting, U.S. security goals in the region. We also continue to train Egyptian military officers through the IMET Program and to conduct joint exercises, thereby ensuring that our militaries both understand and support each other at critical moments.

This Egyptian capacity has enabled the Egyptian military to participate in international peacekeeping operations, to help us successfully prosecute Operations Enduring Freedom and Iraqi Freedom, to enable our craft to safely transit the Suez Canal, to enable our planes to traverse Egyptian air space, and to provide our tankers with invaluable accession to Egyptian facilities.

This amendment would undermine this relationship, and I would hope that the Members would join the bipartisan leadership of the Committee on Appropriations in opposing this amendment.

Mr. LANTOS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to remind the distinguished chairman of the Committee on Appropriations that, if my amendment is approved, Egypt will still receive vast military assistance from the United States. At the present time, the bulk of our aid is military aid, and my amendment merely shifts the balance a bit.

Mr. Chairman, I am pleased to yield 2 minutes to my good friend, the distinguished gentlewoman from Florida (Ms. ROS-LEHTINEN), the Chair of the Subcommittee on the Middle East and Central Asia of the Committee on International Relations.

Ms. ROS-LEHTINEN. Mr. Chairman, I rise in strong support of the Lantos amendment. It is with sadness and great concern that I rise today to propose a shift in military aid to Egypt. I am saddened that Egyptian society is suffering from illiteracy, decreasing per capita income, and is clamoring for the right to exert their fundamental freedoms and civil liberties, while the Egyptian government has embarked on a significant military buildup of the sort one would expect from a nation under imminent threat.

Yet, as all of us know, Egypt currently occupies a secure, strategic environment, further improved by Libya's decision to verifiably disarm and dismantle its chemical, biological and nuclear missile programs.

Egypt's military aid is particularly daunting when considered within the context of the \$1.3 billion in annual

military aid that the U.S. provides to Egypt, in essence making us in this Chamber enablers of this increase in Egyptian battle units, Harpoon missiles and fast-attack aircraft.

This cannot and must not continue.

You will hear that the administration has concerns about this amendment. However, the amendment that I have cosponsored on a bipartisan basis is in keeping with President Bush's priorities to bring freedom, democracy and economic liberalization to the Middle East.

This amendment merely shifts funds from military aid to economic assistance for the purpose of supporting Egyptian civil society and improving the quality of life of the Egyptian people. It is in keeping with U.S. public diplomacy efforts by sending a clear message about U.S. priorities for Egypt's future and the future of Egypt's people. It builds goodwill with the people of the region by supporting educational, economic and political development, goals which contribute most effectively to Egypt's internal stability.

You might hear arguments about how this amendment undermines Egypt's efforts to provide security in Gaza. Let us not be fooled: Egypt is not using this military assistance for anything else but to strengthen its political stature in the region through a show of weapons and military capabilities.

Mr. Chairman, I think that it is time to say no more excuses, and let us vote for the Lantos amendment.

Mr. KOLBE. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from California (Mr. BERMAN).

Mr. BERMAN. Mr. Chairman, very, very reluctantly I rise in opposition to the amendment of my good friend and, more importantly, our wise and respected colleague, the ranking member of the Committee on International Relations (Mr. LANTOS). He and I are hardly ever on opposite sides of an important issue relating to the Middle East.

Everyone knows this amendment will not become law, irrespective of what happens today. Neither the Senate nor the conference committee will accept this transfer. The administration would veto it if it did. So, if you pardon the use of a military metaphor, this is simply a shot across the bow.

There are ample reasons to take that shot. On democracy promotion, respect for human rights economic reforms, the Egyptian record is woefully inadequate. The state-sponsored media is filled with repulsive antisemitism and outrageous over-the-top scapegoating of Israel and the United States for the serious problems afflicting the Arab world. Egypt faces no external existential military threats.

But this is the wrong time to take this shot and the wrong time to pass this amendment. Why? Because it will not achieve its purposes, and it threatens to undercut America's national interests in seeking to resolve the Israeli-Palestinian conflict.

How so? For the first time in a very long time, the political and military leadership of Egypt appears willing to take real risks that will enhance Israel's security and force Yasser Arafat to end his support for terrorism.

We are at a critical juncture in the Middle East. Prime Minister Sharon, the father of the settlement movement, has proposed and is deeply committed to an historic disengagement plan that will lead to the removal of all Israeli settlements and military installations from Gaza, at the cost of severing his ties to much of his own political base. This plan is supported by a substantial majority of the Israeli people.

Egypt has a huge stake in the success of the disengagement plan. The last thing they want is a terrorist base camp in Gaza that exports instability to their country and other parts of the region.

In recent weeks, Egypt has begun to play a very constructive role in discussions with Israel and the Palestinians to help ensure an orderly Israeli withdrawal from Gaza.

Most importantly, for the first time since the outbreak of violence, they have put significant pressure on Yasser Arafat. President Mubarak's envoy, General Omar Suleiman, has demanded that Arafat relinquish control over all Palestinian security forces and agree to their consolidation. In addition, he has told Arafat he must fire more than 70 corrupt Palestinian officials, or risk losing any Egyptian financial assistance. Egypt has expressed its willingness to train the Palestinian security services in Gaza as the disengagement plan proceeds.

In light of Arafat's repeated refusal to take steps that could stop the violence, we are not sure whether the Egyptian efforts will bear fruit.

Mr. Chairman, let me conclude with a quote from the Associated Press from yesterday: "The first time an Egyptian President took the risk of reconciling with Israel, he was shunned by other Arabs and vilified by his own citizens. A quarter century after Anwar Sadat became the first Arab leader to sign a peace treaty with Israel, his successor, Hosni Mubarak, is contemplating yet another risky step in the world of Middle East peacemaking: Sending Egyptians to help keep the peace in Gaza if Israel withdraws.

"And as with the 1979 treaty, which ushered in a lasting if cool peace, Egypt finds itself accused of a variety of missteps."

Mubarak is acting on behalf of hated Israel to many of the people in the Arab world. What a strange time to propose this particular amendment.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 1½ minutes to our distinguished colleague and my good friend the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Chairman, when I hear about now is not the time, I guess my response is, when is it? I dare say it is long overdue.

Last November, President Bush said in a speech to the National Endowment for Democracy, "As long as the Middle East remains a place where freedom does not flourish, it will remain a place of stagnation, resentment, and violence ready for export."

Those in this body know that it is rare that I agree with President Bush, but he has it right on this occasion.

We learned on September 11 that this is not just an image problem, and I refer to the anti-American sentiment that is abundant in the Middle East, because we, unfortunately, are perceived to be aligned with regimes in the Middle East that do not serve their people well.

This is what our State Department in its Human Rights Report has to say about Egypt. "The security forces committed numerous serious human rights abuses. The ruling party dominated the legislature.

□ 1430

"The mass media, labor, and large public sector entities control the licensing of new political parties, newspapers, private organizations to such an extent that as a practical matter, citizens do not have the meaningful ability to change their government."

Yet we find ourselves considering another \$1 billion plus and we are doing nothing to advance the cause of democracy and the nurturing of democratic institutions in the Middle East and specifically, in Egypt, and now is the time.

Mr. KOLBE. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from California (Mr. ISSA).

(Mr. ISSA asked and was given permission to revise and extend his remarks.)

Mr. ISSA. Mr. Chairman, I reluctantly come, as many of my colleagues, probably this is as close to a 50-50 vote as we are normally going to have on this floor, to oppose this amendment, not because many of the points being made are not accurate, but because in 1998, Egypt and the United States agreed to a 10-year economic assistance phase-down. We agreed between our two nations to a long-term change in what had been the 1979 peace agreement. We need to be a nation that keeps our promises or renegotiates in good faith. It should not be done unilaterally from this body.

What I would say is, if, as I hope and will vote this is defeated, we should all work together to find new ways to ensure that Egypt has the assets and the impetus to do 100 percent successful sealing of the Gaza border, and particularly the tunnels that have been so troublesome. I look forward to working with both sides of the aisle after this vote to make that happen.

Mr. LANTOS. Mr. Chairman, I am delighted and proud to yield 1 minute to my dear friend and distinguished colleague, the gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Chairman, I rise in strong support of the Lantos amendment, and I appreciate so much the gentleman's leadership on this, as much as I appreciate the strong leadership of the gentleman from Arizona (Chairman KOLBE) on this legislation as a whole; excellently prepared, thoughtfully conceived.

I find it difficult to add to the arguments that have been made, so I will add a new argument. The State Department asserted earlier today that the United States had developed a strategic partnership with Egypt that has contributed to the global war on terrorism, stabilization, and reconstruction of Iraq.

If the truth be told, Mr. Chairman, Egypt has been largely absent from the war on terror, despite the contribution of \$1.3 billion in military assistance by the people of the United States of America; despite its sizable and, we learned today, increasingly well-funded military force that has contributed no combat forces to our effort in Afghanistan; and, unlike Jordan, Egypt has not offered to send a single soldier to even help the Iraqi interim government establish peace and stability.

It is for these reasons that I think it is time to send a message to Egypt to transfer resources into humanitarian purposes and bring them on board on the war on terror.

The CHAIRMAN. The gentleman from Arizona (Mr. KOLBE) has 4½ minutes remaining; the gentleman from California (Mr. LANTOS) has 4¾ minutes remaining.

Mr. KOLBE. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from Michigan (Mr. DINGELL).

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, our efforts to achieve peace in the Middle East have a major part of their foundation in the accords of Camp David. Part of those accords were that we would provide a certain level of military assistance to our friends in Egypt. They and the Israelis are the friends that we have in that area. This amendment puts the finger of the Congress of the United States in the eye of our friends in Egypt. We have commitments made to them. Those commitments will be broken by this amendment.

Now, to go further, what do these accords do? They give the Egyptians, in addition to all things else, the required strength to come in to assist us, the U.N., and the Israelis in providing the necessary security at Gaza when Gaza is relinquished by Premier Sharon. The result of that will be that if we do not see that Egypt has sufficient funding, they may either choose not to or may be incapable of moving in to control the terrorists and other organizations which are sinister threats not only to Israel, to the United States, but to the peace in the area. This amendment is

therefore extremely counterproductive to the purposes of this Nation and to the commitments which we have made.

Beyond that, it poses a real threat to the security of Israel and the security of the area. Fancy, if my colleagues please, another Afghanistan directly on the borders of Israel full of terrorists, full of extremists, full of people who bring danger not just to world peace, but to Israel. I ask my colleagues to conceive of whether that is a wise policy for us to enunciate today by the adoption of this amendment.

Now, I say this with all respect to the author of the amendment. I am sure he is sincere in what he does. But the result of this action is counterproductive in the extreme. It breaches a sensible commitment made by the United States. It poses risks to Israel and significant danger to world peace.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 1 minute and 50 seconds to my good friend and distinguished colleague, the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, while the words of the dean of the House are ringing in our ears, I would just point out that Egypt also has a vital interest in maintaining stability in Gaza. They are going to do so, move in to help deal with stability there, not because we bribe them, but because it is in their national interests. They cannot afford for it to fall apart.

I appreciate what the ranking member of the Committee on International Relations has done bringing forward this amendment. We have a long and productive relationship with Egypt, and it is not going to change if we change the emphasis. We have already invested in Egypt as the number two recipient of our aid, over \$30 billion, much of it in military assistance. We bought interoperability.

The question, I think, is after 25 years, how do we make adjustments, 6 years after the most recent alignment. The gentleman from California (Mr. BERMAN) asks, 'is this the wrong time?' I think the gentleman from California (Mr. LANTOS) is saying now is the time, even if it does not pass, to signal that the way that we are going to have peace in Egypt, in the Middle East, is to stabilize the economy, shift away from massive military buildup, which they do not need, and feed that positive public opinion.

I can think of nothing more positive than for us to invest in the Egyptian people at a time when their government sadly has fallen short, fallen short in terms quieting virulent anti-Semitic rhetoric. It has fallen short in meeting the needs of the Egyptian people. They have all the military they need to deal with their current needs and with moving in to Gaza for their own interests. It is time to send a signal that we are going to beef up the economic side of the equation.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 1 minute to my good friend, the gentlewoman from Nevada

(Ms. BERKLEY), a distinguished member of the Committee on International Relations.

Ms. BERKLEY. Mr. Chairman, I rise in strong support of the Lantos amendment; and I thank him, thank him for bringing this forward.

Per capita income in Egypt hovers around \$1,000 a year. Illiteracy, 30 percent, over 50 percent for women. With this kind of poverty, why are we continuing to fund the military complex instead of providing economic aid to the Egyptian people? There is no need for military assistance to protect Egypt's borders. They have no enemies in the region.

But let us please examine their record.

When I hear my colleagues talk about their aid in our war against terrorism, who are we kidding? They have contributed no combat forces in Afghanistan. They have contributed no help to the United States in Iraq. They have done nothing to stop the virulent anti-Semitism and anti-United States rhetoric that is rampant in their media, and they do not need \$1.3 billion in order to support Israel's withdrawal from the Gaza.

The Egyptians claim they are supporting Israel's efforts in the Gaza, but how are they doing that? They have done nothing to stem the flow of arms and terrorists. They have done nothing to close the tunnels. They have done nothing to help train a single Palestinian in their security forces.

Their economy is in shambles. It is time that we do something for the Egyptian people.

Mr. LANTOS. How much time do we have, Mr. Chairman?

The CHAIRMAN. The gentleman from California has 2 minutes remaining; the gentleman from Arizona has 2½ minutes remaining.

Mr. LANTOS. Mr. Chairman, I am delighted to yield 1 minute and 45 seconds to the distinguished gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding me this time.

This amendment does not cut aid for Egypt. What it does is, it cuts aid for Egypt's military; and it takes the same amount of money and gives that money to the civilian economy in Egypt, to help the citizens of Egypt. And it is to send a signal to the Egyptian leaders and to the Egyptian military that it is unacceptable for the United States people to give money to the Egyptian military, even as a sieve has been created which allows for the transfer, the smuggling of guns and other weapons, explosives from Egypt into the Gaza, which is being used by Palestinian radicals to kill Israeli civilians.

That is the signal that we are sending, not to the Egyptian people, they can keep the money; but to the Egyptian military that they must do their job to secure their borders so that there is peace in Gaza, so that Israelis are not made victims of a trusting rela-

tionship between the United States and the Egyptian government and military. That is the signal which we are sending, and that is hopefully what will happen as we renew, through Egypt and its leaders, the commitment to the principles embraced by former President Anwar Sadat who, in his 1988 address to the Israeli Knesset, said, What is peace for Israel? It means Israel lives in the region with her Arab neighbors in security and safety. Is that logical? I say yes. It means that Israel lives within its borders secure against any aggression. Is that logical? And I say yes. It means that Israel abates all kinds of guarantees that will ensure these two factors. To this demand, I say yes.

We need Anwar Sadat's kind of leadership in Israel today. Vote "yes" on the Lantos amendment.

Mr. LANTOS. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, if my colleagues think that Egypt needs more high-tech military equipment, vote against our amendment. If my colleagues believe that the Egyptian people, with a per capita income of less than \$1,000 and a social system which is a shambles, need more economic aid, then vote for the Lantos amendment. I urge my colleagues to do so.

Mr. KOLBE. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I want to say at the outset that I have the greatest respect for the gentleman from California (Mr. LANTOS), the sponsor of this amendment; but I believe that adoption of the amendment would be a serious mistake and it will undermine our relations with one of our major allies in the Middle East.

This amendment is being proposed at the very time when the governments of Egypt and Israel are coordinating plans for Israel to withdraw from Gaza. In order for a withdrawal to be successful, both countries must cooperate on security and intelligence matters; and Egypt must be prepared to help ensure that terrorist organizations do not gain power in Gaza. Discussions, cooperation, and coordination on these matters are already occurring at the highest level of both governments.

I cannot imagine that at the very time that Israel and Egypt, after years of an admittedly cold, frosty peace, are finally engaged in serious discussions on military and on intelligence cooperation, that this Congress would choose this moment to disrupt this cooperation by cutting military assistance for Egypt.

As has already been indicated, the administration does strongly oppose this amendment, and part of the letter from Secretary Powell has been quoted in opposition to this amendment. I will include the entire letter in the RECORD at this point, but let me quote from one section of that letter.

In it the Secretary says: "In Egypt we have an ally that can help us in war and in peace. Our credibility in this relationship depends to a great degree

upon being a reliable provider of assistance to the Egyptian military.

□ 1445

“A transfer of funds from the military assistance account to the economic account will damage the credibility of our bilateral relations at a very sensitive moment in the region, one that has witnessed Egyptian engagement in and support of our regional objectives.”

I include the full text of the letter for the RECORD.

THE SECRETARY OF STATE,
Washington, DC, July 14, 2004.

Hon. JIM KOLBE,
Chairman, Foreign Operations, Export Financing and Related Programs, Committee on Appropriations, House of Representatives.

DEAR MR. CHAIRMAN: I ask for your support on the subject of a possible amendment to the Fiscal Year 2005 Foreign Operations Appropriation bill that proposes to reduce our annual military assistance to Egypt by 25 percent and to reprogram it for economic assistance. We understand that the House may consider this amendment July 15. This matter is of urgent concern, as I believe that any changes to the Egypt military assistance account would seriously undermine the strong U.S.-Egypt partnership that has been built since the 1979 Camp David Accords and that continues to be one of the foundations for achieving U.S. foreign policy goals in the Middle East.

As you know, U.S. military aid to Egypt is a cornerstone of the Camp David Accords. The Administration is opposed to any amendment that would modify our commitment to the parties as contained in that agreement. This commitment is the foundation of our efforts to promote peace in the region, to combat terrorism, and to advance interoperability with the Egyptian military. In addition, a \$325 million reduction in military assistance, as proposed, could lead to the cancellation of approximately \$2.2 billion in total contract value; these contracts all go towards the purchase of U.S. products.

Our military assistance to Egypt has contributed to regional stability in an area that had previously been the scene of military conflict against Israel. This calming of tensions has enabled us to develop a strategic partnership with Egypt that has contributed to a broad range of U.S. objectives in the region, including the Global War on Terrorism, the stabilization and reconstruction of Iraq, and more recently, efforts to stop the humanitarian crisis in Darfur, Sudan. Egypt has also undertaken a critical initiative to work with Israel to support the Israeli withdrawal from the Gaza Strip through the reorganization and training of the Palestinian security services.

On a bilateral military-to-military level, our assistance has helped to modernize the Egyptian military, thereby creating a defensive force that is interoperable with, and capable of supporting, U.S. security goals in the region. We also continue to train Egyptian military officers through the International Military Education and Training Program and to conduct joint training exercises, thereby ensuring that our militaries both understand and support each other at critical moments. This Egyptian capacity has enabled the Egyptian military to participate in international peacekeeping operations, to help us successfully prosecute Operations Enduring Freedom and Iraqi Freedom, to enable our craft to safely transit the Suez Canal, to enable our planes to traverse Egyptian airspace, and to provide our tankers with invaluable access to Egyptian facilities.

In Egypt we have an ally that can help us in war and peace. Our credibility in this relationship depends to a great degree upon being a reliable provider of assistance to the Egyptian military. A transfer of funds from the military assistance account to the economic account will damage the credibility of our bilateral relations at a very sensitive moment in the region, one that has witnessed Egyptian engagement in and support of our regional objectives. I hope you will oppose this amendment.

Sincerely,

COLIN L. POWELL.

Again, I have great respect for the author of the amendment. However, this is not the time to make a cut of more than 40 percent of military assistance. Even if we were so inclined, now is not the time to take that kind of action that would disrupt our ongoing efforts to facilitate the withdrawal of Israel from Gaza. I urge the House to reject this amendment.

Mr. KNOLLENBERG. Mr. Chairman, I rise in opposition to this amendment.

Since the 1978 Camp David accords, Egypt and the United States have shared a close relationship built around mutual strategic interests and common goals.

The U.S.-Egyptian military is both strong and important.

Our military assistance to Egypt has helped to build an Egyptian military that is interoperable with the United States, and actively supports U.S. security goals in the region. This Egyptian capacity has enabled our U.S. ships to safely traverse the Suez Canal, and enabled our planes to effectively traverse Egyptian airspace.

Let me be clear. I am not satisfied with the pace of economic and political reform in Egypt. I know many of the Egyptian people feel the same way. There are many issues the United States and Egypt will have to work through in the coming years. It is important for the United States to continue to press Egypt on these issues.

However, I believe this amendment would unwisely undermine the U.S.-Egyptian military relationship. This would be particularly damaging at a time when Egypt is providing important cooperation in the War on Terrorism and the peace process between Israel and the Palestinians. In addition, as we ask Egypt to take a more prominent role in the security of the Gaza strip, we should not undercut Egypt's ability to play the role we are asking them to play.

Mr. Chairman, for all these reasons, I urge my colleagues to join me in voting against this amendment.

Mr. CROWLEY. Mr. Chairman, I rise today in strong support of my good friend from California Mr. LANTOS's amendment.

It is time for the United States to start redirecting aid to Egypt.

The United States has been providing military assistance to Egypt for over 20 years and Egypt has made peace with its neighbors.

Egypt no longer has to fear from any outside threats to its sovereignty and

it's now time this aid move toward helping Egyptian people not the military.

The real threat to Egypt comes from the poverty and lack of freedom that exists in the country today.

We cannot continue to fund the military while people live in squalor and do not have the freedoms they deserve.

Egypt must start focusing on its people and its economic reforms.

Moving towards economic aid will help to push this process forward.

Egypt is a consistent violator of human rights and our funding needs to address how to begin to respect these rights.

Even in the State Department human rights reports, they reported that there is “convincing evidence” the police regularly use torture to extract confessions, and detain suspects without charging people or bringing them to trial.

I continue to see Egypt's lack of respect for minority and religious rights.

Our funding should not be building up Egypt military but instead on building its society.

Mr. Chairman, I stand in strong support of this amendment and urge my colleagues to support the passage of this important amendment.

Mr. KOLBE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LANTOS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LANTOS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California (Mr. LANTOS) will be postponed.

The Committee will rise informally. The SPEAKER pro tempore (Mr. BARR) assumed the Chair.

The SPEAKER pro tempore. The Committee will resume its sitting.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2005

The Committee resumed its sitting. Mr. KOLBE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman for yielding, and I rise today to engage in a colloquy with the gentleman from North Carolina (Mr. BARR) and with the chairman of the subcommittee.

I want to first thank the gentleman from Arizona (Chairman KOLBE) for his work in overseeing the critical rebuilding effort in Iraq.

A key element in our foreign policy is developing and strengthening local governmental institutions. It is my