

105TH CONGRESS
1ST SESSION

H. R. 1486

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1997

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

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Foreign Policy Reform
5 Act”.

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

3 (a) DIVISIONS.—This Act is organized into two divi-
 4 sions as follows:

5 (1) Division A—International Affairs Agency
 6 Consolidation, United Nations Reform, Foreign As-
 7 sistance Reform, and Foreign Assistance Authoriza-
 8 tions.

9 (2) Division B—Foreign Relations Authoriza-
 10 tions.

11 (b) TABLE OF CONTENTS.—The table of contents for
 12 this Act is as follows:

Sec. 1. Short title.

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

**DIVISION A—INTERNATIONAL AFFAIRS AGENCY CONSOLI-
 DATION, UNITED NATIONS REFORM, FOREIGN ASSIST-
 ANCE REFORM, AND FOREIGN ASSISTANCE AUTHORIZA-
 TIONS**

TITLE I—GENERAL PROVISIONS

Sec. 101. Short title.

Sec. 102. Declaration of policy.

**TITLE II—CONSOLIDATION OF CERTAIN FOREIGN ASSISTANCE
 AGENCIES**

CHAPTER 1—GENERAL PROVISIONS

Sec. 201. Short title

Sec. 202. Definitions.

**CHAPTER 2—UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION
 AGENCY**

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

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

- Sec. 212. Transfer of functions to United States Agency for International Development.
- Sec. 213. Transition provisions.

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

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

SUBCHAPTER C—CONFORMING AMENDMENTS

- Sec. 231. Conforming amendments.
- Sec. 232. Other references.
- Sec. 233. Effective date.

TITLE III—FOREIGN ASSISTANCE REFORM

- Sec. 301. Graduation from development assistance.
- Sec. 302. Prohibition on assistance to countries that consistently oppose the United States position in the United Nations General Assembly.
- Sec. 303. Limitation on government-to-government assistance.
- Sec. 304. Micro- and small enterprise development credits.
- Sec. 305. Microenterprise development grant assistance.
- Sec. 306. Private sector enterprise funds.
- Sec. 307. Development credit authority.
- Sec. 308. Foreign government parking fines.

TITLE IV—DEFENSE AND SECURITY ASSISTANCE

CHAPTER 1—NARCOTICS CONTROL ASSISTANCE

- Sec. 401. Authorization of appropriations.
- Sec. 402. Additional requirements relating to assistance.

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

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

CHAPTER 3—FOREIGN MILITARY FINANCING PROGRAM

- Sec. 421. Authorization of appropriations.
- Sec. 422. Assistance for Israel.
- Sec. 423. Assistance for Egypt.
- Sec. 424. Authorization of assistance to facilitate transition to NATO membership under NATO Participation Act of 1994.
- Sec. 425. Loans for Greece and Turkey.
- Sec. 426. Limitations on loans.
- Sec. 427. Administrative expenses.

CHAPTER 4—INTERNATIONAL MILITARY EDUCATION AND TRAINING

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

CHAPTER 5—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

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

CHAPTER 6—OTHER PROVISIONS

- Sec. 451. Excess defense articles for certain European countries.
- Sec. 452. Transfer of certain obsolete or surplus defense articles in the war reserve allies stockpile to the Republic of Korea.
- Sec. 453. Additional requirements relating to stockpiling of defense articles for foreign countries.
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CHAPTER 1—ECONOMIC SUPPORT ASSISTANCE

- Sec. 501. Economic support fund.
- Sec. 502. Assistance for Israel.
- Sec. 503. Assistance for Egypt.
- Sec. 504. International Fund for Ireland.
- Sec. 505. Assistance for training of civilian personnel of the Ministry of Defense of the Government of Nicaragua.

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- Sec. 511. Authorization of appropriations.
- Sec. 512. Child survival activities.
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- Sec. 521. Operating expenses generally.
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CHAPTER 3—URBAN AND ENVIRONMENTAL CREDIT PROGRAM

- Sec. 531. Urban and environmental credit program.

CHAPTER 4—THE PEACE CORPS

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

CHAPTER 5—INTERNATIONAL DISASTER ASSISTANCE

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

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TITLE XII—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

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- Sec. 1201. Revision of Department of State rewards program.
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- Sec. 1208. Preadjudication of claims.
- Sec. 1209. Expenses relating to certain international claims and proceedings.
- Sec. 1210. Establishment of fee account and providing for passport information services.
- Sec. 1211. Establishment of machine readable fee account.
- Sec. 1212. Retention of additional defense trade controls registration fees.
- Sec. 1213. Training.
- Sec. 1214. Recovery of costs of health care services.
- Sec. 1215. Fee for use of diplomatic reception rooms.
- Sec. 1216. Fees for commercial services.
- Sec. 1217. Concerning the use of funds to further normalize relations with Vietnam.
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- Sec. 1221. Budget presentation documents.

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- Sec. 1241. Use of certain passport processing fees for enhanced passport services.
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- Sec. 1261. Report to Congress concerning Cuban emigration policies.
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TITLE XIII—ORGANIZATION OF THE DEPARTMENT OF STATE; DEPARTMENT OF STATE PERSONNEL; THE FOREIGN SERVICE

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

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

- Sec. 1321. Authorized strength of the Foreign Service.
- Sec. 1322. Nonovertime differential pay.
- Sec. 1323. Authority of Secretary to separate convicted felons from service.
- Sec. 1324. Career counseling.
- Sec. 1325. Report concerning minorities and the Foreign Service.
- Sec. 1326. Retirement benefits for involuntary separation.

Sec. 1327. Availability pay for certain criminal investigators within the diplomatic security service.

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

- Sec. 1401. Extension of au pair programs.
 Sec. 1402. Retention of interest.
 Sec. 1403. Center for Cultural and Technical Interchange Between North and South.
 Sec. 1404. Use of selected program fees.
 Sec. 1405. Muskie fellowship program.
 Sec. 1406. Working group on United States Government sponsored international exchanges and training.
 Sec. 1407. Educational and cultural exchanges and scholarships for Tibetans and Burmese.
 Sec. 1408. Exchange programs in South Africa.
 Sec. 1409. Surrogate broadcasting studies.
 Sec. 1410. Authority to administer summer travel/work programs.
 Sec. 1411. Permanent administrative authorities regarding appropriations.
 Sec. 1412. Authorities of the broadcasting board of governors.
 Sec. 1413. United States-Japan commission.

TITLE XV—INTERNATIONAL ORGANIZATIONS; UNITED NATIONS AND RELATED AGENCIES

CHAPTER 1—GENERAL PROVISIONS

Sec. 1501. Service in international organizations.

CHAPTER 2—UNITED NATIONS AND RELATED AGENCIES

Sec. 1521. Reform in budget decisionmaking procedures of the United Nations and its specialized agencies.

TITLE XVI—ARMS CONTROL AND DISARMAMENT AGENCY

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

TITLE XVII—FOREIGN POLICY PROVISIONS

- Sec. 1701. United States policy regarding the involuntary return of refugees.
 Sec. 1702. United States policy with respect to the involuntary return of persons in danger of subjection to torture.
 Sec. 1703. Reports on claims by United States firms against the Government of Saudi Arabia.
 Sec. 1704. Human rights reports.
 Sec. 1705. Prohibition on funding for coercive population control methods.
 Sec. 1706. Reports and policy concerning diplomatic immunity.
 Sec. 1707. Congressional statement with respect to efficiency in the conduct of foreign policy.
 Sec. 1708. Congressional statement concerning Radio Free Europe/Radio Liberty.
 Sec. 1709. Programs or projects of the International Atomic Energy Agency in Cuba.

Sec. 1710. United States policy with respect to Jerusalem as the capital of Israel.

Sec. 1711. Report on compliance with the Hague Convention on International Child Abduction.

1 **DIVISION A—INTERNATIONAL**
2 **AFFAIRS AGENCY CONSOLI-**
3 **DATION, UNITED NATIONS RE-**
4 **FORM, FOREIGN ASSISTANCE**
5 **REFORM, AND FOREIGN AS-**
6 **SISTANCE AUTHORIZATIONS**
7 **TITLE I—GENERAL PROVISIONS**

8 **SEC. 101. SHORT TITLE.**

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

11 **SEC. 102. DECLARATION OF POLICY.**

12 The Congress declares the following:

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

16 (2) As part of this leadership, United States
17 foreign assistance programs are essential to support
18 America’s overseas interests.

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

1 **TITLE II—CONSOLIDATION OF**
2 **CERTAIN FOREIGN ASSIST-**
3 **ANCE AGENCIES**

4 **CHAPTER 1—GENERAL PROVISIONS**

5 **SEC. 201. SHORT TITLE**

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

8 **SEC. 202. DEFINITIONS.**

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

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

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

16 (3) The term “function” means any duty, obli-
17 gation, power, authority, responsibility, right, privi-
18 lege, activity, or program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 (1) PERSONNEL, PROPERTY, AND RECORDS.—

5 So much of the personnel, property, and records of
6 the United States International Development Co-
7 operation Agency as the Director of the Office of
8 Management and Budget shall determine shall be
9 transferred to the United States Agency for Inter-
10 national Development at such time or times as the
11 Director of the Office of Management and Budget
12 shall provide.

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

1 (b) TERMINATING AGENCY AFFAIRS.—The Director
2 of the Office of Management and Budget shall provide for
3 terminating the affairs of the United States International
4 Development Cooperation Agency and for such further
5 measures and dispositions as such Director deems nec-
6 essary to accomplish the purposes of this subchapter.

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

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

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

1 (44 Fed. Reg. 57521), shall be continued in existence as
2 a Federal agency of the United States.

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

5 (1) IN GENERAL.—The Administrator of the
6 United States Agency for International Develop-
7 ment, appointed pursuant to section 624(a) of the
8 Foreign Assistance Act of 1961 (22 U.S.C.
9 2384(a))—

10 (A) shall continue to head such Agency;

11 and

12 (B) shall be under the direction of the Sec-
13 retary of State.

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

17 (A) shall continue to exercise all functions
18 that the Administrator exercised before the ef-
19 fective date of this Act; and

20 (B) shall exercise all functions transferred
21 to the Administrator pursuant to section 212.

22 (c) OTHER OFFICERS OF AID.—The other officers
23 of the United States Agency for International Develop-
24 ment, appointed pursuant to section 624(a) of the Foreign
25 Assistance Act of 1961 (22 U.S.C. 2384(a)), shall con-

1 tinue to exercise such functions as the Administrator
2 deems appropriate.

3 **Subchapter C—Conforming Amendments**

4 **SEC. 231. CONFORMING AMENDMENTS.**

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

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

13 (1) in subsection (a)—

14 (A) by striking paragraph (2);

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

19 (C) by striking “; and” at the end and in-
20 serting a period;

21 (2) by striking subsection (e); and

22 (3) by striking subsection (f).

23 (c) INTERNATIONAL SECURITY AND DEVELOPMENT
24 COOPERATION ACT OF 1980.—Section 316 of the Inter-

1 national Security and Development Cooperation Act of
2 1980 (22 U.S.C. 2151 note) is amended—

3 (1) in subsection (a)—

4 (A) in the first sentence, by striking “Di-
5 rector of the United States International Devel-
6 opment Cooperation Agency” and inserting
7 “Administrator of the United States Agency for
8 International Development”; and

9 (B) in the second sentence, by striking
10 “Director” and inserting “Administrator”; and

11 (2) in subsection (b), by striking “Director”
12 and inserting “Administrator”.

13 (d) STATE DEPARTMENT BASIC AUTHORITIES ACT
14 OF 1956.—(1) Section 25(f) of the State Department
15 Basic Authorities Act of 1956 (22 U.S.C. 2697(f)) is
16 amended by striking “Director of the United States Inter-
17 national Development Cooperation Agency” and inserting
18 “Administrator of the United States Agency for Inter-
19 national Development”.

20 (2) Section 26(b) of such Act (22 U.S.C. 2698(b))
21 is amended by striking “Director of the United States
22 International Development Cooperation Agency” and in-
23 serting “Administrator of the United States Agency for
24 International Development”.

1 (3) Section 32 of such Act (22 U.S.C. 2704) is
2 amended in the second sentence by striking “Director of
3 the United States International Development Cooperation
4 Agency” and inserting “Administrator of the United
5 States Agency for International Development”.

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

12 (2) Section 210 of such Act (22 U.S.C. 3930) is
13 amended in the second sentence by striking “United
14 States International Development Cooperation Agency”
15 and inserting “United States Agency for International De-
16 velopment”.

17 (3) Section 1003(a) of such Act (22 U.S.C. 4103(a))
18 is amended by striking “United States International De-
19 velopment Cooperation Agency” and inserting “United
20 States Agency for International Development”.

21 (4) Section 1101(c) of such Act (22 U.S.C. 4131(c))
22 is amended by striking “United States International De-
23 velopment Cooperation Agency” and inserting “United
24 States Agency for International Development”.

1 (f) TITLE 26, UNITED STATES CODE.—(1) Section
2 170(m)(7) of title 26, United States Code, is amended by
3 striking “Director of the United States International De-
4 velopment Cooperation Agency” and inserting “Adminis-
5 trator of the United States Agency for International De-
6 velopment”.

7 (2) Section 2055(g)(6) of title 26, United States
8 Code, is amended by striking “Director of the United
9 States International Development Cooperation Agency”
10 and inserting “Administrator of the United States Agency
11 for International Development”.

12 (g) TITLE 49, UNITED STATES CODE.—Section
13 40118(d) of title 49, United States Code, is amended by
14 striking “Director of the United States International De-
15 velopment Cooperation Agency” and inserting “Adminis-
16 trator of the United States Agency for International De-
17 velopment”.

18 (h) EXPORT ADMINISTRATION ACT OF 1979.—Sec-
19 tion 6(g) of the Export Administration Act of 1979 (50
20 U.S.C. App. 2405(g)) is amended—

21 (1) in the third sentence, by striking “Director
22 of the United States International Development Co-
23 operation Agency” and inserting “Administrator of
24 the United States Agency for International Develop-
25 ment”;

1 (2) in the fourth sentence, by striking “Direc-
2 tor” and inserting “Administrator”; and

3 (3) in the sixth sentence, by striking “Director
4 of the United States International Development Co-
5 operation Agency” and inserting “Administrator of
6 the United States Agency for International Develop-
7 ment”.

8 **SEC. 232. OTHER REFERENCES.**

9 Any reference in any statute, reorganization plan,
10 Executive order, regulation, agreement, determination, or
11 other official document or proceeding to—

12 (1) the Director of the United States Inter-
13 national Development Cooperation Agency or any
14 other officer or employee of the United States Inter-
15 national Development Cooperation Agency shall be
16 deemed to refer to the Administrator of the United
17 States Agency for International Development; and

18 (2) the United States International Develop-
19 ment Cooperation Agency shall be deemed to refer
20 to the United States Agency for International Devel-
21 opment.

22 **SEC. 233. EFFECTIVE DATE.**

23 This subchapter shall take effect 6 months after the
24 date of the enactment of this Act.

1 **TITLE III—FOREIGN ASSISTANCE**
2 **REFORM**

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

4 Section 634 of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2394) is amended to read as follows:

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

7 “(a) **REQUIREMENT FOR SUBMISSION.**—As part of
8 the annual requests for enactment of authorizations and
9 appropriations for foreign assistance programs for each
10 fiscal year, the President shall prepare and transmit to
11 the Congress annual congressional presentation docu-
12 ments for the programs authorized under this Act and the
13 Arms Export Control Act (22 U.S.C. 2751 et seq.).

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

16 “(1) the rationale and direct United States na-
17 tional interest for the allocation of assistance or con-
18 tributions to each country, regional, or centrally-
19 funded program, or organization, as the case may
20 be;

21 “(2) a description of how each such program or
22 contribution supports the objectives of this Act or
23 the Arms Export Control Act, as the case may be;

24 “(3) a description of planned country, regional,
25 or centrally-funded programs or contributions to

1 international organizations and programs for the
2 coming fiscal year; and

3 “(4) for each country for which assistance is re-
4 quested under this Act or the Arms Export Control
5 Act—

6 “(A) the total number of years since 1946
7 that the United States has provided assistance;

8 “(B) the total amount of bilateral assist-
9 ance provided by the United States since 1946,
10 including the principal amount of all loans,
11 credits, and guarantees; and

12 “(C) the total amount of assistance pro-
13 vided to such country from all multilateral or-
14 ganizations to which the United States is a
15 member, including all international financial in-
16 stitutions, the United Nations, and other inter-
17 national organizations.

18 “(c) GRADUATION FROM DEVELOPMENT ASSIST-
19 ANCE.—

20 “(1) DETERMINATION.—As part of the congres-
21 sional presentation documents transmitted to the
22 Congress under this section, the President shall
23 make a separate determination for each country
24 identified in such documents for which bilateral de-
25 velopment assistance is requested, estimating the

1 year in which each such country will no longer be re-
 2 ceiving bilateral development assistance.

3 “(2) DEVELOPMENT ASSISTANCE DEFINED.—

4 For purposes of this section, the term “development
 5 assistance” means assistance under—

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

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

8 “(C) chapter 11 of part I of this Act; and

9 “(D) the Support for East European De-
 10 mocracy (SEED) Act of 1989 (22 U.S.C. 5401
 11 et seq.).”.

12 **SEC. 302. PROHIBITION ON ASSISTANCE TO COUNTRIES**
 13 **THAT CONSISTENTLY OPPOSE THE UNITED**
 14 **STATES POSITION IN THE UNITED NATIONS**
 15 **GENERAL ASSEMBLY.**

16 (a) IN GENERAL.—Section 620 of the Foreign Assist-
 17 ance Act of 1961 (22 U.S.C. 2370) is amended by insert-
 18 ing after subsection (u) the following new subsection:

19 “(v)(1) United States assistance may not be provided
 20 to a country that consistently opposed the United States
 21 position in the United Nations General Assembly during
 22 the most recently completed session of the General Assem-
 23 bly.

24 “(2) If—

1 “(A) the Secretary of State determines that,
2 since the beginning of the most recently completed
3 session of the General Assembly, there has been a
4 fundamental change in the leadership and policies of
5 the government of a country to which the prohibition
6 in paragraph (1) applies, and

7 “(B) the Secretary believes that because of that
8 change the government of that country will no
9 longer consistently oppose the United States position
10 in the General Assembly,

11 the Secretary may exempt that country from that prohibi-
12 tion. Any such exemption shall be effective only until sub-
13 mission of the next report under section 406 of the For-
14 eign Relations Authorization Act, Fiscal Years 1990 and
15 1991. The Secretary shall submit to the Congress a certifi-
16 cation of each exemption made under this paragraph.
17 Such certification shall be accompanied by a discussion of
18 the basis for the Secretary’s determination and belief with
19 respect to such exemption.

20 “(3) The Secretary of State may waive the require-
21 ment of paragraph (1) if the Secretary determines and re-
22 ports to the Congress that despite the United Nations vot-
23 ing pattern of a particular country, the provision of United
24 States assistance to that country is necessary to promote
25 United States foreign policy objectives.

1 “(4) As used in this subsection—

2 “(A) the term ‘consistently opposed the United
3 States position’ means that the country’s votes in
4 the United Nations General Assembly coincided with
5 the United States position less than 25 percent of
6 the time, using for this purpose the overall percent-
7 age-of-voting coincidences set forth in the annual re-
8 port submitted to the Congress pursuant to section
9 406 of the Foreign Relations Authorization Act, Fis-
10 cal Years 1990 and 1991;

11 “(B) the term ‘most recently completed session
12 of the General Assembly’ means the most recently
13 completed plenary session of the General Assembly
14 for which overall percentage-of-voting coincidences is
15 set forth in the most recent report submitted to the
16 Congress pursuant to section 406 of the Foreign Re-
17 lations Authorization Act, Fiscal Years 1990 and
18 1991; and

19 “(C) the term ‘United States assistance’ means
20 assistance under—

21 “(i) chapter 11 of part I of this Act (relat-
22 ing to assistance for the independent states of
23 the former Soviet Union);

24 “(ii) chapter 4 of part II of this Act (relat-
25 ing to the economic support fund),

1 “(iii) chapter 5 of part II of this Act (re-
2 relating to international military education and
3 training),

4 “(iv) chapter 1 of part I of this Act (relat-
5 ing to development assistance), except that such
6 term shall not include assistance under chapter
7 1 of part I of this Act in the case of countries
8 that voted in the United Nations General As-
9 sembly on less than 50 percent of the recorded
10 plenary votes,

11 “(v) section 23 of the Arms Export Con-
12 trol Act (22 U.S.C. 2763; relating to the ‘For-
13 eign Military Financing Program’), or

14 “(vi) the Support for East European De-
15 mocracy (SEED) Act of 1989 (22 U.S.C. 5401
16 et seq.),

17 except that such term does not include assistance
18 under chapter 8 of part I of this Act (relating to
19 international narcotics control) or assistance under
20 chapter 8 of part II of this Act (relating to
21 antiterrorism assistance).”.

22 (b) EFFECTIVE DATE.—Section 620(v) of the For-
23 eign Assistance Act of 1961, as added by subsection (a),
24 shall take effect upon the date of the submission to the
25 Congress of the report pursuant to section 406 of the For-

1 eign Relations Authorization Act, Fiscal Years 1990 and
2 1991, that is required to be submitted by March 31, 1998.

3 **SEC. 303. LIMITATION ON GOVERNMENT-TO-GOVERNMENT**
4 **ASSISTANCE.**

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

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

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

16 (2) receives funds from private sources;

17 (3) operates on a not-for-profit basis with ap-
18 propriate tax-exempt status if the laws of the coun-
19 try grant such status to not-for-profit organizations;

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

23 (5) is engaged or intends to be engaged in vol-
24 untary, charitable, development, or humanitarian as-
25 sistance activities.

1 (c) REPORT.—

2 (1) IN GENERAL.— Not later than September
3 30, 1997, the United States Agency for Inter-
4 national Development shall submit a report to the
5 Congress on the amount of its funding being chan-
6 neled through and private and voluntary organiza-
7 tions.

8 (2) ADDITIONAL REQUIREMENTS.—(A) The re-
9 port should use fiscal year 1995 as a baseline and
10 include an implementation plan for steadily increas-
11 ing the percentage of assistance channeled through
12 such organizations, consistent with the funding com-
13 mitment announced by Vice President Gore in
14 March 1995.

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

18 (i) Chapter 11 of part I of the Foreign As-
19 sistance Act of 1961 (22 U.S.C. 2295 et seq.).

20 (ii) The Support for East European De-
21 mocracy (SEED) Act of 1989 (22 U.S.C. 5401
22 et seq.).

23 (iii) Chapter 4 of part II of the Foreign
24 Assistance Act of 1961 (22 U.S.C. 2346).

1 **SEC. 304. MICRO- AND SMALL ENTERPRISE DEVELOPMENT**

2 **CREDITS.**

3 Section 108 of the Foreign Assistance Act of 1961
4 (22 U.S.C. 2151f) is amended to read as follows:

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

6 **CREDITS.**

7 “(a) FINDINGS AND POLICY.—The Congress finds
8 and declares that—

9 “(1) the development of micro- and small enter-
10 prise, including cooperatives, is a vital factor in the
11 stable growth of developing countries and in the de-
12 velopment and stability of a free, open, and equi-
13 table international economic system;

14 “(2) it is, therefore, in the best interests of the
15 United States to assist the development of the pri-
16 vate sector in developing countries and to engage the
17 United States private sector in that process;

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

22 “(4) programs that provide credit, training, and
23 technical assistance to private institutions can serve
24 as a valuable complement to grant assistance pro-
25 vided for the purpose of benefiting micro- and small
26 private enterprise.

1 “(b) PROGRAM.—To carry out the policy set forth in
2 subsection (a), the President is authorized to provide as-
3 sistance to increase the availability of credit to micro- and
4 small enterprises lacking full access to credit, including
5 through—

6 “(1) loans and guarantees to credit institutions
7 for the purpose of expanding the availability of cred-
8 it to micro- and small enterprises;

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

12 “(3) training programs for micro- and small en-
13 trepreneurs in order to enable them to make better
14 use of credit and to better manage their enterprises.

15 “(c) AUTHORIZATION OF APPROPRIATIONS.—

16 “(1) IN GENERAL.—There is authorized to be
17 appropriated the following amounts for the following
18 purposes (in addition to amounts otherwise available
19 for such purposes):

20 “(A)(i) \$1,500,000 for each of the fiscal
21 years 1998 and 1999 to carry out subsection
22 (b)(1).

23 “(ii) Funds authorized to be appropriated
24 under this subparagraph shall be made avail-
25 able for the subsidy cost, as defined in section

1 502(5) of the Federal Credit Reform Act of
2 1990, for activities under such subsection.

3 “(B) \$500,000 for each of the fiscal years
4 1998 and 1999 to carry out paragraphs (2) and
5 (3) of subsection (b).

6 “(2) AVAILABILITY OF AMOUNTS.—Amounts
7 authorized to be appropriated under paragraph (1)
8 are authorized to remain available until expended.”.

9 **SEC. 305. MICROENTERPRISE DEVELOPMENT GRANT AS-**
10 **SISTANCE.**

11 Chapter 1 of part I of the Foreign Assistance Act
12 of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting
13 after section 108, as amended by this Act, the following
14 new section:

15 **“SEC. 108A. MICROENTERPRISE DEVELOPMENT GRANT AS-**
16 **SISTANCE.**

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

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

1 “(A) United States and indigenous private
2 and voluntary organizations;

3 “(B) United States and indigenous credit
4 unions and cooperative organizations; or

5 “(C) other indigenous governmental and
6 nongovernmental organizations.

7 “(3) Approximately one-half of the credit assistance
8 authorized under paragraph (1) shall be used for poverty
9 lending programs, including the poverty lending portion
10 of mixed programs. Such programs—

11 “(A) shall meet the needs of the very poor
12 members of society, particularly poor women; and

13 “(B) should provide loans of \$300 or less in
14 1995 United States dollars to such poor members of
15 society.

16 “(4) The Administrator should continue support for
17 mechanisms that—

18 “(A) provide technical support for field mis-
19 sions;

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

23 “(C) share information relating to the provision
24 of assistance authorized under paragraph (1) be-

1 tween such field missions and intermediary organiza-
2 tions.

3 “(b) MONITORING SYSTEM.—In order to maximize
4 the sustainable development impact of the assistance au-
5 thorized under subsection (a)(1), the Administrator should
6 establish a monitoring system that—

7 “(1) establishes performance goals for such as-
8 sistance and expresses such goals in an objective and
9 quantifiable form, to the extent feasible;

10 “(2) establishes performance indicators to be
11 used in measuring or assessing the achievement of
12 the goals and objectives of such assistance; and

13 “(3) provides a basis for recommendations for
14 adjustments to such assistance to enhance the sus-
15 tainable development impact of such assistance, par-
16 ticularly the impact of such assistance on the very
17 poor, particularly poor women.”.

18 **SEC. 306. PRIVATE SECTOR ENTERPRISE FUNDS.**

19 The Foreign Assistance Act of 1961 (22 U.S.C. 2151
20 et seq.) is amended by inserting after section 601 the fol-
21 lowing new section:

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

23 “(a) AUTHORITY.—(1) The President may provide
24 funds and support to Enterprise Funds designated in ac-

1 cordance with subsection (b) that are or have been estab-
2 lished for the purposes of promoting—

3 “(A) development of the private sectors of eligi-
4 ble countries, including small businesses, the agricul-
5 tural sector, and joint ventures with United States
6 and host country participants; and

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

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

13 “(2) Funds may be made available under this section
14 notwithstanding any other provision of law, except sections
15 502B and 490 of this Act.

16 “(b) COUNTRIES ELIGIBLE FOR ENTERPRISE
17 FUNDS.—(1) Except as provided in paragraph (2), the
18 President is authorized to designate a private, nonprofit
19 organization as eligible to receive funds and support pur-
20 suant to this section with respect to any country eligible
21 to receive assistance under part I of this Act in the same
22 manner and with the same limitations as set forth in sec-
23 tion 201(d) of the Support for East European Democracy
24 (SEED) Act of 1989 (22 U.S.C. 5421(d)).

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

7 “(c) TREATMENT EQUIVALENT TO ENTERPRISE
8 FUNDS FOR POLAND AND HUNGARY.—Except as other-
9 wise specifically provided in this section, the provisions
10 contained in section 201 of the Support for East Euro-
11 pean Democracy (SEED) Act of 1989 (22 U.S.C. 5421)
12 (excluding the authorizations of appropriations provided
13 in subsection (b) of that section) shall apply to any Enter-
14 prise Fund that receives Funds and support under this
15 section. The officers, members, or employees of an Enter-
16 prise Fund that receive funds and support under this sec-
17 tion shall enjoy the same status under law that is applica-
18 ble to officers, members, or employees of the Enterprise
19 Funds for Poland and Hungary under section 201 of the
20 Support for East European Democracy (SEED) Act of
21 1989 (22 U.S.C. 5421).

22 “(d) REPORTING REQUIREMENT.—Notwithstanding
23 any other provision of this section, the requirement of sec-
24 tion 201(p) of the Support for East European Democracy
25 (SEED) Act of 1989 (22 U.S.C. 5421(p)), that an Enter-

1 prise Fund shall be required to publish an annual report
2 not later than January 31 each year, shall not apply with
3 respect to an Enterprise Fund that receives funds and
4 support under this section for the first twelve months after
5 it is designated as eligible to receive such funds and sup-
6 port.

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

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

20 **SEC. 307. DEVELOPMENT CREDIT AUTHORITY.**

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

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

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

7 “(1) the borrowers or activities are deemed suf-
8 ficiently creditworthy and do not otherwise have ac-
9 cess to such credit; and

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

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

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

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

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

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

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

4 “(c) GENERAL AUTHORITY.—

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

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

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

22 “(3) SUBSIDY COST.—Amounts made available
23 under paragraph (1) shall be made available for the
24 subsidy cost, as defined in section 502(5) of the

1 Federal Credit Reform Act of 1990, for activities
2 under this section.

3 “(4) ADMINISTRATIVE EXPENSES.—

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

9 “(B) AUTHORIZATION OF APPROPRIA-
10 TIONS.—In addition to amounts made available
11 under subparagraph (A), there are authorized
12 to be appropriated for administrative expenses
13 to carry out this section and section 221
14 \$6,000,000 for each of the fiscal years 1998
15 and 1999.

16 “(C) TRANSFER AUTHORITY.—Amounts
17 made available under and subparagraph (A)
18 and amounts authorized to be appropriated
19 under subparagraph (B) may be transferred
20 and merged with amounts made available for
21 ‘Operating Expenses of the Agency for Inter-
22 national Development’.

23 “(5) AVAILABILITY.—Amounts made available
24 under paragraph (1) are authorized to remain avail-
25 able until expended.

1 “(d) GENERAL PROVISIONS APPLICABLE TO DEVELOPMENT CREDIT AUTHORITY.—

2
3 “(1) POLICY PROVISIONS.—In providing the
4 credit assistance authorized by this section, the
5 President should apply, as appropriate, the policy
6 provisions in this part applicable to development as-
7 sistance activities.

8 “(2) DEFAULT AND PROCUREMENT PROVI-
9 SIONS.—

10 “(A) DEFAULT PROVISION.—The provi-
11 sions of section 620(q) of this Act, or any com-
12 parable provisions of law, shall not be construed
13 to prohibit assistance to a country in the event
14 that a private sector recipient of assistance fur-
15 nished under this section is in default in its
16 payment to the United States for the period
17 specified in such section.

18 “(B) PROCUREMENT PROVISION.—Assist-
19 ance may be provided under this section with-
20 out regard to section 604(a) of this Act.

21 “(3) TERMS AND CONDITIONS OF CREDIT AS-
22 SISTANCE.—(A) Assistance provided under this sec-
23 tion shall be offered on such terms and conditions,
24 including fees charged, as the President may deter-
25 mine.

1 “(B) The principal amount of loans made or
2 guaranteed under this section in any fiscal year,
3 with respect to any single country or borrower, may
4 not exceed \$100,000,000.

5 “(C) No payment may be made under any
6 guarantee issued under this section for any loss aris-
7 ing out of fraud or misrepresentation for which the
8 party seeking payment is responsible.

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

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

17 “(A) IN GENERAL.—(i) Assistance pro-
18 vided under this section shall be in the form of
19 co-financing or risk sharing.

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

1 “(B) ADDITIONAL REQUIREMENT.—The
2 investment or risk of the United States in any
3 one development activity may not exceed 80
4 percent of the total outstanding investment or
5 risk.

6 “(6) ELIGIBLE BORROWERS.—

7 “(A) IN GENERAL.—(i) In order to be eli-
8 gible to receive credit assistance under this sec-
9 tion, a borrower shall be sufficiently credit wor-
10 thy so that the estimated costs (as defined in
11 section 502 of the Federal Credit Reform Act)
12 of the proposed credit assistance for the bor-
13 rower does not exceed 30 percent of the prin-
14 cipal amount of credit assistance to be received.

15 “(ii)(I) In addition, with respect to the eli-
16 gibility of foreign governments as an eligible
17 borrowers under this section, the Administrator
18 of the United States Agency for International
19 Development shall make a determination that
20 the additional debt of the government will not
21 exceed the debt repayment capacity of the gov-
22 ernment.

23 “(II) In making the determination under
24 subelause (I), the Administrator shall consult,
25 as appropriate, with international financial in-

1 stitutions and other institutions or agencies
2 that assess debt service capacity.

3 “(7) ASSESSMENT OF CREDIT RISK.—(A) The
4 Administrator of the United States Agency for
5 International Development shall use the Interagency
6 Country Risk Assessment System (ICRAS) and the
7 methodology approved by the Office of Management
8 and Budget to assess the cost of risk credit assist-
9 ance provided under this section to foreign govern-
10 ments.

11 “(B) With respect to the provision of credit to
12 nongovernmental organizations, the Administrator—

13 “(i) shall consult with appropriate private
14 sector institutions, including the two largest
15 United States private sector debt rating agen-
16 cies, prior to establishing the risk assessment
17 standards and methodologies to be used; and

18 “(ii) shall periodically consult with such in-
19 stitutions in reviewing the performance of such
20 standards and methodologies.

21 “(C) In addition, if the anticipated share of fi-
22 nancing attributable to public sector owned or con-
23 trolled entities, including the United States Agency
24 for International Development, exceeds 49 percent,
25 the Administrator shall determine the cost (as de-

1 fined in section 502(5) of the Federal Credit Reform
2 Act of 1990) of such assistance by using the cost
3 and risk assessment determinations of the private
4 sector co-financing entities.

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

10 **SEC. 308. FOREIGN GOVERNMENT PARKING FINES.**

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

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

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

1 “(b) REQUIREMENT.—The requirement of this sub-
2 section is satisfied when the Secretary of State determines
3 and certifies to the appropriate congressional committees
4 that such fines and penalties are fully paid to the govern-
5 ments of the District of Columbia, Virginia, Maryland,
6 and New York.

7 “(c) APPROPRIATE CONGRESSIONAL COMMITTEES
8 DEFINED.—For purposes of this section, the term ‘appro-
9 priate congressional committees’ means the Committee on
10 International Relations and the Committee on Appropria-
11 tions of the House of Representatives and the Committee
12 on Foreign Relations and the Committee on Appropria-
13 tions of the Senate.”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 subsection (a) shall apply with respect to fines certified
16 as of the end of fiscal year 1998 or any fiscal year there-
17 after.

18 (c) TECHNICAL AMENDMENT.—The second section
19 620G of the Foreign Assistance Act of 1961, as added
20 by section 149 of Public Law 104–164 (110 Stat. 1436)—

21 (1) is redesignated as section 620J of such Act;

22 and

23 (2) is inserted after section 620I of such Act.

1 **TITLE IV—DEFENSE AND**
2 **SECURITY ASSISTANCE**
3 **CHAPTER 1—NARCOTICS CONTROL**
4 **ASSISTANCE**

5 **SEC. 401. AUTHORIZATION OF APPROPRIATIONS.**

6 Section 482(a)(1) of the Foreign Assistance Act of
7 1961 (22 U.S.C. 2291a(a)(1)) is amended by striking
8 “\$147,783,000 for fiscal year 1993 and \$171,500,000 for
9 fiscal year 1994” and inserting “\$230,000,000 for each
10 of the fiscal years 1998 and 1999”.

11 **SEC. 402. ADDITIONAL REQUIREMENTS RELATING TO AS-**
12 **SISTANCE.**

13 (a) **IN GENERAL.**—Section 481(e)(4) of the Foreign
14 Assistance Act of 1961 (22 U.S.C. 2291(e)(4)) is amend-
15 ed—

16 (1) in subparagraph (A)(ii), inserting “or under
17 chapter 5 of part II” after “(including chapter 4 of
18 part II)”; and

19 (2) in subparagraph (B), by inserting before
20 the semicolon at the end the following: “, other than
21 sales or financing provided for narcotics-related pur-
22 poses following notification in accordance with proce-
23 dures applicable to reprogramming notifications
24 under section 634A of this Act.”.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 subsection (a) shall apply with respect to assistance pro-
 3 vided on or after the date of the enactment of this Act.

4 **CHAPTER 2—NONPROLIFERATION,**
 5 **ANTITERRORISM, DEMINING, AND RE-**
 6 **LATED PROGRAMS**

7 **SEC. 411. NONPROLIFERATION, ANTITERRORISM,**
 8 **DEMINING, AND RELATED PROGRAMS.**

9 Part II of the Foreign Assistance Act of 1961 (22
 10 U.S.C. 2301 et seq.) is amended by adding at the end
 11 the following (and conforming the table of contents ac-
 12 cordingly):

13 **“CHAPTER 9—NONPROLIFERATION,**
 14 **ANTITERRORISM, DEMINING AND RE-**
 15 **LATED PROGRAMS**

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

17 “(a) ESTABLISHMENT OF FUND.—The President
 18 shall establish a Nonproliferation and Disarmament Fund,
 19 which may be used notwithstanding any other provision
 20 of law, to promote bilateral and multilateral nonprolifera-
 21 tion and disarmament activities—

22 “(1) to halt the proliferation of nuclear, biologi-
 23 cal, and chemical weapons, their delivery systems,
 24 related technologies, and other weapons;

1 “(2) to dismantle and destroy nuclear, biological,
2 cal, and chemical weapons, their delivery systems,
3 and conventional weapons;

4 “(3) to prevent the diversion of weapons-related
5 scientific and technical expertise; and

6 “(4) to support science and technology centers
7 in Russia and the Ukraine.

8 “(b) PROHIBITED ACTIVITIES.—Amounts made
9 available to carry out subsection (a) may not be used to
10 implement United States obligations pursuant to bilateral
11 or multilateral arm control treaties or nonproliferation ac-
12 cords, including the payment of salaries and expenses.

13 “(c) ADDITIONAL REQUIREMENTS.—

14 “(1) NOTIFICATION.—Amounts made available
15 to carry out subsection (a) may be provided only if
16 the congressional committees specified in section
17 634A of this Act are notified at least fifteen days
18 before providing funds under such subsection in ac-
19 cordance with procedures applicable to reprogram-
20 ming notifications under such section.

21 “(2) ASSISTANCE FOR THE INDEPENDENT
22 STATES OF THE FORMER SOVIET UNION AND INTER-
23 NATIONAL ORGANIZATIONS.—Amounts made avail-
24 able to carry out subsection (a) may only be pro-
25 vided for the independent states of the former Soviet

1 Union and international organizations if the Sec-
2 retary of State—

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

5 “(B) includes such determination in the
6 notification described in paragraph (1).

7 “(d) AVAILABILITY OF AMOUNTS.—

8 “(1) IN GENERAL.—Of the amounts made
9 available to carry out this chapter for fiscal years
10 1998 and 1999—

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

14 “(B) not more than \$5,000,000 of the
15 amount made available under subparagraph (A)
16 for fiscal year 1998, and not more than
17 \$3,000,000 of such amount made available in
18 fiscal year 1999, may be used to support export
19 control programs.

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

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

2 “Amounts made available to carry out this chapter
3 for fiscal years 1998 and 1999 may be made available to
4 carry out chapter 8 of part II of this Act.

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

6 “The President is authorized to provide assistance for
7 demining activities, notwithstanding any other provision
8 of law, including—

9 “(1) to enhance the ability of countries, inter-
10 national organizations, and nongovernmental organi-
11 zations to detect and clear landmines; and

12 “(2) to educate affected populations about the
13 dangers of landmines.

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

15 “(a) IN GENERAL.—Amounts made available to carry
16 out this chapter for fiscal years 1998 and 1999 may be
17 made available to carry out section 301 of this Act for
18 voluntary contributions to the International Atomic En-
19 ergy Agency (IAEA) and the Korean Peninsula Energy
20 Development Organization (KEDO) and to programs ad-
21 ministered by such organizations. —

22 “(b) LIMITATION.—Of the amounts made available
23 under subsection (a) for fiscal years 1998 and 1999, not
24 more than \$25,000,000 may be made available for each
25 fiscal year to KEDO for the administrative expenses and

1 heavy fuel oil costs associated with implementation of the
2 Agreed Framework.

3 **“SEC. 585. DEFINITIONS.**

4 “As used in this chapter

5 “(1) AGREED FRAMEWORK.—The term “Agreed
6 Framework” means the documents agreed to be-
7 tween the United States and the Democratic Peo-
8 ple’s Republic of Korea on October 21, 1994, re-
9 garding elimination of the nuclear weapons program
10 of the Democratic People’s Republic of Korea and
11 the provision of certain assistance to that country.

12 “(2) INDEPENDENT STATES OF THE FORMER
13 SOVIET UNION.—The term ‘independent states of
14 the former Soviet Union’ has the meaning given
15 such term in section 3 of the Freedom for Russia
16 and Emerging Eurasian Democracies and Open
17 Markets Support Act of 1992 (22 U.S.C. 5801).

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

19 “(a) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated \$110,000,000 for fiscal
21 year 1998 and \$111,000,000 for fiscal year 1999, in addi-
22 tion to amounts otherwise available for such purposes, to
23 carry out the purpose of this chapter. —

24 “(b) ADMINISTRATIVE AUTHORITIES.—Any agency
25 of the United States Government may utilize such funds

1 in accordance with authority granted under this Act or
2 under authority governing the activities of that agency.

3 “(c) DESIGNATION OF ACCOUNT.—Appropriations
4 pursuant to subsection (a) may be referred to as the
5 “Nonproliferation, Antiterrorism, Demining and Related
6 Programs Account” or “NADR Account”.

7 (b) REFERENCE IN OTHER PROVISIONS OF LAW.—
8 A reference in any other provision of law to section 504
9 of the Freedom for Russia and Emerging Eurasian De-
10 mocracies and Open Markets Support Act of 1992 (22
11 U.S.C. 5854) shall be deemed to include a reference to
12 chapter 9 of part II of the Foreign Assistance Act of 1961,
13 as added by subsection (a).

14 (c) CONFORMING AMENDMENTS.—(1) Section 504 of
15 the Freedom for Russia and Emerging Eurasian Democ-
16 racies and Open Markets Support Act of 1992 (22 U.S.C.
17 5854) is hereby repealed.

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

20 **CHAPTER 3—FOREIGN MILITARY**
21 **FINANCING PROGRAM**

22 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS.**

23 There are authorized to be appropriated to the Presi-
24 dent for grant assistance under section 23 of the Arms
25 Export Control Act (22 U.S.C. 2763) and for the subsidy

1 cost, as defined in section 502(5) of the Federal Credit
2 Reform Act of 1990, of direct loans under such section—

3 (1) \$3,317,000,000 for fiscal year 1998; and

4 (2) \$3,273,250,000 for fiscal year 1999.

5 **SEC. 422. ASSISTANCE FOR ISRAEL.**

6 (a) **MINIMUM ALLOCATION.**—Of the amounts made
7 available for fiscal years 1998 and 1999 for assistance
8 under section 23 of the Arms Export Control Act (22
9 U.S.C. 2763; relating to the “Foreign Military Financing
10 Program”), not less than \$1,800,000,000 for each such
11 fiscal year shall be available only for Israel.

12 (b) **TERMS OF ASSISTANCE.**—

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

16 (2) **EXPEDITED DISBURSEMENT.**—Such assist-
17 ance shall be disbursed—

18 (A) with respect to fiscal year 1998, not
19 later than 30 days after the date of the enact-
20 ment of the Foreign Operations, Export Fi-
21 nancing, and Related Programs Appropriations
22 Act, 1998, or by October 31, 1997, whichever
23 is later; and

24 (B) with respect to fiscal year 1999, not
25 later than 30 days after the date of the enact-

1 ment of the Foreign Operations, Export Fi-
2 nancing, and Related Programs Appropriations
3 Act, 1999, or by October 31, 1998, whichever
4 is later.

5 (3) **ADVANCED WEAPONS SYSTEMS.**—To the ex-
6 tent that the Government of Israel requests that
7 funds be used for such purposes, funds described in
8 subsection (a) shall, as agreed by the Government of
9 Israel and the Government of the United States, be
10 available for advanced weapons systems, of which
11 not less than \$475,000,000 for each fiscal year shall
12 be available only for procurement in Israel of de-
13 fense articles and defense services, including re-
14 search and development.

15 **SEC. 423. ASSISTANCE FOR EGYPT.**

16 (a) **MINIMUM ALLOCATION.**—Of the amounts made
17 available for fiscal years 1998 and 1999 for assistance
18 under section 23 of the Arms Export Control Act (22
19 U.S.C. 2763; relating to the “Foreign Military Financing
20 Program” account), not less than \$1,300,000,000 for each
21 such fiscal year shall be available only for Egypt.

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

1 **SEC. 424. AUTHORIZATION OF ASSISTANCE TO FACILITATE**
2 **TRANSITION TO NATO MEMBERSHIP UNDER**
3 **NATO PARTICIPATION ACT OF 1994.**

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

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

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

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

25 (1) not more than \$12,850,000 shall be made
26 available for the subsidy cost, as defined in section

1 502(5) of the Federal Credit Reform Act of 1990,
2 of direct loans for Greece; and

3 (2) not more than \$33,150,000 shall be made
4 available for such subsidy cost of direct loans for
5 Turkey.

6 **SEC. 426. LIMITATIONS ON LOANS.**

7 Of the amounts made available for fiscal year 1999
8 under section 23 of the Arms Export Control (22 U.S.C.
9 2763) for the subsidy cost, as defined in section 502(5)
10 of the Federal Credit Reform Act of 1990, of direct loans,
11 no such amounts shall be made available to any country
12 which has an Inter-Agency Country Risk Systems (ICRS)
13 rating of less than grade C-.

14 **SEC. 427. ADMINISTRATIVE EXPENSES.**

15 Of the amounts made available for fiscal years 1998
16 and 1999 for assistance under section 23 of the Arms Ex-
17 port Control Act (22 U.S.C. 2763; relating to the “For-
18 eign Military Financing Program”), not more than
19 \$23,250,000 for each of the fiscal years 1998 and 1999
20 may be made available for necessary expenses for the gen-
21 eral costs of administration of military assistance and
22 sales, including expenses incurred in purchasing passenger
23 motor vehicles for replacement for use outside the United
24 States.

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

3 **SEC. 431. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 542 of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2347a) is amended by striking “\$56,221,000
6 for the fiscal year 1986 and \$56,221,000 for the fiscal
7 year 1987” and inserting “\$50,000,000 for each of the
8 fiscal years 1998 and 1999”.

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

10 Notwithstanding section 660(c) of the Foreign As-
11 sistance Act of 1961 (22 U.S.C. 2420(c)), assistance
12 under chapter 5 of part II of such Act (22 U.S.C. 2347)
13 may be provided to Panama and Haiti for each of the fis-
14 cal years 1998 and 1999.

15 **CHAPTER 5—TRANSFER OF NAVAL VES-**
16 **SELS TO CERTAIN FOREIGN COUN-**
17 **TRIES**

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

19 (a) BRAZIL.—The Secretary of the Navy is author-
20 ized to transfer to the Government of Brazil the
21 “HUNLEY” class submarine tender HOLLAND (AS 32).

22 (b) CHILE.—The Secretary of the Navy is authorized
23 to transfer to the Government of Chile the “KAISER”
24 class oiler ISHERWOOD (T-AO 191).

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

8 (d) ISRAEL.—The Secretary of the Navy is author-
9 ized to transfer to the Government of Israel the “NEW-
10 PORT” class tank landing ship PEORIA (LST 1183).

11 (e) MALAYSIA.—The Secretary of the Navy is author-
12 ized to transfer to the Government of Malaysia the
13 “NEWPORT” class tank landing ship BARBOUR
14 COUNTY (LST 1195).

15 (f) MEXICO.—The Secretary of the Navy is author-
16 ized to transfer to the Government of Mexico the
17 “KNOX” class frigate ROARK (FF 1053).

18 (g) TAIWAN.—The Secretary of the Navy is author-
19 ized to transfer to the Taipei Economic and Cultural Rep-
20 resentative Office in the United States (which is the Tai-
21 wan instrumentality designated pursuant to section 10(a)
22 of the Taiwan Relations Act) the “KNOX” class frigates
23 WHIPPLE (FF 1062) and DOWNES (FF 1070).

24 (h) THAILAND.—The Secretary of the Navy is au-
25 thorized to transfer to the Government of Thailand the

1 “NEWPORT” class tank landing ship SCHENECTADY
2 (LST 1185).

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

7 **SEC. 442. COSTS OF TRANSFERS.**

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

11 **SEC. 443. EXPIRATION OF AUTHORITY.**

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

15 **SEC. 444. REPAIR AND REFURBISHMENT OF VESSELS IN**
16 **UNITED STATES SHIPYARDS.**

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

1 **CHAPTER 6—OTHER PROVISIONS**

2 **SEC. 451. EXCESS DEFENSE ARTICLES FOR CERTAIN EURO-**
3 **PEAN COUNTRIES.**

4 Section 105 of Public Law 104–164 (110 Stat. 1427)
5 is amended by striking “1996 and 1997” and inserting
6 “1998 and 1999”.

7 **SEC. 452. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**
8 **DEFENSE ARTICLES IN THE WAR RESERVE**
9 **ALLIES STOCKPILE TO THE REPUBLIC OF**
10 **KOREA.**

11 (a) AUTHORITY.—

12 (1) IN GENERAL.—Notwithstanding section 514
13 of the Foreign Assistance Act of 1961 (22 U.S.C.
14 2321h), the President is authorized to transfer to
15 the Republic of Korea, in return for concessions to
16 be negotiated by the Secretary of Defense, with the
17 concurrence of the Secretary of State, any or all of
18 the items described in paragraph (2).

19 (2) ITEMS DESCRIBED.—The items described in
20 this paragraph are equipment, tanks, weapons, re-
21 pair parts, and ammunition that—

22 (A) are obsolete or surplus items;

23 (B) are in the inventory of the Department
24 of Defense;

1 (C) are intended for use as reserve stocks
2 for the Republic of Korea; and

3 (D) as of the date of enactment of this
4 Act, are located in a stockpile in the Republic
5 of Korea.

6 (b) CONCESSIONS.—The value of the concessions ne-
7 gotiated pursuant to subsection (a) shall be at least equal
8 to the fair market value of the items transferred. The con-
9 cessions may include cash compensation, services, waiver
10 of charges otherwise payable by the United States, and
11 other items of value.

12 (c) ADVANCE NOTIFICATION OF TRANSFER.—Not
13 less than 30 days before making a transfer under the au-
14 thority of this section, the President shall transmit to the
15 Committee on Foreign Relations of the Senate, the Com-
16 mittee on International Relations of the House of Rep-
17 resentatives, and the congressional defense committees a
18 notification of the proposed transfer. The notification shall
19 identify the items to be transferred and the concessions
20 to be received.

21 (d) EXPIRATION OF AUTHORITY.—No transfer may
22 be made under the authority of this section more than two
23 years after the date of the enactment of this Act.

1 **SEC. 453. ADDITIONAL REQUIREMENTS RELATING TO**
2 **STOCKPILING OF DEFENSE ARTICLES FOR**
3 **FOREIGN COUNTRIES.**

4 (a) VALUE OF ADDITIONS TO STOCKPILES.—Section
5 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22
6 U.S.C. 2321h(b)(2)(A)) is amended by inserting before
7 the period at the end the following: “and \$60,000,000 for
8 fiscal year 1998”.

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

17 **SEC. 454. DELIVERY OF DRAWDOWN BY COMMERCIAL**
18 **TRANSPORTATION SERVICES.**

19 Section 506 of the Foreign Assistance Act of 1961
20 (22 U.S.C. 2318) is amended—

21 (1) in subsection (b)(2), by striking the period
22 and inserting the following: “, including providing
23 the Congress with a report detailing all defense arti-
24 cles, defense services, and military education and
25 training delivered to the recipient country or inter-
26 national organization upon delivery of such articles

1 or upon completion of such services or education and
2 training. Such report shall also include whether any
3 savings were realized by utilizing commercial trans-
4 port services rather than acquiring those services
5 from United States Government transport assets.”;

6 (2) by redesignating subsection (c) as sub-
7 section (d); and

8 (3) by inserting after subsection (b) the follow-
9 ing:

10 “(c) For the purposes of any provision of law that
11 authorizes the drawdown of defense or other articles or
12 commodities, or defense or other services from an agency
13 of the United States Government, such drawdown may in-
14 clude the supply of commercial transportation and related
15 services that are acquired by contract for the purposes of
16 the drawdown in question if the cost to acquire such com-
17 mercial transportation and related services is less than the
18 cost to the United States Government of providing such
19 services from existing agency assets.”.

20 **SEC. 455. CASH FLOW FINANCING NOTIFICATION.**

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

23 (1) in the second subsection (d)—

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

25 and

1 (B) by striking the semicolon at the end
2 and inserting a period; and

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

4 “(f) For each country that has been approved for
5 cash flow financing (as defined in subsection (e)) under
6 section 23 of this Act (relating to the ‘Foreign Military
7 Financing Program’), any letter of offer and acceptance
8 or other purchase agreement, or any amendment thereto,
9 for a procurement in excess of \$100,000,000 that is to
10 be financed in whole or in part with funds made available
11 under this Act shall be submitted in accordance with the
12 procedures applicable to reprogramming notifications pur-
13 suant to section 634A of this Act and through the regular
14 notification procedures of the Committee on Appropria-
15 tions.”.

16 **TITLE V—ECONOMIC**
17 **ASSISTANCE**

18 **CHAPTER 1—ECONOMIC SUPPORT**

19 **ASSISTANCE**

20 **SEC. 501. ECONOMIC SUPPORT FUND.**

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

23 “(a) There are authorized to be appropriated to the
24 President to carry out the purposes of this chapter

1 \$2,388,350,000 for fiscal year 1998 and \$2,350,600,000
2 for fiscal year 1999.”.

3 **SEC. 502. ASSISTANCE FOR ISRAEL.**

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

10 (b) TERMS OF ASSISTANCE.—

11 (1) CASH TRANSFER.—The total amount of
12 funds allocated for Israel for each fiscal year under
13 subsection (a) shall be made available on a grant
14 basis as a cash transfer.

15 (2) EXPEDITED DISBURSEMENT.—Such funds
16 shall be disbursed—

17 (A) with respect to fiscal year 1998, not
18 later than 30 days after the date of the enact-
19 ment of the Foreign Operations, Export Fi-
20 nancing, and Related Programs Appropriations
21 Act, 1998, or by October 31, 1997, whichever
22 is later; and

23 (B) with respect to fiscal year 1999, not
24 later than 30 days after the date of the enact-
25 ment of the Foreign Operations, Export Fi-

1 nancing, and Related Programs Appropriations
2 Act, 1999, or by October 31, 1998, whichever
3 is later.

4 (3) **ADDITIONAL REQUIREMENT.**—In exercising
5 the authority of this subsection, the President shall
6 ensure that the amount of funds provided as a cash
7 transfer to Israel does not cause an adverse impact
8 on the total level of nonmilitary exports from the
9 United States to Israel.

10 **SEC. 503. ASSISTANCE FOR EGYPT.**

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

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

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

23 (a) **FUNDING.**—Of the amounts made available for
24 fiscal years 1998 and 1999 for assistance under chapter
25 4 of part II of the Foreign Assistance Act of 1961 (22

1 U.S.C. 2346; relating to the economic support fund), not
2 more than \$19,600,000 for each of the fiscal years 1998
3 and 1999 shall be available for the United States contribu-
4 tion to the International Fund for Ireland in accordance
5 with the Anglo-Irish Agreement Support Act of 1986
6 (Public Law 99–415).

7 (b) ADDITIONAL REQUIREMENTS.—

8 (1) PURPOSES.—Section 2(b) of the Anglo-Irish
9 Agreement Support Act of 1986 (Public Law 99–
10 415; 100 Stat. 947) is amended by adding at the
11 end the following new sentences: “United States con-
12 tributions shall be used in a manner that effectively
13 increases employment opportunities in communities
14 with rates of unemployment significantly higher than
15 the local or urban average of unemployment in
16 Northern Ireland. In addition, such contributions
17 shall be used to benefit individuals residing in such
18 communities.”.

19 (2) CONDITIONS AND UNDERSTANDINGS.—Sec-
20 tion 5(a) of such Act is amended—

21 (A) in the first sentence—

22 (i) by striking “The United States”
23 and inserting the following:

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

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

4 “(A) may be used”;

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

7 (iv) by adding at the end the follow-
8 ing:

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

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

15 “(2) **ADDITIONAL REQUIREMENTS.**—The re-
16 strictions”.

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

19 (A) in subparagraph (A), by striking
20 “principle of equality” and all that follows and
21 inserting “principles of economic justice; and”;
22 and

23 (B) in subparagraph (B), by inserting be-
24 fore the period at the end the following: “and
25 will create employment opportunities in regions

1 and communities of Northern Ireland suffering
2 the highest rates of unemployment”.

3 (4) ANNUAL REPORTS.—Section 6 of such Act
4 is amended—

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

7 (B) in paragraph (3), by striking the pe-
8 riod and inserting “; and”; and

9 (C) by adding at the end the following new
10 paragraph:

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

15 (5) REQUIREMENTS RELATING TO FUNDS.—
16 Section 7 of such Act is amended by adding at the
17 end the following:

18 “(c) PROHIBITION.—Nothing included herein shall
19 require quotas or reverse discrimination or mandate their
20 use.”.

21 (6) DEFINITIONS.—Section 8 of such Act is
22 amended—

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

1 (B) in paragraph (2), by striking the pe-
2 riod at the end and inserting a semicolon; and

3 (C) by adding at the end the following new
4 paragraphs:

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

8 “(4) the term ‘principles of economic justice’
9 means the following principles:

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

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

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

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

1 “(E) Providing that layoff, recall, and ter-
2 mination procedures do not favor a particular
3 religious group.

4 “(F) Abolishing job reservations, appren-
5 ticeship restrictions, and differential employ-
6 ment criteria which discriminate on the basis of
7 religion.

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

15 “(H) Establishing procedures to assess,
16 identify, and actively recruit minority employees
17 with the potential for further advancement.

18 “(I) Providing for the appointment of a
19 senior management staff member to be respon-
20 sible for the employment efforts of the entity
21 and, within a reasonable period of time, the im-
22 plementation of the principles described in sub-
23 paragraphs (A) through (H).”.

1 amended by inserting after section 106 and before section
2 107A, as added by this Act, the following:

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

4 “(a) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to the President to carry
6 out sections 103 through 106, in addition to amounts oth-
7 erwise available for such purposes, \$1,100,000,000 for
8 each of the fiscal years 1998 and 1999.

9 “(b) ADDITIONAL USE OF AMOUNTS.—Of the
10 amounts authorized to be appropriated under subsection
11 (a), the President may use such amounts as he deems ap-
12 propriate to carry out the provisions of section 316 of the
13 International Security and Development Cooperation Act
14 of 1980.

15 “(c) AVAILABILITY.—The amounts authorized to be
16 appropriated under subsection (a) are authorized to re-
17 main available until expended.”.

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

21 “(a) IN GENERAL.—Of the amounts made available
22 to carry out sections 103 through 106 (including section
23 104(c)) for fiscal years 1998 and 1999, not less than
24 \$600,000,000 for each of the fiscal years 1998 and 1999

1 shall be made available to carry out this chapter (in addi-
2 tion to amounts otherwise available for such purposes).

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

6 (c) ASSISTANCE FOR THE INDEPENDENT STATES OF
7 THE FORMER SOVIET UNION.—Section 498C(a) of the
8 Foreign Assistance Act of 1961 (22 U.S.C. 2295c(a)) is
9 amended by striking “for fiscal year 1993 \$410,000,000”
10 and inserting “for economic assistance and related pro-
11 grams, \$839,900,000 for fiscal year 1998 and
12 \$789,900,000 for fiscal year 1999”.

13 (d) ASSISTANCE FOR EAST EUROPEAN COUN-
14 TRIES.—

15 (1) IN GENERAL.—There are authorized to be
16 appropriated to the President, in addition to
17 amounts otherwise available for such purposes,
18 \$471,000,000 for fiscal year 1998 and
19 \$337,000,000 for fiscal year 1999 for economic as-
20 sistance and related programs for Eastern Europe
21 and the Baltic states under the Foreign Assistance
22 Act of 1961 (22 U.S.C. 2151 et seq.) and the Sup-
23 port for East European Democracy (SEED) Act of
24 1989 (22 U.S.C. 5401 et seq.).

1 (2) AVAILABILITY.—Amounts authorized to be
2 appropriated under paragraph (1) are authorized to
3 remain available until expended.

4 (e) INTER-AMERICAN FOUNDATION.—Section
5 401(s)(2) of the Foreign Assistance Act of 1969 (22
6 U.S.C. 290f(s)(2)) is amended to read as follows:

7 “(2)(A) There are authorized to be appropriated to
8 the President to carry out programs under this section,
9 in addition to amounts otherwise available for such pur-
10 poses, \$20,000,000 for fiscal year 1998 and \$15,000,000
11 for fiscal year 1999.

12 “(B) Amounts authorized to be appropriated under
13 subparagraph (A) are authorized to remain available until
14 expended.”.

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

22 **SEC. 512. CHILD SURVIVAL ACTIVITIES.**

23 Section 104(c) of the Foreign Assistance Act of 1961
24 (22 U.S.C. 2151b(c)) is amended to read as follows:

1 “(c) ASSISTANCE FOR CHILD SURVIVAL, HEALTH,
2 BASIC EDUCATION FOR CHILDREN, AND DISEASE PRE-
3 VENTION.—

4 “(1) AUTHORITY.—The President is authorized
5 to furnish assistance, on such terms and conditions
6 as he may determine, for child survival and health
7 programs, including programs that address the spe-
8 cial health and nutrition needs of children and moth-
9 ers, and basic education programs for children. As-
10 sistance under this subsection may be used for such
11 programs as—

12 “(A) programs for the prevention, treat-
13 ment, and control of, and research on, tuber-
14 culosis, HIV/AIDS, polio, malaria, and other
15 diseases;

16 “(B) basic integrated health services;

17 “(C) immunization;

18 “(D) oral rehydration;

19 “(E) assistance for displaced and orphaned
20 children;

21 “(F) basic education programs for chil-
22 dren;

23 “(G) safe water and sanitation;

1 “(H) health and nutrition programs, and
2 related education programs, which address the
3 needs of mothers and children; and

4 “(I) related health planning and research.

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

13 “(3) AUTHORIZATION OF APPROPRIATIONS.—In
14 addition to amounts otherwise available for such
15 purposes, there are authorized to be appropriated to
16 the President \$455,000,000 for each of the fiscal
17 years 1998 and 1999 for use in carrying out this
18 subsection. Amounts appropriated under this para-
19 graph are authorized to remain available until ex-
20 pended.

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

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

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

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

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

1 **Subchapter B—Operating Expenses**

2 **SEC. 521. OPERATING EXPENSES GENERALLY.**

3 Section 667(a)(1) of the Foreign Assistance Act of
4 1961 (22 U.S.C. 2427(a)(1)) is amended to read as fol-
5 lows:

6 “(1) \$473,000,000 for fiscal year 1998 and
7 \$465,000,000 for fiscal year 1999 for necessary op-
8 erating expenses of the United States Agency for
9 International Development (other than the Office of
10 the Inspector General of such agency);”.

11 **SEC. 522. OPERATING EXPENSES OF THE OFFICE OF THE**
12 **INSPECTOR GENERAL.**

13 Section 667(a) of the Foreign Assistance Act of 1961
14 (22 U.S.C. 2427(a)), as amended by this Act, is further
15 amended—

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

18 (2) by inserting after paragraph (1) the follow-
19 ing:

20 “(2) \$29,047,000 for each of the fiscal years
21 1998 and 1999 for necessary operating expenses of
22 the Office of the Inspector General of such agency;
23 and”.

1 **CHAPTER 3—URBAN AND**
2 **ENVIRONMENTAL CREDIT PROGRAM**

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

4 (a) **IN GENERAL.**—The heading for title III of chap-
5 ter 2 of part I of the Foreign Assistance Act of 1961 is
6 amended to read as follows:

7 “**TITLE III—URBAN AND ENVIRONMENTAL**
8 **CREDIT PROGRAM**”.

9 (b) **REPEALS.**—(1) Section 222(k) of the Foreign As-
10 sistance Act of 1961 (22 U.S.C. 2182(k)) is hereby re-
11 pealed.

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

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

16 **CHAPTER 4—THE PEACE CORPS**

17 **SEC. 541. AUTHORIZATION OF APPROPRIATIONS.**

18 Section 3(b) of the Peace Corps Act (22 U.S.C.
19 2502(b)) is amended to read as follows:

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

23 “(2) Amounts authorized to be appropriated under
24 paragraph (1)—

1 (2) in subsection (h), by striking “the Federal
2 Voting Assistance Act of 1955” and all that follows
3 through the end of the subsection and inserting
4 “sections 5584 and 5732 of title 5, United States
5 Code (and readjustment allowances paid under this
6 Act shall be considered as pay for purposes of such
7 section 5732), section 1 of the Act of June 4, 1920
8 (22 U.S.C. 214), and section 3342 of title 31, Unit-
9 ed States Code.”; and

10 (3) in subsection (j), by striking “section 1757
11 of the Revised Statutes” and all that follows through
12 the end of the subsection and inserting “section
13 3331 of title 5, United States Code.”.

14 (b) GENERAL POWERS AND AUTHORITIES.—Section
15 10 of such Act (22 U.S.C. 2509) is amended—

16 (1) in subsection (a)(4), by striking “31 U.S.C.
17 665(b)” and inserting “section 1342 of title 31,
18 United States Code”; and

19 (2) in subsection (a)(5), by striking “*Provided,*
20 That” and all that follows through the end of the
21 paragraph and inserting “, except that such individ-
22 uals shall not be deemed employees for the purpose
23 of any law administered by the Office of Personnel
24 Management.”.

1 (c) UTILIZATION OF FUNDS.—Section 15 of such Act
2 (22 U.S.C. 2514) is amended—

3 (1) in the first sentence of subsection (c)—

4 (A) by striking “Public Law 84–918 (7
5 U.S.C. 1881 et seq.)” and inserting “sub-
6 chapter VI of chapter 33 of title 5, United
7 States Code (5 U.S.C. 3371 et seq.)”; and

8 (B) by striking “specified in that Act” and
9 inserting “or other organizations specified in
10 section 3372(b) of such title”; and

11 (2) in subsection (d)—

12 (A) in paragraph (2), by striking “section
13 9 of Public Law 60–328 (31 U.S.C. 673)” and
14 inserting “section 1346 of title 31, United
15 States Code”;

16 (B) in paragraph (6), by striking “without
17 regard to section 3561 of the Revised Statutes
18 (31 U.S.C. 543)”;

19 (C) in paragraph (11)—

20 (i) by striking “Foreign Service Act of
21 1946, as amended (22 U.S.C. 801 et
22 seq.),” and inserting “Foreign Service Act
23 of 1980 (22 U.S.C. 3901 et seq.)”; and

24 (ii) by striking “and” at the end;

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

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

4 “(13) the transportation of Peace Corps em-
5 ployees, Peace Corps volunteers, dependents of em-
6 ployees and volunteers, and accompanying baggage,
7 by a foreign air carrier when the transportation is
8 between 2 places outside the United States without
9 regard to section 40118 of title 49, United States
10 Code.”.

11 (d) PROHIBITION ON USE OF FUNDS FOR ABOR-
12 TIONS.—Section 15 of such Act (22 U.S.C. 2514) is
13 amended, as amended by this Act, is further amended by
14 adding at the end the following new subsection:

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

17 **CHAPTER 5—INTERNATIONAL DISASTER**
18 **ASSISTANCE**

19 **SEC. 551. AUTHORITY TO PROVIDE RECONSTRUCTION AS-**
20 **SISTANCE.**

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

23 (1) in subsection (a), by striking “and rehabili-
24 tation” and inserting “, rehabilitation, and recon-
25 struction, as the case may be,”;

1 (2) in subsection (b), by striking “and rehabili-
2 tation” and inserting “, rehabilitation, and recon-
3 struction”; and

4 (3) in subsection (c), by striking “and rehabili-
5 tation” and inserting “, rehabilitation, and recon-
6 struction”.

7 **SEC. 552. AUTHORIZATIONS OF APPROPRIATIONS.**

8 Section 492(a) of the Foreign Assistance Act of 1961
9 (22 U.S.C. (22 U.S.C. 2292a(a)) is amended in the first
10 sentence to read as follows: “There are authorized to be
11 appropriated to the President to carry out section 491,
12 in addition to funds otherwise available for such purposes,
13 \$190,000,000 for each of the fiscal years 1998 and
14 1999.”.

15 **CHAPTER 6—DEBT RELIEF**

16 **SEC. 561. DEBT RESTRUCTURING FOR FOREIGN ASSIST-**
17 **ANCE.**

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

21 **“CHAPTER 6—DEBT RELIEF**

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

23 “(a) **AUTHORITY TO REDUCE DEBT.**—The President
24 may reduce amounts owed to the United States Govern-

1 ment by a country described in subsection (b) as a result
2 of—

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

4 or

5 “(2) credits extended or guarantees issued
6 under the Arms Export Control Act (22 U.S.C.
7 2751 et seq.).

8 “(b) COUNTRY DESCRIBED.—A country described in
9 this subsection is a country—

10 “(1) with a heavy debt burden that is eligible
11 to borrow from the International Development Asso-
12 ciation but not from the International Bank for Re-
13 construction and Development (commonly referred
14 to as an ‘IDA-only’ country);

15 “(2) the government of which—

16 “(A) does not have an excessive level of
17 military expenditures;

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

20 “(C) is not failing to cooperate with the
21 United States on international narcotics control
22 matters;

23 “(3) the government (including the military or
24 other security forces of such government) of which
25 does not engage in a consistent pattern of gross vio-

1 lations of internationally recognized human rights;
2 and

3 “(4) that is not ineligible for assistance because
4 of the application of section 527(a) of the Foreign
5 Relations Authorization Act, Fiscal Years 1994 and
6 1995.

7 “(c) LIMITATIONS.—The authority under subsection
8 (a) may be exercised—

9 “(1) only to implement multilateral official debt
10 relief ad referendum agreements (commonly referred
11 to as ‘Paris Club Agreed Minutes’); and

12 “(2) only to the extent that appropriations for
13 the cost of the modification, as defined in section
14 502 of the Congressional Budget Act of 1974, are
15 made in advance.

16 “(d) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
17 duction of debt pursuant to the exercise of authority under
18 subsection (a)—

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

22 “(2) may be exercised notwithstanding section
23 620(r) of this Act or any comparable provision of
24 law.

25 “(e) AUTHORIZATION OF APPROPRIATIONS.—

1 “(1) IN GENERAL.—There are authorized to be
2 appropriated to the President for the purpose of car-
3 rying out this section and the Foreign Operations,
4 Export Financing, and Related Programs Supple-
5 mental Appropriations Act, 1994 (title VI of the
6 Foreign Operations, Export Financing, and Related
7 Programs Appropriations Act, 1994; Public Law
8 103-306) \$32,000,000 for each of the fiscal years
9 1998 and 1999.

10 “(2) AVAILABILITY.—Amounts authorized to be
11 appropriated under paragraph (1) are authorized to
12 remain available until expended.”.

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

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

17 **“SEC. 711. AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR**
18 **SALES.**

19 “(a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR
20 CANCELLATION.—

21 “(1) AUTHORITY TO SELL, REDUCE, OR CANCEL
22 CERTAIN LOANS.—Notwithstanding any other provi-
23 sion of law, the President may, in accordance with
24 this section, sell to any eligible purchaser any
25 concessional loan or portion thereof made before

1 January 1, 1995, pursuant to this Act, to the gov-
2 ernment of any eligible country, as defined in section
3 702(6), or on receipt of payment from an eligible
4 purchaser or such eligible country, reduce or cancel
5 such loan or portion thereof, only for the purpose of
6 facilitating—

7 “(A) debt-for-equity swaps, debt-for-devel-
8 opment swaps, or debt-for-nature swaps; or

9 “(B) a debt buyback by an eligible country
10 of its own qualified debt, only if the eligible
11 country uses an additional amount of the local
12 currency of the eligible country, equal to not
13 less than 40 percent of the price paid for such
14 debt by such eligible country, or the difference
15 between the price paid for such debt and the
16 face value of such debt, to support activities (i)
17 that link conservation and sustainable use of
18 natural resources with local community develop-
19 ment, and (ii) for child survival and other child
20 development activities, in a manner consistent
21 with sections 707 through 710, if the sale, re-
22 duction, or cancellation would not contravene
23 any term or condition of any prior agreement
24 relating to such loan.

1 “(2) TERMS AND CONDITIONS.—Notwithstand-
2 ing any other provision of law, the President shall,
3 in accordance with this section, establish the terms
4 and conditions under which loans may be sold, re-
5 duced, or canceled pursuant to this section.

6 “(3) ADMINISTRATION.—The Facility, as de-
7 fined in section 702(8), shall notify the Adminis-
8 trator of the United States Agency for International
9 Development of purchasers that the President has
10 determined to be eligible, and shall direct such agen-
11 cy to carry out the sale, reduction, or cancellation of
12 a loan pursuant to this section. Such agency shall
13 make an adjustment in its accounts to reflect the
14 sale, reduction, or cancellation.

15 “(4) LIMITATION.—The authorities of this sub-
16 section shall be available only to the extent that ap-
17 propriations for the cost of the modification, as de-
18 fined in section 502 of the Congressional Budget Act
19 of 1974, are made in advance.

20 “(b) DEPOSIT OF PROCEEDS.—The proceeds from
21 the sale, reduction, or cancellation of any loan sold, re-
22 duced, or canceled pursuant to this section shall be depos-
23 ited in an account or accounts established in the Treasury
24 for the repayment of such loan.

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

6 “(d) DEBTOR CONSULTATIONS.—Before the sale to
7 any eligible purchaser, or any reduction or cancellation
8 pursuant to this section, of any loan made to an eligible
9 country, the President shall consult with the country con-
10 cerning the amount of loans to be sold, reduced, or can-
11 celed and their uses for debt-for-equity swaps, debt-for-
12 development swaps, or debt-for-nature swaps.

13 “(e) AUTHORIZATION OF APPROPRIATIONS.—

14 “(1) IN GENERAL.—Of the amounts made
15 available for fiscal years 1998 and 1999 to carry out
16 section 461, \$20,000,000 for each such fiscal year
17 shall be made available for the sale, reduction, and
18 cancellation of loans or portions thereof pursuant to
19 this section.

20 “(2) AVAILABILITY.—Amounts authorized to be
21 appropriated under paragraph (1) are authorized to
22 remain available until expended.”.

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

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

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

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

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

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

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

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

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

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

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

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

24 Section 620 of the Foreign Assistance Act of 1961
25 (22 U.S.C. 2370), as amended by this Act, is further

1 amended by inserting after subsection (v), as added by
2 this Act, the following:

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

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

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

12 **SEC. 574. ENCOURAGEMENT OF FREE ENTERPRISE AND**
13 **PRIVATE PARTICIPATION.**

14 Section 601(a) of the Foreign Assistance Act of 1961
15 (22 U.S.C. 2351(a)) is amended—

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

18 (2) by adding the following:

19 “(2) To the maximum extent feasible, in providing
20 assistance under Part I of this Act, the President should
21 give special emphasis to programs and activities that en-
22 courage the creation and development of private enterprise
23 and free market systems, including—

1 “(A) the development of private cooperatives,
2 credit unions, labor unions, and civic and profes-
3 sional associations;

4 “(B) the reform and restructuring of banking
5 and financial systems; and

6 “(C) the development and strengthening of
7 commercial laws and regulations, including laws and
8 regulations to protect intellectual property.”.

9 **TITLE VI—TRADE AND**
10 **DEVELOPMENT AGENCY**

11 **SEC. 601. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 661(f)(1)(A) of the Foreign Assistance Act
13 of 1961 (22 U.S.C. 2421(f)(1)(A)) is amended to read as
14 follows:

15 “(1) AUTHORIZATION.—(A) There are author-
16 ized to be appropriated for purposes of this section,
17 in addition to funds otherwise available for such pur-
18 poses, \$43,000,000 for each of the fiscal years 1998
19 and 1999.”.

20 **TITLE VII—SPECIAL AUTHORI-**
21 **TIES AND OTHER PROVISIONS**

22 **CHAPTER 1—SPECIAL AUTHORITIES**

23 **SEC. 701. ENHANCED TRANSFER AUTHORITY.**

24 Section 610 of the Foreign Assistance Act of 1961
25 (22 U.S.C. 2360) is amended to read as follows:

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

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

10 “(1) may be transferred to, and consolidated
11 with, the funds in any other account or fund avail-
12 able to carry out any provision of this Act or the
13 Arms Export Control Act; and

14 “(2) may be used for any purpose for which
15 funds in that account or fund may be used.

16 “(b) LIMITATION ON AMOUNT OF INCREASE.—The
17 total amount in the account or fund for the benefit of
18 which transfer is made under subsection (a) during any
19 fiscal year may not be increased by more than 20 percent
20 of the amount of funds otherwise made available.

21 “(c) NOTIFICATION.—The President shall notify in
22 writing the congressional committees specified in section
23 634A at least fifteen days in advance of each such transfer
24 between accounts in accordance with procedures applicable
25 to reprogramming notifications under such section.”.

1 **SEC. 702. AUTHORITY TO MEET UNANTICIPATED CONTIN-**
2 **GENCIES.**

3 Paragraph (1) of section 451(a) of the Foreign As-
4 sistance Act of 1961 (22 U.S.C. 2261(a)(1)) is amended
5 by striking “\$25,000,000” and inserting “\$50,000,000”.

6 **SEC. 703. SPECIAL WAIVER AUTHORITY.**

7 (a) LAWS AFFECTED.—Section 614 of the Foreign
8 Assistance Act of 1961 (22 U.S.C. 2364) is amended by
9 striking subsections (a)(1) and (a)(2) and inserting the
10 following:

11 “(a) AUTHORITY TO AUTHORIZE ASSISTANCE,
12 SALES, AND OTHER ACTIONS; LIMITATIONS.—(1) The
13 President may authorize assistance, sales, or other action
14 under this Act, the Arms Export Control Act, or any an-
15 nual (or periodic) foreign assistance authorization or ap-
16 propriations legislation, without regard to any of the pro-
17 visions described in subsection (b), if the President deter-
18 mines, and notifies in writing the Speaker of the House
19 of Representatives and the chairman of the Committee on
20 Foreign Relations of the Senate—

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

1 “(B) with respect to other assistance or actions
2 that to do so is important to the national interests
3 of the United States.

4 “(2) The President may waive any provision de-
5 scribed in paragraph (1), (2), or (3) of subsection (b) that
6 would otherwise prohibit or restrict assistance or other ac-
7 tion under any provision of law not described in those
8 paragraphs if the President determines, and notifies in
9 writing the Speaker of the House of Representatives and
10 the chairman of the Committee on Foreign Relations of
11 the Senate, that to do so is important to the national in-
12 terests of the United States.”.

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

15 (1) in subparagraph (A)—

16 (A) in clause (i), by striking
17 “\$750,000,000” and inserting
18 “\$1,000,000,000”;

19 (B) in clause (ii), by striking
20 “\$250,000,000” and inserting “\$500,000,000”;
21 and

22 (C) in clause (iii), by striking
23 “\$100,000,000” and inserting “\$200,000,000”;
24 and

25 (2) in subparagraph (C)—

1 (A) by striking “\$50,000,000” and insert-
2 ing “\$75,000,000”; and

3 (B) by striking “\$1,000,000,000” and in-
4 serting “\$1,500,000,000”.

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

8 “(b) LAWS WHICH MAY BE WAIVED.—The provi-
9 sions referred to in subsections (a)(1) and (a)(2) are—

10 “(1) the provisions of this Act;

11 “(2) the provisions of the Arms Export Control
12 Act;

13 “(3) the provisions of any annual (or periodic)
14 foreign assistance authorization or appropriations
15 legislation, including any amendment made by any
16 such Act;

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

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

22 (d) CONFORMING AMENDMENT.—Section
23 614(a)(4)(B) of such Act (22 U.S.C. 2364(a)(4)(B)) is
24 amended by striking “the Arms Export Control Act or
25 under”.

1 **SEC. 704. TERMINATION OF ASSISTANCE.**

2 Section 617 of the Foreign Assistance Act of 1961
3 (22 U.S.C. 2367) is amended to read as follows:

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

5 “(a) IN GENERAL.—(1) In order to ensure the effec-
6 tiveness of assistance provided under this Act, notwith-
7 standing any other provision of law, funds made available
8 under this Act or the Arms Export Control Act to carry
9 out any program, project, or activity of assistance shall
10 remain available for obligation for a period not to exceed
11 8 months after the date of termination of such assistance
12 for the necessary expenses of winding up such programs,
13 projects, or activities, and funds so obligated may remain
14 available until expended.

15 “(2) Funds obligated to carry out any program,
16 project, or activity of assistance before the effective date
17 of the termination of such assistance are authorized to be
18 available for expenditure for the necessary expenses of
19 winding up such programs, projects, and activities, not-
20 withstanding any provision of law restricting the expendi-
21 ture of funds, and may be reobligated to meet any other
22 necessary expenses arising from the termination of such
23 assistance.

24 “(3) The necessary expenses of winding up programs,
25 projects, and activities of assistance include the obligation
26 and expenditure of funds to complete the training or stud-

1 ies outside their countries of origin of students whose
2 course of study or training program began before assist-
3 ance was terminated.

4 “(b) LIABILITY TO CONTRACTORS.—For the purpose
5 of making an equitable settlement of termination claims
6 under extraordinary contractual relief standards, the
7 President is authorized to adopt as a contract or other
8 obligation of the United States Government, and assume
9 (in whole or in part) any liabilities arising thereunder, any
10 contract with a United States or third-country contractor
11 to carry out any program, project, or activity of assistance
12 under this Act that was subsequently terminated pursuant
13 to law.

14 “(c) GUARANTEE PROGRAMS.—Provisions of this or
15 any other Act requiring the termination of assistance
16 under this Act shall not be construed to require the termi-
17 nation of guarantee commitments that were entered into
18 before the effective date of the termination of assistance.”.

19 **SEC. 705. LOCAL ASSISTANCE TO HUMAN RIGHTS GROUPS**
20 **IN CUBA.**

21 Section 109 of the Cuban Liberty and Democratic
22 Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6039)
23 is amended by adding at the end the following:

24 “(d) LOCAL ASSISTANCE.—

1 (c) 1985 ASSISTANCE ACT.—The International Secu-
2 rity and Development Cooperation Act of 1985 is hereby
3 repealed except for section 1, section 131, section 132, sec-
4 tion 502, section 504, section 505, part B of title V (other
5 than section 558 and section 559), section 1302, section
6 1303, and section 1304.

7 (d) 1985 JORDAN SUPPLEMENTAL ACT.—The Jor-
8 dan Supplemental Economic Assistance Authorization Act
9 of 1985 is hereby repealed.

10 (e) 1985 AFRICAN FAMINE ACT.—The African Fam-
11 ine Relief and Recovery Act of 1985 is hereby repealed.

12 (f) 1983 ASSISTANCE ACT.—The International Secu-
13 rity and Development Assistance Authorization Act of
14 1983 is hereby repealed.

15 (g) 1983 LEBANON ASSISTANCE ACT.—The Lebanon
16 Emergency Assistance Act of 1983 is hereby repealed.

17 (h) 1981 ASSISTANCE ACT.—The International Secu-
18 rity and Development Cooperation Act of 1981 is hereby
19 repealed except for section 1, section 709, and section 714.

20 (i) 1980 ASSISTANCE ACT.—The International Secu-
21 rity and Development Cooperation Act of 1980 is hereby
22 repealed except for section 1, section 110, section 316, and
23 title V.

1 (j) 1979 DEVELOPMENT ASSISTANCE ACT.—The
2 International Development Cooperation Act of 1979 is
3 hereby repealed.

4 (k) 1979 SECURITY ASSISTANCE ACT.—The Inter-
5 national Security Assistance Act of 1979 is hereby re-
6 pealed.

7 (l) 1979 SPECIAL SECURITY ASSISTANCE ACT.—The
8 Special International Security Assistance Act of 1979 is
9 hereby repealed.

10 (m) 1978 DEVELOPMENT ASSISTANCE ACT.—The
11 International Development and Food Assistance Act of
12 1978 is hereby repealed, except for section 1, title IV, and
13 section 603(a)(2).

14 (n) 1978 SECURITY ASSISTANCE ACT.—The Inter-
15 national Security Assistance Act of 1978 is hereby re-
16 pealed.

17 (o) 1977 DEVELOPMENT ASSISTANCE ACT.—The
18 International Development and Food Assistance Act of
19 1977 is hereby repealed except for section 1, section
20 132(b), and section 133.

21 (p) 1977 SECURITY ASSISTANCE ACT.—The Inter-
22 national Security Assistance Act of 1977 is hereby re-
23 pealed.

24 (q) 1976 SECURITY ASSISTANCE ACT.—The Inter-
25 national Security Assistance and Arms Export Control Act

1 of 1976 is hereby repealed except for section 1, section
2 201(b), section 212(b), section 601, and section 608.

3 (r) 1975 DEVELOPMENT ASSISTANCE ACT.—The
4 International Development and Food Assistance Act of
5 1975 is hereby repealed.

6 (s) 1975 BIB ACT.—Public Law 94–104 is hereby
7 repealed.

8 (t) 1974 ASSISTANCE ACT.—The Foreign Assistance
9 Act of 1974 is hereby repealed.

10 (u) 1973 EMERGENCY ASSISTANCE ACT.—The
11 Emergency Security Assistance Act of 1973 is hereby re-
12 pealed.

13 (v) 1973 ASSISTANCE ACT.—The Foreign Assistance
14 Act of 1973 is hereby repealed.

15 (w) 1971 ASSISTANCE ACT.—The Foreign Assistance
16 Act of 1971 is hereby repealed.

17 (x) 1971 SPECIAL ASSISTANCE ACT.—The Special
18 Foreign Assistance Act of 1971 is hereby repealed.

19 (y) 1969 ASSISTANCE ACT.—The Foreign Assistance
20 Act of 1969 is hereby repealed except for the first section
21 and part IV.

22 (z) 1968 ASSISTANCE ACT.—The Foreign Assistance
23 Act of 1968 is hereby repealed.

24 (aa) 1964 ASSISTANCE ACT.—The Foreign Assist-
25 ance Act of 1964 is hereby repealed.

1 (bb) LATIN AMERICAN DEVELOPMENT ACT.—The
2 Latin American Development Act is hereby repealed.

3 (cc) 1959 MUTUAL SECURITY ACT.—The Mutual Se-
4 curity Act of 1959 is hereby repealed.

5 (dd) 1954 MUTUAL SECURITY ACT.—Sections 402
6 and 417 of the Mutual Security Act of 1954 are hereby
7 repealed.

8 (ee) DEPARTMENT OF STATE AUTHORIZATION ACT,
9 FISCAL YEARS 1982 AND 1983.—Section 109 of the De-
10 partment of State Authorization Act, Fiscal Years 1982
11 and 1983, is hereby repealed.

12 (ff) DEPARTMENT OF STATE AUTHORIZATION ACT,
13 FISCAL YEARS 1984 AND 1985.—Sections 1004 and
14 1005(a) of the Department of State Authorization Act,
15 Fiscal Years 1984 and 1985, are hereby repealed.

16 (gg) SAVINGS PROVISION.—Except as otherwise pro-
17 vided in this Act, the repeal by this Act of any provision
18 of law that amended or repealed another provision of law
19 does not affect in any way that amendment or repeal.

20 **DIVISION B—FOREIGN RELA-**
21 **TIONS AUTHORIZATIONS ACT**

22 **TITLE X—GENERAL PROVISIONS**

23 **SEC. 1001. SHORT TITLE.**

24 This division may be cited as the “Foreign Relations
25 Authorization Act, Fiscal Years 1998 and 1999” and shall

1 be effective for all purposes as if enacted as a separate
2 Act.

3 **SEC. 1002. STATEMENT OF HISTORY OF LEGISLATION.**

4 This division consists of H.R. 1253, the Foreign Re-
5 lations Authorization Act, Fiscal Years 1998 and 1999,
6 which was introduced by Representative Smith of New
7 Jersey on April 9, 1997, and amended and reported by
8 the Subcommittee on International Operations and
9 Human Rights of the Committee on International Rela-
10 tions on April 10, 1997.

11 **SEC. 1003. DEFINITIONS.**

12 The following terms have the following meanings for
13 the purposes of this division:

14 (1) The term “AID” means the Agency for
15 International Development.

16 (2) The term “ACDA” means the United
17 States Arms Control and Disarmament Agency.

18 (3) The term “appropriate congressional com-
19 mittees” means the Committee on International Re-
20 lations of the House of Representatives and the
21 Committee of Foreign Relations of the Senate.

22 (4) The term “Department” means the Depart-
23 ment of State.

1 (5) The term “Federal agency” has the mean-
2 ing given to the term “agency” by section 551(1) of
3 title 5, United States Code.

4 (6) The term “Secretary” means the Secretary
5 of State.

6 (7) The term “USIA” means the United States
7 Information Agency.

8 **TITLE XI—AUTHORIZATION OF**
9 **APPROPRIATIONS FOR DE-**
10 **PARTMENT OF STATE AND**
11 **CERTAIN INTERNATIONAL AF-**
12 **FAIRS FUNCTIONS AND AC-**
13 **TIVITIES**

14 **SEC. 1101. ADMINISTRATION OF FOREIGN AFFAIRS.**

15 The following amounts are authorized to be appro-
16 priated for the Department of State under “Administra-
17 tion of Foreign Affairs” to carry out the authorities, func-
18 tions, duties, and responsibilities in the conduct of the for-
19 eign affairs of the United States and for other purposes
20 authorized by law, including the diplomatic security pro-
21 gram:

22 (1) **DIPLOMATIC AND CONSULAR PROGRAMS.—**
23 For “Diplomatic and Consular Programs”, of the
24 Department of State \$1,280,300,000 for the fiscal

1 year 1998 and \$1,291,977,000 for the fiscal year
2 1999.

3 (2) SALARIES AND EXPENSES.—

4 (A) AUTHORIZATION OF APPROPRIA-
5 TIONS.—For “Salaries and Expenses”, of the
6 Department of State \$352,300,000 for the fis-
7 cal year 1998 and \$352,300,000 for the fiscal
8 year 1999.

9 (B) LIMITATIONS.—

10 (i) Of the amounts authorized to be
11 appropriated by subparagraph (A),
12 \$12,000,000 for fiscal year 1998 and
13 \$12,000,000 for fiscal year 1999 are au-
14 thorized to be appropriated for salaries
15 and expenses of the Bureau of Refugee
16 and Migration Assistance.

17 (ii) Of the amounts authorized to be
18 appropriated by subparagraph (A)
19 \$1,000,000 for fiscal year 1998 and
20 \$1,000,000 for fiscal year 1999 are au-
21 thorized to be appropriated only for the re-
22 cruitment and training of Hispanic Ameri-
23 cans, Asian-Pacific Americans, and African
24 Americans for careers in the Foreign Serv-
25 ice and international affairs.

1 (3) CAPITAL INVESTMENT FUND.—For “Cap-
2 ital Investment Fund”, of the Department of State
3 \$56,000,000 for the fiscal year 1998 and
4 \$56,000,000 for the fiscal year 1999.

5 (4) SECURITY AND MAINTENANCE OF BUILD-
6 INGS ABROAD.—For “Security and Maintenance of
7 Buildings Abroad”, \$373,081,000 for the fiscal year
8 1998 and \$373,081,000 for the fiscal year 1999.

9 (5) REPRESENTATION ALLOWANCES.—For
10 “Representation Allowances”, \$4,300,000 for the
11 fiscal year 1998 and \$4,300,000 for the fiscal year
12 1999.

13 (6) EMERGENCIES IN THE DIPLOMATIC AND
14 CONSULAR SERVICE.—For “Emergencies in the Dip-
15 lomatic and Consular Service”, \$5,500,000 for the
16 fiscal 1998 and \$5,500,000 for the fiscal year 1999.

17 (7) OFFICE OF THE INSPECTOR GENERAL.—
18 For “Office of the Inspector General”, \$28,300,000
19 for the fiscal year 1998 and \$28,300,000 for the fis-
20 cal year 1999.

21 (8) PAYMENT TO THE AMERICAN INSTITUTE IN
22 TAIWAN.—For “Payment to the American Institute
23 in Taiwan”, \$14,490,000 for the fiscal year 1998
24 and \$14,490,000 for the fiscal year 1999.

1 (9) PROTECTION OF FOREIGN MISSIONS AND
2 OFFICIALS.—For “Protection of Foreign Missions
3 and Officials”, \$7,900,000 for the fiscal year 1998
4 and \$7,900,000 for the fiscal year 1999.

5 (10) REPATRIATION LOANS.—For “Repatri-
6 ation Loans”, \$1,200,000 for the fiscal year 1998
7 and \$1,200,000 for the fiscal year 1999, for admin-
8 istrative expenses.

9 **SEC. 1102. INTERNATIONAL ORGANIZATIONS, PROGRAMS,**
10 **AND CONFERENCES.**

11 (a) ASSESSED CONTRIBUTIONS TO INTERNATIONAL
12 ORGANIZATIONS.—There are authorized to be appro-
13 priated for “Contributions to International Organiza-
14 tions”, \$960,389,000 for the fiscal year 1998 and
15 \$987,590,000 for the fiscal year 1999 for the Department
16 of State to carry out the authorities, functions, duties, and
17 responsibilities in the conduct of the foreign affairs of the
18 United States with respect to international organizations
19 and to carry out other authorities in law consistent with
20 such purposes.

21 (b) VOLUNTARY CONTRIBUTIONS TO INTER-
22 NATIONAL ORGANIZATIONS.—

23 (1) AUTHORIZATION OF APPROPRIATIONS.—
24 There are authorized to be appropriated for “Vol-
25 untary Contributions to International Organiza-

1 tions”, \$299,725,000 for the fiscal year 1998 and
2 \$299,725,000 for the fiscal year 1999.

3 (2) LIMITATIONS.—

4 (A) WORLD FOOD PROGRAM.—Of the
5 amounts authorized to be appropriated under
6 paragraph (1), \$5,000,000 for the fiscal year
7 1998 and \$5,000,000 for the fiscal year 1999
8 are authorized to be appropriated only for a
9 United States contribution to the World Food
10 Program.

11 (B) UNITED NATIONS VOLUNTARY FUND
12 FOR VICTIMS OF TORTURE.—Of the amount au-
13 thorized to be appropriated under paragraph
14 (1), \$3,000,000 for the fiscal year 1998 and
15 \$3,000,000 for the fiscal year 1999 are author-
16 ized to be appropriated only for a United States
17 contribution to the United Nations Voluntary
18 Fund for Victims of Torture.

19 (C) INTERNATIONAL PROGRAM ON THE
20 ELIMINATION OF CHILD LABOR.—Of the
21 amounts authorized to be appropriated under
22 paragraph (1), \$10,000,000 for the fiscal year
23 1998 and \$10,000,000 for the fiscal year 1999
24 are authorized to be appropriated only for a
25 United States contribution to the International

1 Labor Organization for the activities of the
2 International Program on the Elimination of
3 Child Labor.

4 (3) AVAILABILITY OF FUNDS.—Amounts au-
5 thorized to be appropriated under paragraph (1) are
6 authorized to remain available until expended.

7 (c) ASSESSED CONTRIBUTIONS FOR INTERNATIONAL
8 PEACEKEEPING ACTIVITIES.—There are authorized to be
9 appropriated for “Contributions for International Peace-
10 keeping Activities”, \$240,000,000 for the fiscal year 1998
11 and \$240,000,000 for the fiscal year 1999 for the Depart-
12 ment of State to carry out the authorities, functions, du-
13 ties, and responsibilities in the conduct of the foreign af-
14 fairs of the United States with respect to international
15 peacekeeping activities and to carry out other authorities
16 in law consistent with such purposes.

17 (d) VOLUNTARY CONTRIBUTIONS TO PEACEKEEPING
18 OPERATIONS.—There are authorized to be appropriated
19 for “Peacekeeping Operations”, \$87,600,000 for the fiscal
20 year 1998 and \$67,000,000 for the fiscal year 1999 for
21 the Department of State to carry out section 551 of Public
22 Law 87–195.

23 (e) INTERNATIONAL CONFERENCES AND CONTIN-
24 GENCIES.—There are authorized to be appropriated for
25 “International Conferences and Contingencies”,

1 \$3,000,000 for the fiscal year 1998 and \$3,000,000 for
2 the fiscal year 1999 for the Department of State to carry
3 out the authorities, functions, duties, and responsibilities
4 in the conduct of the foreign affairs of the United States
5 with respect to international conferences and contin-
6 gencies and to carry out other authorities in law consistent
7 with such purposes.

8 (f) FOREIGN CURRENCY EXCHANGE RATES.—In ad-
9 dition to amounts otherwise authorized to be appropriated
10 by subsections (a) and (b) of this section, there are au-
11 thorized to be appropriated such sums as may be nec-
12 essary for each of the fiscal years 1998 and 1999 to offset
13 adverse fluctuations in foreign currency exchange rates.
14 Amounts appropriated under this subsection shall be avail-
15 able for obligation and expenditure only to the extent that
16 the Director of the Office of Management and Budget de-
17 termines and certifies to Congress that such amounts are
18 necessary due to such fluctuations.

19 (g) LIMITATION ON UNITED STATES VOLUNTARY
20 CONTRIBUTIONS TO UNITED NATIONS DEVELOPMENT
21 PROGRAM.—

22 (1) Of the amounts made available for fiscal
23 years 1998 and 1999 for United States voluntary
24 contributions to the United Nations Development
25 Program—

1 (A) not more than \$76,350,000 shall be
2 made available for fiscal year 1998 unless, dur-
3 ing fiscal year 1998, the President submits to
4 the appropriate committees of Congress the cer-
5 tification described in paragraph (2), and

6 (B) not more than \$76,350,000 shall be
7 available for fiscal year 1999 unless, during fis-
8 cal year 1999, the President submits to the ap-
9 propriate committees of Congress the certifi-
10 cation described in paragraph (2).

11 (2) The certification referred to in paragraph
12 (1) is a certification by the President that all pro-
13 grams and activities of the United Nations Develop-
14 ment Program (including United Nations Develop-
15 ment Program—Administered Funds) in Burma—

16 (A) are focused on eliminating human suf-
17 fering and addressing the needs of the poor;

18 (B) are undertaken only through inter-
19 national or private voluntary organizations that
20 have been deemed independent of the State
21 Law and Order Restoration Council (SLORC)
22 by the leadership of the National League for
23 Democracy and the leadership of the National
24 Coalition Government of the Union of Burma;

1 (C) provide no financial, political, or mili-
2 tary benefit to the SLORC; and

3 (D) are supported by the leadership of the
4 National League for Democracy and the leader-
5 ship of the National Coalition Government of
6 the Union of Burma.

7 **SEC. 1103. INTERNATIONAL COMMISSIONS.**

8 The following amounts are authorized to be appro-
9 priated under “International Commissions” for the De-
10 partment of State to carry out the authorities, functions,
11 duties, and responsibilities in the conduct of the foreign
12 affairs of the United States and for other purposes author-
13 ized by law:

14 (1) INTERNATIONAL BOUNDARY AND WATER
15 COMMISSION, UNITED STATES AND MEXICO.—For
16 “International Boundary and Water Commission,
17 United States and Mexico”—

18 (A) for “Salaries and Expenses”
19 \$18,490,000 for the fiscal year 1998 and
20 \$18,490,000 for the fiscal year 1999; and

21 (B) for “Construction” \$6,493,000 for the
22 fiscal year 1998 and \$6,493,000 for the fiscal
23 year 1999.

24 (2) INTERNATIONAL BOUNDARY COMMISSION,
25 UNITED STATES AND CANADA.—For “International

1 Boundary Commission, United States and Canada”,
2 \$785,000 for the fiscal year 1998 and \$785,000 for
3 the fiscal year 1999.

4 (3) INTERNATIONAL JOINT COMMISSION.—For
5 “International Joint Commission”, \$3,225,000 for
6 the fiscal year 1998 and \$3,225,000 for the fiscal
7 year 1999.

8 (4) INTERNATIONAL FISHERIES COMMIS-
9 SIONS.—For “International Fisheries Commissions”,
10 \$14,549,000 for the fiscal year 1998 and
11 \$14,549,000 for the fiscal year 1999.

12 **SEC. 1104. MIGRATION AND REFUGEE ASSISTANCE.**

13 (a) MIGRATION AND REFUGEE ASSISTANCE.—

14 (1) AUTHORIZATION OF APPROPRIATIONS.—
15 There are authorized to be appropriated for “Migra-
16 tion and Refugee Assistance” for authorized activi-
17 ties, \$623,000,000 for the fiscal year 1998 and
18 \$623,000,000 for the fiscal year 1999.

19 (2) LIMITATION REGARDING TIBETAN REFU-
20 GEES IN INDIA AND NEPAL.—Of the amounts au-
21 thorized to be appropriated in paragraph (1),
22 \$1,000,000 for the fiscal year 1998 and \$1,000,000
23 for the fiscal year 1999 are authorized to be avail-
24 able only for humanitarian assistance, including but
25 not limited to food, medicine, clothing, and medical

1 and vocational training to Tibetan refugees in India
2 and Nepal who have fled Chinese-occupied Tibet.

3 (b) REFUGEES RESETTLING IN ISRAEL.—There are
4 authorized to be appropriated \$80,000,000 for the fiscal
5 year 1998 and \$80,000,000 for the fiscal year 1999 for
6 assistance for refugees resettling in Israel from other
7 countries.

8 (c) HUMANITARIAN ASSISTANCE FOR DISPLACED
9 BURMESE.—There are authorized to be appropriated
10 \$1,500,000 for the fiscal year 1998 and \$1,500,000 for
11 the fiscal year 1999 for humanitarian assistance, includ-
12 ing but not limited to food, medicine, clothing, and medi-
13 cal and vocational training to persons displaced as a result
14 of civil conflict in Burma, including persons still within
15 Burma.

16 (d) LIMITATION.—None of the funds authorized to
17 be appropriated by this section are authorized to be appro-
18 priated for salaries and administrative expenses of the Bu-
19 reau of Migration and Refugee Assistance.

20 (e) AVAILABILITY OF FUNDS.—Funds appropriated
21 pursuant to this section are authorized to be available
22 until expended.

23 **SEC. 1105. ASIA FOUNDATION.**

24 There are authorized to be appropriated for “Asia
25 Foundation”, \$10,000,000 for the fiscal year 1998 and

1 \$10,000,000 for the fiscal year 1999 for the Department
2 of State to carry out the authorities, functions, duties, and
3 responsibilities in the conduct of the foreign affairs of the
4 United States with respect to Asia Foundation and to
5 carry out other authorities in law consistent with such
6 purposes.

7 **SEC. 1106. UNITED STATES INFORMATIONAL, EDU-**
8 **CATIONAL, AND CULTURAL PROGRAMS.**

9 The following amounts are authorized to be appro-
10 priated to carry out international information activities
11 and educational and cultural exchange programs under
12 the United States Information and Educational Exchange
13 Act of 1948, the Mutual Educational and Cultural Ex-
14 change Act of 1961, Reorganization Plan Number 2 of
15 1977, the United States International Broadcasting Act
16 of 1994, the Radio Broadcasting to Cuba Act, the Tele-
17 vision Broadcasting to Cuba Act, the Board for Inter-
18 national Broadcasting Act, the North/South Center Act of
19 1991, the National Endowment for Democracy Act, and
20 to carry out other authorities in law consistent with such
21 purposes:

22 (1) SALARIES AND EXPENSES.—For “Salaries
23 and Expenses”, \$434,097,000 for the fiscal year
24 1998 and \$434,097,000 for the fiscal year 1999.

1 (2) TECHNOLOGY FUND.—For “Technology
2 Fund” for the United States Information Agency,
3 \$6,350,000 for the fiscal year 1998 and \$6,350,000
4 for the fiscal year 1999.

5 (3) EDUCATIONAL AND CULTURAL EXCHANGE
6 PROGRAMS.—

7 (A) FULBRIGHT ACADEMIC EXCHANGE
8 PROGRAMS.—For the “Fulbright Academic Ex-
9 change Programs”, \$94,236,000 for the fiscal
10 year 1998 and \$94,236,000 for the fiscal year
11 1999.

12 (B) SOUTH PACIFIC EXCHANGES.—For the
13 “South Pacific Exchanges”, \$500,000 for the
14 fiscal year 1998 and \$500,000 for the fiscal
15 year 1999.

16 (C) EAST TIMORESE SCHOLARSHIPS.—For
17 the “East Timorese Scholarships”, \$500,000
18 for the fiscal year 1998 and \$500,000 for the
19 fiscal year 1999.

20 (D) TIBETAN EXCHANGES.—For the
21 “Educational and Cultural Exchanges with
22 Tibet” under section 236 of the Foreign Rela-
23 tions Authorization Act, Fiscal Years 1994 and
24 1995 (Public Law 103–236), \$500,000 for the

1 fiscal year 1998 and \$500,000 for the fiscal
2 year 1999.

3 (E) OTHER PROGRAMS.—For “Hubert H.
4 Humphrey Fellowship Program”, “Edmund S.
5 Muskie Fellowship Program”, “International
6 Visitors Program”, “Mike Mansfield Fellowship
7 Program”, “Claude and Mildred Pepper Schol-
8 arship Program of the Washington Workshops
9 Foundation”, “Citizen Exchange Programs”,
10 “Congress-Bundestag Exchange Program”,
11 “Newly Independent States and Eastern Eu-
12 rope Training”, and “Institute for Representa-
13 tive Government”, \$97,995,000 for the fiscal
14 year 1998 and \$97,995,000 for the fiscal year
15 1999.

16 (4) INTERNATIONAL BROADCASTING ACTIVI-
17 TIES.—

18 (A) AUTHORIZATION OF APPROPRIA-
19 TIONS.—For “International Broadcasting Ac-
20 tivities”, \$334,655,000 for the fiscal year 1998,
21 and \$334,655,000 for the fiscal year 1999.

22 (B) ALLOCATION.—Of the amounts au-
23 thorized to be appropriated under subparagraph
24 (A), the Director of the United States Informa-
25 tion Agency and the Board of Broadcasting

1 Governors shall seek to ensure that the
2 amounts made available for broadcasting to na-
3 tions whose people do not fully enjoy freedom of
4 expression do not decline in proportion to the
5 amounts made available for broadcasting to
6 other nations.

7 (5) RADIO CONSTRUCTION.—For “Radio Con-
8 struction”, \$30,000,000 for the fiscal year 1998,
9 and \$30,000,000 for the fiscal year 1999.

10 (6) RADIO FREE ASIA.—For “Radio Free
11 Asia”, \$10,000,000 for the fiscal year 1998 and
12 \$10,000,000 for the fiscal year 1999.

13 (7) BROADCASTING TO CUBA.—For “Broad-
14 casting to Cuba”, \$22,095,000 for the fiscal year
15 1998 and \$22,095,000 for the fiscal year 1999.

16 (8) CENTER FOR CULTURAL AND TECHNICAL
17 INTERCHANGE BETWEEN EAST AND WEST.—For
18 “Center for Cultural and Technical Interchange be-
19 tween East and West”, \$10,000,000 for the fiscal
20 year 1998 and \$10,000,000 for the fiscal year 1999.

21 (9) NATIONAL ENDOWMENT FOR DEMOC-
22 RACY.—For “National Endowment for Democracy”,
23 \$30,000,000 for the fiscal year 1998 and
24 \$30,000,000 for the fiscal year 1999.

1 (10) CENTER FOR CULTURAL AND TECHNICAL
2 INTERCHANGE BETWEEN NORTH AND SOUTH.—For
3 “Center for Cultural and Technical Interchange be-
4 tween North and South” \$2,000,000 for the fiscal
5 year 1998 and \$2,000,000 for the fiscal year 1999.

6 **SEC. 1107. UNITED STATES ARMS CONTROL AND DISAR-**
7 **MAMENT.**

8 There are authorized to be appropriated to carry out
9 the purposes of the Arms Control and Disarmament Act—

10 (1) \$44,000,000 for the fiscal year 1998 and
11 \$44,000,000 for the fiscal year 1999; and

12 (2) such sums as may be necessary for each of
13 the fiscal years 1998 and 1999 for increases in sal-
14 ary, pay, retirement, other employee benefits author-
15 ized by law, and to offset adverse fluctuations in for-
16 eign currency exchange rates.

1 **TITLE XII—DEPARTMENT OF**
2 **STATE AUTHORITIES AND AC-**
3 **TIVITIES**

4 **CHAPTER 1—AUTHORITIES AND**
5 **ACTIVITIES**

6 **SEC. 1201. REVISION OF DEPARTMENT OF STATE REWARDS**
7 **PROGRAM.**

8 (a) IN GENERAL.—Section 36 of the State Depart-
9 ment Basic Authorities Act of 1956 (22 U.S.C. 2708) is
10 amended to read as follows:

11 **“SEC. 36. DEPARTMENT OF STATE REWARDS PROGRAM.**

12 “(a) ESTABLISHMENT.—(1) There is established a
13 program for the payment of rewards to carry out the pur-
14 poses of this section.

15 “(2) The rewards program established by this section
16 shall be administered by the Secretary of State, in con-
17 sultation, where appropriate, with the Attorney General.

18 “(b) PURPOSE.—(1) The rewards program estab-
19 lished by this section shall be designed to assist in the
20 prevention of acts of international terrorism, international
21 narcotics trafficking, and other related criminal acts.

22 “(2) At the sole discretion of the Secretary of State
23 and in consultation, as appropriate, with the Attorney
24 General, the Secretary may pay a reward to any individual
25 who furnishes information leading to—

1 “(A) the arrest or conviction in any country of
2 any individual for the commission of an act of inter-
3 national terrorism against a United States person or
4 United States property;

5 “(B) the arrest or conviction in any country of
6 any individual conspiring or attempting to commit
7 an act of international terrorism against a United
8 States person or United States property;

9 “(C) the arrest or conviction in any country of
10 any individual for committing, primarily outside the
11 territorial jurisdiction of the United States, any nar-
12 cotics-related offense if that offense involves or is a
13 significant part of conduct that involves—

14 “(i) a violation of United States narcotics
15 laws and which is such that the individual
16 would be a major violator of such laws; or

17 “(ii) the killing or kidnapping of—

18 “(I) any officer, employee, or contract
19 employee of the United States Government
20 while such individual is engaged in official
21 duties, or on account of that individual’s
22 official duties, in connection with the en-
23 forcement of United States narcotics laws
24 or the implementing of United States nar-
25 cotics control objectives; or

1 “(II) a member of the immediate fam-
2 ily of any such individual on account of
3 that individual’s official duties, in connec-
4 tion with the enforcement of United States
5 narcotics laws or the implementing of
6 United States narcotics control objectives;
7 or

8 “(iii) an attempt or conspiracy to commit
9 any of the acts described in clause (i) or (ii);
10 or

11 “(D) the arrest or conviction in any country of
12 any individual aiding or abetting in the commission
13 of an act described in subparagraphs (A) through
14 (C); or

15 “(E) the prevention, frustration, or favorable
16 resolution of an act described in subparagraphs (A)
17 through (C).

18 “(c) COORDINATION.—(1) To ensure that the pay-
19 ment of rewards pursuant to this section does not dupli-
20 cate or interfere with the payment of informants or the
21 obtaining of evidence or information, as authorized to the
22 Department of Justice, the offering, administration, and
23 payment of rewards under this section, including proce-
24 dures for—

1 “(A) identifying individuals, organizations, and
2 offenses with respect to which rewards will be of-
3 fered;

4 “(B) the publication of rewards;

5 “(C) offering of joint rewards with foreign gov-
6 ernments;

7 “(D) the receipt and analysis of data; and

8 “(E) the payment and approval of payment,
9 shall be governed by procedures developed by the Sec-
10 retary of State, in consultation with the Attorney General.

11 “(2) Before making a reward under this section in
12 a matter over which there is Federal criminal jurisdiction,
13 the Secretary of State shall advise and consult with the
14 Attorney General.

15 “(d) FUNDING.—(1) There is authorized to be appro-
16 priated to the Department of State from time to time such
17 amounts as may be necessary to carry out the purposes
18 of this section, notwithstanding section 102 of the Foreign
19 Relations Authorization Act, Fiscal Years 1986 and 1987
20 (Public Law 99–93).

21 “(2) No amount of funds may be appropriated which,
22 when added to the amounts previously appropriated but
23 not yet obligated, would cause such amounts to exceed
24 \$15,000,000.

1 “(3) To the maximum extent practicable, funds made
2 available to carry out this section should be distributed
3 equally for the purpose of preventing acts of international
4 terrorism and for the purpose of preventing international
5 narcotics trafficking.

6 “(4) Amounts appropriated to carry out the purposes
7 of this section shall remain available until expended.

8 “(e) LIMITATION AND CERTIFICATION.—(1) A re-
9 ward under this section may not exceed \$2,000,000.

10 “(2) A reward under this section of more than
11 \$100,000 may not be made without the approval of the
12 President or the Secretary of State.

13 “(3) Any reward granted under this section shall be
14 approved and certified for payment by the Secretary of
15 State.

16 “(4) The authority of paragraph (2) may not be dele-
17 gated to any other officer or employee of the United States
18 Government.

19 “(5) If the Secretary determines that the identity of
20 the recipient of a reward or of the members of the recipi-
21 ent’s immediate family must be protected, the Secretary
22 may take such measures in connection with the payment
23 of the reward as he considers necessary to effect such pro-
24 tection.

1 “(f) INELIGIBILITY.—An officer or employee of any
2 governmental entity who, while in the performance of his
3 or her official duties, furnishes information described in
4 subsection (b) shall not be eligible for a reward under this
5 section.

6 “(g) REPORTS.—(1) Not later than 30 days after
7 paying any reward under this section, the Secretary of
8 State shall submit a report to the appropriate congres-
9 sional committees with respect to such reward. The report,
10 which may be submitted on a classified basis if necessary,
11 shall specify the amount of the reward paid, to whom the
12 reward was paid, and the acts with respect to which the
13 reward was paid. The report shall also discuss the signifi-
14 cance of the information for which the reward was paid
15 in dealing with those acts.

16 “(2) Not later than 60 days after the end of each
17 fiscal year, the Secretary of State shall submit an annual
18 report to the appropriate congressional committees with
19 respect to the operation of the rewards program author-
20 ized by this section. Such report shall provide information
21 on the total amounts expended during such fiscal year to
22 carry out the purposes of this section, including amounts
23 spent to publicize the availability of rewards.

24 “(h) PUBLICATION REGARDING REWARDS OFFERED
25 BY FOREIGN GOVERNMENTS.—Notwithstanding any other

1 provision of this section, at the sole discretion of the Sec-
2 retary of State the resources of the rewards program au-
3 thorized by this section, shall be available for the publica-
4 tion of rewards offered by foreign governments regarding
5 acts of international terrorism which do not involve United
6 States persons or property or a violation of the narcotics
7 laws of the United States.

8 “(i) DEFINITIONS.—As used in this section—

9 “(1) the term ‘appropriate congressional com-
10 mittees’ means the Committee on International Re-
11 lations of the House of Representatives and the
12 Committee on Foreign Relations of the Senate;

13 “(2) the term ‘act of international terrorism’ in-
14 cludes, but is not limited to—

15 “(A) any act substantially contributing to
16 the acquisition of unsafeguarded special nuclear
17 material (as defined in section 830(8) of the
18 Nuclear Proliferation Prevention Act of 1994)
19 or any nuclear explosive device (as defined in
20 section 830(4) of that Act) by an individual,
21 group, or non-nuclear weapon state (as defined
22 in section 830(5) of that Act); and

23 “(B) any act, as determined by the Sec-
24 retary of State, which materially supports the
25 conduct of international terrorism, including the

1 counterfeiting of United States currency or the
2 illegal use of other monetary instruments by an
3 individual, group, or country supporting inter-
4 national terrorism as determined for purposes
5 of section 6(j) of the Export Administration Act
6 of 1979;

7 “(3) the term ‘United States narcotics laws’
8 means the laws of the United States for the preven-
9 tion and control of illicit traffic in controlled sub-
10 stances (as such term is defined for purposes of the
11 Controlled Substances Act); and

12 “(4) the term ‘member of the immediate family’
13 includes—

14 “(A) a spouse, parent, brother, sister, or
15 child of the individual;

16 “(B) a person to whom the individual
17 stands in loco parentis; and

18 “(C) any other person living in the individ-
19 ual’s household and related to the individual by
20 blood or marriage.

21 “(j) DETERMINATIONS OF THE SECRETARY.—A de-
22 termination made by the Secretary of State under this sec-
23 tion shall be final and conclusive and shall not be subject
24 to judicial review.”.

1 (b) USE OF EARNINGS FROM FROZEN ASSETS FOR
2 PROGRAM.—

3 (1) AMOUNTS TO BE MADE AVAILABLE.—Up to
4 2 percent of the earnings accruing, during periods
5 beginning October 1, 1998, on all assets of foreign
6 countries blocked by the President pursuant to the
7 International Emergency Powers Act (50 U.S.C.
8 1701 and following) shall be available, subject to ap-
9 propriations Acts, to carry out section 36 of the
10 State Department Basic Authorities Act, as amend-
11 ed by this section, except that the limitation con-
12 tained in subsection (d)(2) of such section shall not
13 apply to amounts made available under this para-
14 graph.

15 (2) CONTROL OF FUNDS BY THE PRESIDENT.—
16 The President is authorized and directed to take
17 possession and exercise full control of so much of the
18 earnings described in paragraph (1) as are made
19 available under such paragraph.

20 **SEC. 1202. FOREIGN SERVICE NATIONAL SEPARATION LI-**
21 **ABILITY TRUST FUND.**

22 Section 151 of the Foreign Relations Authorization
23 Act, Fiscal Years 1992 and 1993 (22 U.S.C. 4012a) is
24 amended by adding at the end the following new sub-
25 section:

1 “(e) INTEREST.—The Secretary of the Treasury shall
2 deposit amounts in the fund in interest-bearing accounts.
3 Any interest earned on such deposits may be credited to
4 the fund without further appropriation.”.

5 **SEC. 1203. CAPITAL INVESTMENT FUND.**

6 Section 135 of the Foreign Relations Authorization
7 Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2684a) is
8 amended—

9 (1) in subsection (a) by inserting “and enhance-
10 ment” after “procurement”;

11 (2) in subsection (c) by striking “are authorized
12 to” and inserting “shall”;

13 (3) in subsection (d) by striking “for expendi-
14 ture to procure capital equipment and information
15 technology” and inserting in lieu thereof “for pur-
16 poses of subsection (a)”;

17 (4) by amending subsection (e) to read as fol-
18 lows:

19 “(e) REPROGRAMMING PROCEDURES.—Funds cred-
20 ited to the Capital Investment Fund shall not be available
21 for obligation or expenditure except in compliance with the
22 procedures applicable to reprogrammings under section 34
23 of the State Department Basic Authorities Act of 1956
24 (22 U.S.C. 2710).”.

1 **SEC. 1204. INTERNATIONAL CENTER RESERVE FUNDS.**

2 Section 5 of the International Center Act (Public
3 Law 90-533) is amended by adding at the end the follow-
4 ing new sentence: “Amounts in the reserve may be depos-
5 ited in interest-bearing accounts and the Secretary may
6 retain for the purposes set forth in this section any inter-
7 est earned on such deposits without returning such inter-
8 est to the Treasury of the United States and without fur-
9 ther appropriation.”.

10 **SEC. 1205. PROCEEDS OF SALE OF FOREIGN PROPERTIES.**

11 Section 9 of the Foreign Service Buildings Act, 1926
12 (22 U.S.C. 300) is amended by adding at the end the fol-
13 lowing new subsection:

14 “(d) Any proceeds held or deposited pursuant to this
15 section may be deposited in interest bearing accounts. The
16 Secretary of State may retain interest earned on such de-
17 posits for the purposes of this section without returning
18 such interest to the Treasury of the United States and
19 interest earned may be obligated and expended without
20 further appropriation.”.

21 **SEC. 1206. REDUCTION OF REPORTING.**

22 (a) REPORT ON FOREIGN SERVICE PERSONNEL IN
23 EACH AGENCY.—Section 601(c)(4) of the Foreign Service
24 Act of 1980 (22 U.S.C. 4001(c)(4)) is repealed.

25 (b) REPORT ON PARTICIPATION BY U.S. MILITARY
26 PERSONNEL ABROAD IN U.S. ELECTIONS.—Section

1 101(b)(6) of the Uniformed and Overseas Citizens Absen-
2 tee Voting Act (42 U.S.C. 1973ff(b)(6)) is amended by
3 striking “of voter participation” and inserting “of uni-
4 formed services voter participation, a general assessment
5 of overseas nonmilitary participation,”.

6 (c) COUNTRY REPORTS ON ECONOMIC POLICY AND
7 TRADE PRACTICES.—Section 2202 of the Omnibus Trade
8 and Competitiveness Act of 1988 (15 U.S.C. 4711) is re-
9 pealed.

10 (d) ANNUAL REPORT ON SOCIAL AND ECONOMIC
11 GROWTH.—Section 574 of the Foreign Operations, Ex-
12 port Financing, and Related Programs Appropriations
13 Act, 1996 (Public Law 104-107) is repealed.

14 (e) REPORT.—Section 308 of the Chemical and Bio-
15 logical Weapons and Warfare Elimination Act of 1991 (22
16 U.S.C. 5606) is repealed.

17 **SEC. 1207. CONTRACTING FOR LOCAL GUARDS SERVICES**
18 **OVERSEAS.**

19 Section 136(c) of the Foreign Relations Authoriza-
20 tion Act, Fiscal Years 1990 and 1991 (22 U.S.C. 4864(e))
21 is amended—

22 (1) by amending paragraph (3) to read as fol-
23 lows:

24 “(3) in evaluating proposals for such contracts,
25 award contracts to the technically acceptable firm

1 offering the lowest evaluated price, except that pro-
2 posals of United States persons and qualified United
3 States joint venture persons (as defined in sub-
4 section (d)) shall be evaluated by reducing the bid
5 price by 5 percent;”;

6 (2) by inserting “and” at the end of paragraph
7 (5);

8 (3) by striking “; and” at the end of paragraph
9 (6) and inserting a period; and

10 (4) by striking paragraph (7).

11 **SEC. 1208. PREADJUDICATION OF CLAIMS.**

12 Section 4(a) of the International Claims Settlement
13 Act (22 U.S.C. 1623(a)) is amended—

14 (1) in the first sentence by striking “1948, or”
15 and inserting “1948,”;

16 (2) by inserting before the period at the end of
17 the first sentence “, or included in a category of
18 claims against a foreign government which is re-
19 ferred to the Commission by the Secretary of State”;
20 and

21 (3) in paragraph (1) by striking “the applica-
22 ble” and inserting “any applicable”.

1 **SEC. 1209. EXPENSES RELATING TO CERTAIN INTER-**
2 **NATIONAL CLAIMS AND PROCEEDINGS.**

3 (a) **RECOVERY OF CERTAIN EXPENSES.**—The De-
4 partment of State Appropriation Act of 1937 (49 Stat.
5 1321, 22 U.S.C. 2661) is amended in the fifth undesig-
6 nated paragraph under the heading entitled “INTER-
7 NATIONAL FISHERIES COMMISSION” by striking “extraor-
8 dinary”.

9 (b) **PROCUREMENT OF SERVICES.**—Section 38(e) of
10 the State Department Basic Authorities Act of 1956 (22
11 U.S.C. 2710(c)) is amended in the first sentence by insert-
12 ing “personal and” before “other support services”.

13 **SEC. 1210. ESTABLISHMENT OF FEE ACCOUNT AND PROVID-**
14 **ING FOR PASSPORT INFORMATION SERVICES.**

15 (a) **DISPOSITION OF FEES.**—Amounts collected by
16 the Department of State pursuant to section 281 of the
17 Immigration and Nationality Act (8 U.S.C. 1351), section
18 1 of the Passport Act of June 4, 1920 (22 U.S.C. 214),
19 section 16 of the Act of August 18, 1856 (22 U.S.C.
20 4219), and section 9701 of title 31, United States Code,
21 shall be deposited in a special fund of the Treasury.

22 (b) **USE OF FUNDS.**—Subject to subsections (d) and
23 (e), amounts collected and deposited in the special fund
24 in the Treasury pursuant to subsection (a) shall be avail-
25 able to the extent and in such amounts as are provided

1 in advance in appropriations Acts for the following pur-
2 poses:

3 (1) To pay all necessary expenses of the De-
4 partment of State and the Foreign Service, including
5 expenses authorized by the State Department Basic
6 Authorities Act of 1956.

7 (2) Representation to certain international or-
8 ganizations in which the United States participates
9 pursuant to treaties ratified pursuant to the advice
10 and consent of the Senate or specific Acts of Con-
11 gress.

12 (3) Acquisition by exchange or purchase of pas-
13 senger motor vehicles as authorized by section 1343
14 of title 31, United States Code, section 201(c) of the
15 Federal Property and Administrative Services Act of
16 1949 (40 U.S.C. 481(c)), and section 7 of the State
17 Department Basic Authorities Act (22 U.S.C. 2674).

18 (4) Expenses of general administration of the
19 Department of State.

20 (5) To carry out the Foreign Service Buildings
21 Act of 1926 (22 U.S.C. 292-300) and the Diplo-
22 matic Security Construction Program as authorized
23 by title IV of the Omnibus Diplomatic Security and
24 Antiterrorism Act of 1986 (22 U.S.C. 4851).

1 (c) AVAILABILITY OF FUNDS.—Amounts collected
2 and deposited in the special fund pursuant to subsection
3 (a) are authorized to remain available until expended.

4 (d) LIMITATION.—For any fiscal year, any amount
5 deposited in the special fund under subsection (a) that ex-
6 ceeds \$455,000,000 is authorized to be made available
7 only if a notification is submitted in compliance with the
8 procedures applicable to a reprogramming of funds under
9 section 34 of the State Department Basic Authorities Act
10 of 1956.

11 (e) PASSPORT INFORMATION SERVICES.—For each
12 of the fiscal years 1998 and 1999, \$5,000,000 of the
13 amounts available in the fund shall be available only for
14 the purpose of providing passport information without
15 charge to citizens of the United States, including—

16 (1) information about who is eligible to receive
17 a United States passport and how and where to
18 apply;

19 (2) information about the status of pending ap-
20 plications; and

21 (3) names, addresses, and telephone numbers of
22 State and Federal officials who are authorized to
23 provide passport information in cooperation with the
24 Department of State.

1 **SEC. 1211. ESTABLISHMENT OF MACHINE READABLE FEE**
2 **ACCOUNT.**

3 Section 140(a) of the Foreign Relations Authoriza-
4 tion Act, Fiscal Years 1994 and 1995 (Public Law 103-
5 236) is amended—

6 (1) by redesignating paragraph (4) as para-
7 graph (6);

8 (2) by striking paragraph (5);

9 (3) by striking paragraphs (2) and (3) and in-
10 sserting the following:

11 “(2) Amounts collected under the authority of
12 paragraph (1) shall be deposited in a special fund of
13 the Treasury.

14 “(3) Subject to paragraph (5), fees deposited in
15 the special fund pursuant to paragraph (2) shall be
16 available to the extent and in such amounts as are
17 provided in advance in appropriations Acts for costs
18 of the Department of State’s border security pro-
19 gram, including the costs of—

20 “(A) installation and operation of the ma-
21 chine readable visa and automated name-check
22 process;

23 “(B) improving the quality and security of
24 the United States passport;

25 “(C) passport and visa fraud investiga-
26 tions; and

1 “(D) the technological infrastructure to
2 support and operate the programs referred to in
3 subparagraphs (A) through (C).

4 “(4) Amounts deposited pursuant to paragraph
5 (2) shall remain available for obligation until ex-
6 pended.

7 “(5) For any fiscal year, any amount collected
8 pursuant to the authority of paragraph (1) that ex-
9 ceeds \$140,000,000 is authorized to be made avail-
10 able only if a notification is submitted in compliance
11 with the procedures applicable to a reprogramming
12 of funds under section 34 of the State Department
13 Basic Authorities Act of 1956.”.

14 **SEC. 1212. RETENTION OF ADDITIONAL DEFENSE TRADE**
15 **CONTROLS REGISTRATION FEES.**

16 Section 45(a) of the State Department Basic Au-
17 thorities Act of 1956 (22 U.S.C. 2717(a)) is amended—

18 (1) by striking “\$700,000 of the” and inserting
19 “all”;

20 (2) at the end of paragraph (1) by striking
21 “and”;

22 (3) in paragraph (2)—

23 (A) by striking “functions” and inserting
24 “functions, including compliance and enforce-
25 ment activities,”; and

1 (B) by striking the period at the end and
2 inserting “; and”; and

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

5 “(3) the enhancement of defense trade export
6 compliance and enforcement activities to include
7 compliance audits of United States and foreign par-
8 ties, the conduct of administrative proceedings, end-
9 use monitoring of direct commercial arms sales and
10 transfer, and cooperation in criminal proceedings re-
11 lated to defense trade export controls.”.

12 **SEC. 1213. TRAINING.**

13 (a) INSTITUTE FOR TRAINING.—Section 701 of the
14 Foreign Service Act of 1980 (22 U.S.C. 4021) is amend-
15 ed—

16 (1) by redesignating subsection (d)(4) as sub-
17 section (g); and

18 (2) by inserting after paragraph (3) of sub-
19 section (d) the following new subsections:

20 “(e)(1) The Secretary of State may, in the discretion
21 of the Secretary, provide appropriate training and related
22 services through the institution to employees of United
23 States companies engaged in business abroad, and to the
24 families of such employees.

1 “(2) In the case of any company under contract to
2 provide services to the Department of State, the Secretary
3 of State is authorized to provide job-related training and
4 related services to any company employee who is perform-
5 ing such services.

6 “(3) Training under this subsection shall be on a re-
7 imburseable or advance-of-funds basis. Such reimburse-
8 ments or advances shall be credited to the currently avail-
9 able applicable appropriation account.

10 “(4) Training and related services under this sub-
11 section is authorized only to the extent that it will not
12 interfere with the institution’s primary mission of training
13 employees of the Department and of other agencies in the
14 field of foreign relations.

15 “(f)(1) The Secretary of State is authorized to pro-
16 vide on a reimbursable basis training programs to Mem-
17 bers of Congress or the judiciary.

18 “(2) Congressional staff members and employees of
19 the judiciary may participate on a reimbursable, space-
20 available basis in training programs offered by the institu-
21 tion.

22 “(3) Reimbursements collected under this subsection
23 shall be credited to the currently available applicable ap-
24 propriation account.

1 (A) by striking “and” after “employees,”
2 and

3 (B) by inserting before the period “, and
4 (for care provided abroad) such other persons
5 as are designated by the Secretary of State”;

6 (2) in subsection (d), by inserting “, subject to
7 subsections (g) through (i)” before “the Secretary”;
8 and

9 (3) by adding at the end the following new sub-
10 sections:

11 “(g)(1)(A) In the case of a covered beneficiary who
12 is provided health care under this section and who is en-
13 rolled in a covered health benefits plan of a third-party
14 payer, the United States shall have the right to collect
15 from the third-party payer a reasonable charge amount
16 for the care to the extent that the payment would be made
17 under such plan for such care under the conditions speci-
18 fied in paragraph (2) if a claim were submitted by or on
19 behalf of the covered beneficiary.

20 “(B) Such a covered beneficiary is not required to
21 pay any deductible, copayment, or other cost-sharing
22 under the covered health benefits plan or under this sec-
23 tion for health care provided under this section.

1 “(2) With respect to health care provided under this
2 section to a covered beneficiary, for purposes of carrying
3 out paragraph (1)—

4 “(A) the reasonable charge amount (as defined
5 in paragraph (9)(C)) shall be treated by the third-
6 party payer as the payment basis otherwise allowable
7 for the care under the plan;

8 “(B) under regulations, if the covered health
9 benefits plan restricts or differentiates in benefit
10 payments based on whether a provider of health care
11 has a participation agreement with the third-party
12 payer, the Secretary shall be treated as having such
13 an agreement as results in the highest level of pay-
14 ment under this subsection;

15 “(C) no provision of the health benefit plan
16 having the effect of excluding from coverage or limit-
17 ing payment of charges for certain care shall operate
18 to prevent collection under subsection (a), including
19 (but not limited to) any provision that limits cov-
20 erage or payment on the basis that—

21 “(i) the care was provided outside the
22 United States,

23 “(ii) the care was provided by a govern-
24 mental entity,

1 “(iii) the covered beneficiary (or any other
2 person) has no obligation to pay for the care,

3 “(iv) the provider of the care is not li-
4 censed to provide the care in the United States
5 or other location,

6 “(v) a condition of coverage relating to uti-
7 lization review, prior authorization, or similar
8 utilization control has not been met, or

9 “(vi) in the case that drugs were provided,
10 the provision of the drugs for any indicated
11 purpose has not been approved by the Federal
12 Food, Drug, and Cosmetic Administration;

13 “(D) if the covered health benefits plan con-
14 tains a requirement for payment of a deductible, co-
15 payment, or similar cost-sharing by the bene-
16 ficiary—

17 “(i) the beneficiary’s not having paid such
18 cost-sharing with respect to the care shall not
19 preclude collection under this section, and

20 “(ii) the amount the United States may
21 collect under this section shall be reduced by
22 application of the appropriate cost-sharing;

23 “(E) amounts that would be payable by the
24 third-party payer under this section but for the ap-
25 plication of a deductible under subparagraph (D)(ii)

1 shall be counted towards such deductible notwith-
2 standing that under paragraph (1)(B) the individual
3 is not charged for the care and did not pay an
4 amount towards such care; and

5 “(F) the Secretary may apply such other provi-
6 sions as may be appropriate to carry out this section
7 in an equitable manner.

8 “(3) In exercising authority under paragraph (1)—

9 “(A) the United States shall be subrogated to
10 any right or claim that the covered beneficiary may
11 have against a third-party payer;

12 “(B) the United States may institute and pros-
13 ecute legal proceedings against a third-party payer
14 to enforce a right of the United States under this
15 section; and

16 “(C) the Secretary may compromise, settle, or
17 waive a claim of the United States under this sec-
18 tion.

19 “(4) No law of any State, or of any political subdivi-
20 sion of a State, shall operate to prevent or hinder collec-
21 tion by the United States under this section.

22 “(5) If collection is sought from a third-party payer
23 for health care furnished a covered beneficiary under this
24 section, under regulations medical records of the bene-
25 ficiary shall be made available for inspection and review

1 by representatives of the third-party payer for the sole
2 purpose of permitting the third-party payer to verify, con-
3 sistent with this subsection that—

4 “(A) the care for which recovery or collection is
5 sought were furnished to the beneficiary; and

6 “(B) except as otherwise provided in this sub-
7 section, the provision of such care to the beneficiary
8 meets criteria generally applicable under the covered
9 health benefits plan.

10 “(6) The Secretary shall establish (and periodically
11 update) a schedule of reasonable charge amounts for
12 health care provided under this section. The amount under
13 such schedule for health care shall be based on charges
14 or fee schedule amounts recognized by third-party payers
15 under covered health benefits plans for payment purposes
16 for similar health care services furnished in the Metropoli-
17 tan Washington, District of Columbia, area.

18 “(7) The Secretary shall establish a procedure under
19 which a covered beneficiary may elect to have subsection
20 (h) apply instead of this subsection with respect to some
21 or all health care provided to the beneficiary under this
22 section.

23 “(8) Amounts collected under this subsection, under
24 subsection (h), or under any authority referred to in sub-
25 section (i), from a third-party payer or from any other

1 payer shall be deposited as an offsetting collection to any
2 Department of State appropriation and shall remain avail-
3 able until expended.

4 “(9) For purposes of this section:

5 “(A) The term ‘covered beneficiary’ means a
6 member or employee (or family member of such a
7 member of employee) described in subsection (a)
8 who is enrolled under a covered health benefits plan.

9 “(B)(i) Subject to clause (ii), the term ‘covered
10 health benefits plan’ means a health benefits plan
11 offered under the Federal Employees Health Bene-
12 fits Program under chapter 89 of title 5, United
13 States Code.

14 “(ii) Such term does not include such a health
15 benefits plan (such as a plan of a staff-model health
16 maintenance organization) as the Secretary deter-
17 mines pursuant to regulations to be structured in a
18 manner that impedes the application of this sub-
19 section to individuals enrolled under the plan. To the
20 extent practicable, the Secretary shall seek to dis-
21 seminate to members of the Service and designated
22 employees described in subsection (a) who are eligi-
23 ble to receive health care under this section the
24 names of plans excluded under this clause.

1 “(C) The term ‘reasonable charge amount’
2 means, with respect to health care provided under
3 this section, the amount for such care specified in
4 the schedule established under paragraph (6).

5 “(D) The term ‘third-party payer’ means an en-
6 tity that offers a covered health benefits plan.

7 “(h)(1) In the case of an individual who—

8 “(A) receives health care pursuant to this sec-
9 tion; and

10 “(B)(i) is not a covered beneficiary (including
11 by virtue of enrollment only in a health benefits plan
12 excluded under subsection (g)(9)(B)(ii)), or

13 “(ii) is such a covered beneficiary and has made
14 an election described in subsection (g)(6) with re-
15 spect to such care,

16 the Secretary is authorized to collect from the individual
17 the full reasonable charge amount for such care.

18 “(2) The United States shall have the same rights
19 against such individuals with respect to collection of such
20 amounts as the United States has with respect to collec-
21 tion of amounts against a third-party payer under sub-
22 section (g), except that the rights under this subsection
23 shall be exercised without regard to any rules for
24 deductibles, coinsurance, or other cost-sharing.

1 “(i) Subsections (g) and (h) shall apply to reimburse-
2 ment for the cost of hospitalization and related outpatient
3 expenses paid for under subsection (d) only to the extent
4 provided in regulations. Nothing in this subsection, or sub-
5 sections (g) and (h), shall be construed as limiting any
6 authority the Secretary otherwise has with respect to ob-
7 taining reimbursement for the payments made under sub-
8 section (d).”.

9 (b) EFFECTIVE DATE.—(1) The amendments made
10 by subsection (a) shall apply to items and services pro-
11 vided on and after the first day of the first month that
12 begins more than 1 year after the date of the enactment
13 of this Act.

14 (2) In order to carry out such amendments in a time-
15 ly manner, the Secretary of State is authorized to issue
16 interim, final regulations that take effect pending notice
17 and opportunity for public comment.

18 **SEC. 1215. FEE FOR USE OF DIPLOMATIC RECEPTION**
19 **ROOMS.**

20 The State Department Basic Authorities Act of 1956
21 (22 U.S.C. 2651a et seq.) is amended by adding after sec-
22 tion 53 (as added by section 213(b)) the following new
23 section:

1 **“SEC. 54. FEE FOR USE OF DIPLOMATIC RECEPTION**
2 **ROOMS.**

3 “The Secretary of State is authorized to charge a fee
4 for use of the diplomatic reception rooms of the Depart-
5 ment of State. Amounts collected under the authority of
6 this section (including any reimbursements and sur-
7 charges) shall be deposited as an offsetting collection to
8 any Department of State appropriation to recover the
9 costs of such use and shall remain available for obligation
10 until expended.”.

11 **SEC. 1216. FEES FOR COMMERCIAL SERVICES.**

12 Section 52 of the State Department Basic Authorities
13 Act of 1956 (22 U.S.C. 2724) is amended in subsection
14 (b) by adding at the end the following: “Funds deposited
15 under this subsection shall remain available for obligation
16 until expended.”.

17 **SEC. 1217. CONCERNING THE USE OF FUNDS TO FURTHER**
18 **NORMALIZE RELATIONS WITH VIETNAM.**

19 (a) IN GENERAL.—Unless the President provides the
20 certification described in subsection (b), none of the funds
21 authorized to be appropriated or otherwise made available
22 by this division may be obligated or expended to pay for
23 any cost incurred for—

24 (1) opening or operating any United States dip-
25 lomatic or consular post in the Socialist Republic of

1 Vietnam that was not operating on the date of en-
2 actment of this Act;

3 (2) expanding any United States diplomatic or
4 consular post in the Socialist Republic of Vietnam;
5 or

6 (3) increasing the total number of personnel as-
7 signed in United States diplomatic or consular posts
8 in the Socialist Republic of Vietnam above the levels
9 existing on the date of enactment of this Act.

10 (b) CERTIFICATION.—Not less than 60 days prior to
11 any obligation or expenditure of funds under subsection
12 (a), the President submits a certification to the appro-
13 priate congressional committees that—

14 (1) the Government of the Socialist Republic of
15 Vietnam is fully cooperating with the United States
16 in providing the fullest possible accounting of all un-
17 resolved POW/MIA cases and the recovery and repa-
18 triation of American remains;

19 (2) the Government of the Socialist Republic of
20 Vietnam has made substantial progress toward the
21 release of all political and religious prisoners, includ-
22 ing Catholic, Protestant, and Buddhist clergy;

23 (3) the Government of the Socialist Republic of
24 Vietnam is fully cooperating with requests by the
25 United States to obtain full and free access to per-

1 sons of humanitarian interest to the United States
2 for interviews under the Orderly Departure (ODP)
3 and Resettlement Opportunities for Vietnamese Ref-
4 ugees (ROVR) programs and in providing exit visas
5 for such persons;

6 (4) The Government of the Socialist Republic of
7 Vietnam has taken vigorous action to end extortion,
8 bribery, and other corrupt practices in connection
9 with exit visas; and

10 (5) the Government of the United States is
11 making vigorous efforts to interview and resettle
12 former re-education camp victims, their immediate
13 families (including unmarried sons and daughters),
14 former United States Government employees, and
15 other persons eligible for the ODP program, and to
16 give such persons the full benefit of all applicable
17 United States laws including sections 599D and
18 599E of the Foreign Operations, Export Financing,
19 and Related Programs Appropriations Act of 1990
20 (Public Law 101–167) and will continue to make
21 such efforts during the time for which such funds
22 are made available.

1 **SEC. 1218. EXTENSION OF CERTAIN ADJUDICATION PROVI-**
2 **SIONS.**

3 The Foreign Operations, Export Financing, and Re-
4 lated Programs Appropriations Act, 1990 (Public Law
5 101-167) is amended—

6 (1) in section 599D (8 U.S.C. 1157 note)—

7 (A) in subsection (b)(3), by striking “and
8 1997” and inserting “1997, 1998, and 1999”;
9 and

10 (B) in subsection (e), by striking “October
11 1, 1997” each place it appears and inserting
12 “October 1, 1999”; and

13 (2) in section 599E (8 U.S.C. 1255 note) in
14 subsection (b)(2), by striking “September 30, 1997”
15 and inserting “September 30, 1999”.

16 **SEC. 1219. GRANTS TO OVERSEAS EDUCATIONAL FACILI-**
17 **TIES.**

18 Section 29 of the State Department Basic Authorities
19 Act of 1956 (22 U.S.C. 2701) is amended by adding at
20 the end the following: “Notwithstanding any other provi-
21 sion of law, where the children of United States citizen
22 employees of an agency of the United States Government
23 who are stationed outside the United States attend edu-
24 cational facilities assisted by the Department of State
25 under this section, such agency is authorized make grants
26 to, or otherwise to reimburse or credit with advance pay-

1 ment, the Department of State for funds used in providing
2 assistance to such educational facilities.”.

3 **SEC. 1220. GRANTS TO REMEDY INTERNATIONAL CHILD AB-**
4 **DUCTIONS.**

5 (a) GRANT AUTHORITY.—Section 7 of the Inter-
6 national Child Abduction Remedies Act (42 U.S.C. 11606;
7 Public Law 100-300) is amended by adding at the end
8 the following new subsection:

9 “(e) GRANT AUTHORITY.—The United States
10 Central Authority is authorized to make grants to, or
11 enter into contracts or agreements with, any individual,
12 corporation, other Federal, State, or local agency, or pri-
13 vate entity or organization in the United States for pur-
14 poses of accomplishing its responsibilities under the con-
15 vention and this Act.”.

16 **SEC. 1221. BUDGET PRESENTATION DOCUMENTS.**

17 The Secretary of State shall include in the annual
18 Congressional Presentation Document and the Budget in
19 Brief, a detailed accounting of the total collections re-
20 ceived by the Department of State from all sources, in-
21 cluding fee collections. Reporting on total collections shall
22 also include the previous year’s collection and the pro-
23 jected expenditures from all collections accounts.

1 **CHAPTER 2—CONSULAR AUTHORITIES OF**
2 **THE DEPARTMENT OF STATE**

3 **SEC. 1241. USE OF CERTAIN PASSPORT PROCESSING FEES**
4 **FOR ENHANCED PASSPORT SERVICES.**

5 For each of the fiscal years 1998 and 1999, of the
6 fees collected for expedited passport processing and depos-
7 ited to an offsetting collection pursuant to the Department
8 of State and Related Agencies Appropriations Act for Fis-
9 cal Year 1995 (Public Law 103–317; 22 U.S.C. 214), 30
10 percent shall be available only for enhancing passport
11 services for United States citizens, improving the integrity
12 and efficiency of the passport issuance process, improving
13 the secure nature of the United States passport, inves-
14 tigating passport fraud, and deterring entry into the Unit-
15 ed States by terrorists, drug traffickers, or other crimi-
16 nals.

17 **SEC. 1242. CONSULAR OFFICERS.**

18 (a) PERSONS AUTHORIZED TO ISSUE REPORTS OF
19 BIRTH ABROAD.—Section 33 of the State Department
20 Basic Authorities Act of 1956 (22 U.S.C. 2705) is amend-
21 ed in paragraph (2) by inserting “(or any United States
22 citizen employee of the Department of State designated
23 by the Secretary of State to adjudicate nationality abroad
24 pursuant to such regulations as the Secretary may pre-
25 scribe)” after “consular officer”.

1 (b) PROVISIONS APPLICABLE TO CONSULAR OFFI-
2 CERS.—Section 31 of the Act of August 18, 1856 (Rev.
3 Stat. 1689, 22 U.S.C. 4191), is amended by inserting
4 “and to such other United States citizen employees of the
5 Department of State as may be designated by the Sec-
6 retary of State pursuant to such regulations as the Sec-
7 retary may prescribe” after “such officers”.

8 (c) PERSONS AUTHORIZED TO AUTHENTICATE FOR-
9 EIGN DOCUMENTS—Section 3492(c) of title 18, United
10 States Code, is amended by adding at the end the follow-
11 ing: “For purposes of this section and sections 3493
12 through 3496 of this title, a consular officer shall include
13 any United States citizen employee of the Department of
14 State designated to perform notarial functions pursuant
15 to section 24 of the Act of August 18, 1856 (Rev. Stat.
16 1750, 22 U.S.C. 4221).

17 (d) PERSONS AUTHORIZED TO ADMINISTER
18 OATHS.—Section 115 of title 35, United States Code, is
19 amended by adding at the end the following: “For pur-
20 poses of this section a consular officer shall include any
21 United States citizen employee of the Department of State
22 designated to perform notarial functions pursuant to sec-
23 tion 24 of the Act of August 18, 1856 (Rev. Stat. 1750,
24 22 U.S.C. 4221).

1 **SEC. 1243. REPEAL OF OUTDATED CONSULAR RECEIPT RE-**
2 **QUIREMENTS.**

3 Sections 1726, 1727, and 1728 of the Revised Stat-
4 utes of the United States (22 U.S.C. 4212, 4213, and
5 4214) (concerning accounting for consular fees) are re-
6 pealed.

7 **SEC. 1244. ELIMINATION OF DUPLICATE PUBLICATION RE-**
8 **QUIREMENTS.**

9 (a) FEDERAL REGISTER PUBLICATION OF TRAVEL
10 ADVISORIES.—Section 44908(a) of title 49, United States
11 Code, is amended—

12 (1) by striking paragraph (2); and

13 (2) by redesignating paragraph (3) as para-
14 graph (2).

15 (b) PUBLICATION IN THE FEDERAL REGISTER OF
16 TRAVEL ADVISORIES CONCERNING SECURITY AT FOR-
17 EIGN PORTS.—Section 908(a) of the International Mari-
18 time and Port Security Act of 1986 (Public Law 99–399;
19 100 Stat. 891; 46 U.S.C. App. 1804(a)) is amended by
20 striking the second sentence.

21 **CHAPTER 3—REFUGEES AND MIGRATION**

22 **SEC. 1261. REPORT TO CONGRESS CONCERNING CUBAN**
23 **EMIGRATION POLICIES.**

24 Beginning 3 months after the date of the enactment
25 of this Act and every subsequent 6 months, the Secretary
26 of State shall include in the monthly report to Congress

1 entitled “Update on Monitoring of Cuban Migrant Return-
2 ees” additional information concerning the methods em-
3 ployed by the Government of Cuba to enforce the United
4 States-Cuba agreement of September 1994 to restrict the
5 emigration of the Cuban people from Cuba to the United
6 States and the treatment by the Government of Cuba of
7 persons who have returned to Cuba pursuant to the Unit-
8 ed States-Cuba agreement of May 1995.

9 **SEC. 1262. REPROGRAMMING OF MIGRATION AND REFU-**
10 **GEE ASSISTANCE FUNDS.**

11 Section 34 of the State Department Basic Authorities
12 Act of 1956 (22 U.S.C. 2706) is amended by adding at
13 the end the following new subsection:

14 “(c) EMERGENCY WAIVER OF NOTIFICATION RE-
15 QUIREMENT.—The Secretary of State may waive the noti-
16 fication requirement of subsection (a), if the Secretary de-
17 termines that failure to do so would pose a substantial
18 risk to human health or welfare. In the case of any waiver
19 under this subsection, notification to the appropriate con-
20 gressional committees shall be provided as soon as prac-
21 ticable, but not later than 3 days after taking the action
22 to which the notification requirement was applicable, and
23 shall contain an explanation of the emergency cir-
24 cumstances.”.

1 **TITLE XIII—ORGANIZATION OF**
2 **THE DEPARTMENT OF STATE;**
3 **DEPARTMENT OF STATE PER-**
4 **SONNEL; THE FOREIGN SERV-**
5 **ICE**

6 **CHAPTER 1—ORGANIZATION OF THE**
7 **DEPARTMENT OF STATE**

8 **SEC. 1301. COORDINATOR FOR COUNTERTERRORISM.**

9 (a) ESTABLISHMENT.—Section 1(e) of the State De-
10 partment Basic Authorities Act of 1956 (22 U.S.C.
11 2651a(e)) is amended—

12 (1) by striking “In” and inserting the following:

13 “(1) In”; and

14 (2) by inserting at the end the following:

15 “(2) COORDINATOR FOR
16 COUNTERTERRORISM.—

17 “(A) There shall be within the office of the
18 Secretary of State a Coordinator for
19 Counterterrorism (hereafter in this paragraph
20 referred to as the ‘Coordinator’) who shall be
21 appointed by the President, by and with the ad-
22 vice and consent of the Senate.

23 “(B)(i) The Coordinator shall perform
24 such duties and exercise such power as the Sec-
25 retary of State shall prescribe.

1 “(ii) The principal duty of the Coordinator
2 shall be the overall supervision (including policy
3 oversight of resources) of international
4 counterterrorism activities. The Coordinator
5 shall be the principal adviser to the Secretary
6 of State on international counterterrorism mat-
7 ters. The Coordinator shall be the principal
8 counterterrorism official within the senior man-
9 agement of the Department of State and shall
10 report directly to the Secretary of State.

11 “(C) The Coordinator shall have the rank
12 and status of Ambassador-at-Large. The Coor-
13 dinator shall be compensated at the annual rate
14 of basic pay in effect for a position at level IV
15 of the Executive Schedule under section 5314
16 of title 5, United States Code, or, if the Coordi-
17 nator is appointed from the Foreign Service,
18 the annual rate of pay which the individual last
19 received under the Foreign Service Schedule,
20 whichever is greater.”.

21 (b) TECHNICAL AND CONFORMING AMENDMENTS.—
22 Section 161 of the Foreign Relations Authorization Act,
23 Fiscal Years 1994 and 1995 (Public Law 103–236) is
24 amended by striking subsection (e).

1 (c) TRANSITION PROVISION.—The individual serving
2 as Coordinator for Counterterrorism of the Department
3 of State on the day before the effective date of this division
4 may continue to serve in that position.

5 **SEC. 1302. ELIMINATION OF STATUTORY ESTABLISHMENT**
6 **OF CERTAIN POSITIONS OF THE DEPART-**
7 **MENT OF STATE.**

8 (a) ASSISTANT SECRETARY OF STATE FOR SOUTH
9 ASIAN AFFAIRS.—Section 122 of the Foreign Relations
10 Authorization Act, Fiscal Years 1992 and 1993 (22
11 U.S.C. 2652b) is repealed.

12 (b) DEPUTY ASSISTANT SECRETARY OF STATE FOR
13 BURDENSARING.—Section 161 of the Foreign Relations
14 Authorization Act, Fiscal Years 1994 and 1995 (22
15 U.S.C. 2651a note) is amended by striking subsection (f).

16 (c) ASSISTANT SECRETARY FOR OCEANS AND INTER-
17 NATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS.—
18 Section 9 of the Department of State Appropriations Au-
19 thorization Act of 1973 (22 U.S.C. 2655a) is repealed.

20 **SEC. 1303. ESTABLISHMENT OF ASSISTANT SECRETARY OF**
21 **STATE FOR HUMAN RESOURCES.**

22 Section 1(c) of the State Department Basic Authori-
23 ties Act of 1956 (22 U.S.C. 2651a(c)) is amended by add-
24 ing after paragraph (2) the following new paragraph:

1 “(3) ASSISTANT SECRETARY FOR HUMAN RE-
2 SOURCES.—There shall be in the Department of
3 State an Assistant Secretary for Human Resources
4 who shall be responsible to the Secretary of State
5 for matters relating to human resources including
6 the implementation of personnel policies and pro-
7 grams within the Department of State and inter-
8 national affairs functions and activities carried out
9 through the Department of State. The Assistant
10 Secretary shall have substantial professional quali-
11 fications in the field of human resource policy and
12 management.”.

13 **SEC. 1304. ESTABLISHMENT OF ASSISTANT SECRETARY OF**
14 **STATE FOR DIPLOMATIC SECURITY.**

15 Section 1(c) of the State Department Basic Authori-
16 ties Act of 1956 (22 U.S.C. 2651a(c)) as amended by sec-
17 tion 1303 is further amended by adding after paragraph
18 (3) the following new paragraph:

19 “(4) ASSISTANT SECRETARY FOR DIPLOMATIC
20 SECURITY.—There shall be in the Department of
21 State an Assistant Secretary for Diplomatic Security
22 who shall be responsible to the Secretary of State
23 for matters relating to diplomatic security. The As-
24 sistant Secretary shall have substantial professional

1 qualifications in the field of Federal law enforce-
2 ment, intelligence, or security.”.

3 **SEC. 1305. SPECIAL ENVOY FOR TIBET.**

4 (a) UNITED STATES SPECIAL ENVOY FOR TIBET.—

5 The President should appoint within the Department of
6 State a United States Special Envoy for Tibet, who shall
7 hold office at the pleasure of the President.

8 (b) RANK.—A United States Special Envoy for Tibet
9 appointed under subsection (a) shall have the personal
10 rank of ambassador and shall be appointed by and with
11 the advice and consent of the Senate.

12 (c) SPECIAL FUNCTIONS.—The United States Special
13 Envoy for Tibet should be authorized and encouraged—

14 (1) to promote substantive negotiations between
15 the Dalai Lama or his representatives and senior
16 members of the Government of the People’s Republic
17 of China;

18 (2) to promote good relations between the Dalai
19 Lama and his representatives and the United States
20 Government, including meeting with members or
21 representatives of the Tibetan government-in-exile;
22 and

23 (3) to travel regularly throughout Tibet and Ti-
24 betan refugee settlements.

1 (d) DUTIES AND RESPONSIBILITIES.—The United
2 States Special Envoy for Tibet should—

3 (1) consult with the Congress on policies rel-
4 evant to Tibet and the future and welfare of all Ti-
5 betan people;

6 (2) coordinate United States Government poli-
7 cies, programs, and projects concerning Tibet; and

8 (3) report to the Secretary of State regarding
9 the matters described in section 536(a)(2) of the
10 Foreign Relations Authorization Act, Fiscal Years
11 1994 and 1995 (Public Law 103–236).

12 **SEC. 1306. RESPONSIBILITIES FOR BUREAU CHARGED WITH**
13 **REFUGEE ASSISTANCE.**

14 The Bureau of Migration and Refugee Assistance
15 shall be the bureau within the Department of State with
16 principal responsibility for assisting the Secretary in car-
17 rying out the Migration and Refugee Assistance Act of
18 1962 and shall not be charged with responsibility for as-
19 sisting the Secretary in matters relating to family plan-
20 ning or population policy.

1 **CHAPTER 2—PERSONNEL OF THE DE-**
2 **PARTMENT OF STATE; THE FOREIGN**
3 **SERVICE**

4 **SEC. 1321. AUTHORIZED STRENGTH OF THE FOREIGN SERV-**
5 **ICE.**

6 (a) **END FISCAL YEAR 1998 LEVELS.**—The number
7 of members of the Foreign Service authorized to be em-
8 ployed as of September 30, 1998—

9 (1) for the Department of State, shall not ex-
10 ceed 8,000, of whom not more than 750 shall be
11 members of the Senior Foreign Service;

12 (2) for the United States Information Agency,
13 shall not exceed 1,000, of whom not more than 140
14 shall be members of the Senior Foreign Service; and

15 (3) for the Agency for International Develop-
16 ment, not to exceed 1070, of whom not more than
17 140 shall be members of the Senior Foreign Service.

18 (b) **END FISCAL YEAR 1999 LEVELS.**—The number
19 of members of the Foreign Service authorized to be em-
20 ployed as of September 30, 1999—

21 (1) for the Department of State, shall not ex-
22 ceed 8,000, of whom not more than 750 shall be
23 members of the Senior Foreign Service;

1 (2) for the United States Information Agency,
2 not to exceed 1,000 of whom not more than 140
3 shall be members of the Senior Foreign Service; and

4 (3) for the Agency for International Develop-
5 ment, not to exceed 1065 of whom not more than
6 135 shall be members of the Senior Foreign Service.

7 (c) DEFINITION.—For the purposes of this section,
8 the term “members of the Foreign Service” is used within
9 the meaning of such term under section 103 of the For-
10 eign Service Act of 1980 (22 U.S.C 3903), except that
11 such term does not include—

12 (1) members of the Service under paragraphs
13 (6) and (7) of such section;

14 (2) members of the Service serving under tem-
15 porary resident appointments abroad;

16 (3) members of the Service employed on less
17 than a full-time basis;

18 (4) members of the Service subject to involun-
19 tary separation in cases in which such separation
20 has been suspended pursuant to section 1106(8) of
21 the Foreign Service Act of 1980; and

22 (5) members of the Service serving under non-
23 career limited appointments.

24 (d) WAIVER AUTHORITY.—(1) Subject to paragraph
25 (2), the President may waive any limitation under sub-

1 section (a) or (b) to the extent that such waiver is nec-
2 essary to carry on the foreign affairs functions of the
3 United States.

4 (2) Not less than 15 days before the President exer-
5 cises a waiver under paragraph (1), such agency head
6 shall notify the Chairman of the Committee on Foreign
7 Relations of the Senate and the Chairman of the Commit-
8 tee on International Relations of the House of Representa-
9 tives. Such notice shall include an explanation of the cir-
10 cumstances and necessity for such waiver.

11 **SEC. 1322. NONOVERTIME DIFFERENTIAL PAY.**

12 Title 5 of the United States Code is amended—

13 (1) in section 5544(a), by inserting after the
14 fourth sentence the following new sentence: “For
15 employees serving outside the United States in areas
16 where Sunday is a routine workday and another day
17 of the week is officially recognized as the day of rest
18 and worship, the Secretary of State may designate
19 the officially recognized day of rest and worship as
20 the day with respect to which the preceding sentence
21 shall apply instead of Sunday.”; and

22 (2) at the end of section 5546(a), by adding the
23 following new sentence: “For employees serving out-
24 side the United States in areas where Sunday is a
25 routine workday and another day of the week is offi-

1 cially recognized as the day of rest and worship, the
2 Secretary of State may designate the officially recog-
3 nized day of rest and worship as the day with re-
4 spect to which the preceding sentence shall apply in-
5 stead of Sunday.”.

6 **SEC. 1323. AUTHORITY OF SECRETARY TO SEPARATE CON-**
7 **VICTED FELONS FROM SERVICE.**

8 Section 610(a)(2) of the Foreign Service Act of 1980
9 (22 U.S.C. 4010(a)(2)) is amended in the first sentence
10 by striking “A member” and inserting “Except in the case
11 of an individual who has been convicted of a crime for
12 which a sentence of imprisonment of more than 1 year
13 may be imposed, a member”.

14 **SEC. 1324. CAREER COUNSELING.**

15 (a) IN GENERAL.—Section 706(a) of the Foreign
16 Service Act of 1980 (22 U.S.C. 4026(a)) is amended by
17 adding at the end the following sentence: “Career counsel-
18 ing and related services provided pursuant to this Act shall
19 not be construed to permit an assignment to training or
20 to another assignment that consists primarily of paid time
21 to conduct a job search and without other substantive du-
22 ties, except that career members of the Service who upon
23 their separation are not eligible to receive an immediate
24 annuity and have not been assigned to a post in the Unit-
25 ed States during the 12 months prior to their separation

1 from the Service may be permitted up to 2 months of paid
2 time to conduct a job search.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall be effective 180 days after the date
5 of the enactment of this Act.

6 **SEC. 1325. REPORT CONCERNING MINORITIES AND THE**
7 **FOREIGN SERVICE.**

8 The Secretary of State shall annually submit a report
9 to the Congress concerning minorities and the Foreign
10 Service officer corps. In addition to such other information
11 as is relevant to this issue, the report shall include the
12 following data (reported in terms of real numbers and per-
13 centages and not as ratios):

14 (1) The numbers and percentages of all minori-
15 ties taking the written foreign service examination.

16 (2) The numbers and percentages of all minori-
17 ties successfully completing and passing the written
18 foreign service examination.

19 (3) The numbers and percentages of all minori-
20 ties successfully completing and passing the oral for-
21 eign service examination.

22 (4) The numbers and percentages of all minori-
23 ties entering the junior officers class of the Foreign
24 Service.

1 (5) The numbers and percentages of all minori-
2 ties in the Foreign Service officer corps.

3 (6) The numbers and percentages of all minor-
4 ity Foreign Service officers at each grade, particu-
5 larly at the senior levels in policy directive positions.

6 (7) The numbers of and percentages of minori-
7 ties promoted at each grade of the Foreign Service
8 officer corps.

9 **SEC. 1326. RETIREMENT BENEFITS FOR INVOLUNTARY SEP-**
10 **ARATION.**

11 (a) BENEFITS.—Section 609 of the Foreign Service
12 Act of 1980 (22 U.S.C. 4009) is amended—

13 (1) in subsection (a)(2)(A) by inserting “or any
14 other applicable provision of chapter 84 of title 5,
15 United States Code,” after “section 811,”;

16 (2) in subsection (a) by inserting “or section
17 855, as appropriate” after “section 806”; and

18 (3) in subsection (b)(2)—

19 (A) by inserting “(A) for those partici-
20 pants in the Foreign Service Retirement and
21 Disability System,” before “a refund”; and

22 (B) by inserting before the period at the
23 end “; and (B) for those participants in the
24 Foreign Service Pension System, benefits as
25 provided in section 851”; and

1 (C) by inserting “(for participants in the
2 Foreign Service Retirement and Disability Sys-
3 tem) or age 62 (for participants in the Foreign
4 Service Pension System)” after “age 60”.

5 (b) ENTITLEMENT TO ANNUITY.—Section 855(b) of
6 the Foreign Service Act of 1980 (22 U.S.C. 4071d(b)) is
7 amended—

8 (1) in paragraph (1) by inserting “611,” after
9 “608,”;

10 (2) in paragraph (1) by inserting “and for par-
11 ticipants in the Foreign Service Pension System”
12 after “for participants in the Foreign Service Retire-
13 ment and Disability System”; and

14 (3) in paragraph (3) by striking “or 610” and
15 inserting “610, or 611”.

16 (c) EFFECTIVE DATES.—

17 (1) Except as provided in paragraph (2), the amend-
18 ments made by this section shall take effect on the date
19 of the enactment of this Act.

20 (2) The amendments made by paragraphs (2) and (3)
21 of subsection (a) and paragraphs (1) and (3) of subsection
22 (b) shall apply with respect to any actions taken under
23 section 611 of the Foreign Service Act of 1980 after Janu-
24 ary 1, 1996.

1 **SEC. 1327. AVAILABILITY PAY FOR CERTAIN CRIMINAL IN-**
2 **VESTIGATORS WITHIN THE DIPLOMATIC SE-**
3 **CURITY SERVICE.**

4 (a) IN GENERAL.—Section 5545a of title 5, United
5 States Code, is amended by adding at the end the follow-
6 ing:

7 “(k)(1) For purposes of this section, the term ‘crimi-
8 nal investigator’ includes an officer occupying a position
9 under title II of Public Law 99–399 if—

10 “(A) subject to subparagraph (C), such officer
11 meets the definition of such term under paragraph
12 (2) of subsection (a) (applied disregarding the par-
13 enthetical matter before subparagraph (A) thereof);

14 “(B) the primary duties of the position held by
15 such officer consist of performing—

16 “(i) protective functions; or

17 “(ii) criminal investigations; and

18 “(C) such officer satisfies the requirements of
19 subsection (d) without taking into account any hours
20 described in paragraph (2)(B) thereof.

21 “(2) In applying subsection (h) with respect to an
22 officer under this subsection—

23 “(A) any reference in such subsection to ‘basic
24 pay’ shall be considered to include amounts des-
25 ignated as ‘salary’;

1 “(B) paragraph (2)(A) of such subsection shall
2 be considered to include (in addition to the provi-
3 sions of law specified therein) sections 609(b)(1),
4 805, 806, and 856 of the Foreign Service Act of
5 1980; and

6 “(C) paragraph (2)(B) of such subsection shall
7 be applied by substituting for ‘Office of Personnel
8 Management’ the following: ‘Office of Personnel
9 Management or the Secretary of State (to the extent
10 that matters exclusively within the jurisdiction of the
11 Secretary are concerned)’.”.

12 (b) IMPLEMENTATION.—Not later than the date on
13 which the amendments made by this section take effect,
14 each special agent of the Diplomatic Security Service who
15 satisfies the requirements of subsection (k)(1) of section
16 5545a of title 5, United States Code, as amended by this
17 section, and the appropriate supervisory officer, to be des-
18 ignated by the Secretary of State, shall make an initial
19 certification to the Secretary of State that the special
20 agent is expected to meet the requirements of subsection
21 (d) of such section 5545a. The Secretary of State may
22 prescribe procedures necessary to administer this sub-
23 section.

24 (c) TECHNICAL AND CONFORMING AMENDMENTS.—
25 (1) Paragraph (2) of section 5545a(a) of title 5, United

1 States Code, is amended (in the matter before subpara-
2 graph (A)) by striking “Public Law 99–399” and insert-
3 ing “Public Law 99–399, subject to subsection (k)”.

4 (2) Section 5542(e) of such title is amended by strik-
5 ing “title 18, United States Code,” and inserting “title
6 18 or section 37(a)(3) of the State Department Basic Au-
7 thorities Act of 1956,”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on the first day of the first
10 applicable pay period—

11 (1) which begins on or after the 90th day fol-
12 lowing the date of the enactment of this Act; and

13 (2) on which date all regulations necessary to
14 carry out such amendments are (in the judgment of
15 the Director of the Office of Personnel Management
16 and the Secretary of State) in effect.

17 **TITLE XIV—UNITED STATES**
18 **PUBLIC DIPLOMACY: AU-**
19 **THORITIES AND ACTIVITIES**
20 **FOR UNITED STATES INFOR-**
21 **MATIONAL, EDUCATIONAL,**
22 **AND CULTURAL PROGRAMS**

23 **SEC. 1401. EXTENSION OF AU PAIR PROGRAMS.**

24 Section 1(b) of the Act entitled “An Act to extend
25 au pair programs.” (Public Law 104–72; 109 Stat.

1 1065(b)) is amended by striking “, through fiscal year
2 1997”.

3 **SEC. 1402. RETENTION OF INTEREST.**

4 Notwithstanding any other provision of law, with the
5 approval of the National Endowment for Democracy,
6 grant funds made available by the National Endowment
7 for Democracy may be deposited in interest-bearing ac-
8 counts pending disbursement and any interest which ac-
9 crues may be retained by the grantee without returning
10 such interest to the Treasury of the United States and
11 interest earned by be obligated and expended for the pur-
12 poses for which the grant was made without further ap-
13 propriation.

14 **SEC. 1403. CENTER FOR CULTURAL AND TECHNICAL INTER-**
15 **CHANGE BETWEEN NORTH AND SOUTH.**

16 Section 208(e) of the Foreign Relations Authoriza-
17 tion Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2075(e))
18 is amended by striking “\$10,000,000” and inserting
19 “\$4,000,000”.

20 **SEC. 1404. USE OF SELECTED PROGRAM FEES.**

21 Section 810 of the United States Information and
22 Educational Exchange Act of 1948 (22 U.S.C. 1475e) is
23 amended by inserting “educational advising and counsel-
24 ing, exchange visitor program services, advertising sold by
25 the Voice of America, receipts from cooperating inter-

1 national organizations and from the privatization of VOA
2 Europe,” after “library services,”.

3 **SEC. 1405. MUSKIE FELLOWSHIP PROGRAM.**

4 (a) **GUIDELINES** .—Section 227(c)(5) of the Foreign
5 Relations Authorization Act, Fiscal Years 1992 and 1993
6 (22 U.S.C. 2452 note) is amended—

7 (1) in the first sentence by inserting “journal-
8 ism and communications, education administration,
9 public policy, library and information science,” after
10 “business administration,”; and

11 (2) in the second sentence by inserting “jour-
12 nalism and communications, education administra-
13 tion, public policy, library and information science,”
14 after “business administration,”.

15 (b) **REDESIGNATION OF SOVIET UNION**.—Section
16 227 of the Foreign Relations Authorization Act, Fiscal
17 Years 1992 and 1993 (22 U.S.C. 2452 note) is amend-
18 ed—

19 (1) by striking “Soviet Union” each place it ap-
20 pears and inserting “Independent States of the
21 Former Soviet Union”; and

22 (2) in the section heading by inserting “INDE-
23 PENDENT STATES OF THE FORMER” after
24 “FROM THE”.

1 **SEC. 1406. WORKING GROUP ON UNITED STATES GOVERN-**
2 **MENT SPONSORED INTERNATIONAL EX-**
3 **CHANGES AND TRAINING.**

4 Section 112 of the Mutual Educational and Cultural
5 Exchange Act of 1961 (22 U.S.C. 2460) is amended by
6 adding at the end the following new subsection:

7 “(g) WORKING GROUP ON UNITED STATES GOVERN-
8 MENT SPONSORED INTERNATIONAL EXCHANGES AND
9 TRAINING.—(1) In order to carry out the purposes of sub-
10 section (f) and to improve the coordination, efficiency, and
11 effectiveness of United States Government sponsored
12 international exchanges and training, there is established
13 within the United States Information Agency a senior-
14 level interagency working group to be known as the Work-
15 ing Group on United States Government Sponsored Inter-
16 national Exchanges and Training (hereinafter in this sec-
17 tion referred to as “the Working Group”).

18 “(2) For purposes of this subsection, the term ‘Gov-
19 ernment sponsored international exchanges and training’
20 means the movement of people between countries to pro-
21 mote the sharing of ideas, to develop skills, and to foster
22 mutual understanding and cooperation, financed wholly or
23 in part, directly or indirectly, with United States Govern-
24 ment funds.

25 “(3) The Working Group shall be composed as fol-
26 lows:

1 “(A) The Associate Director for Educational
2 and Cultural Affairs of the United States Informa-
3 tion Agency, who shall act as Chair.

4 “(B) A senior representative designated by the
5 Secretary of State.

6 “(C) A senior representative designated by the
7 Secretary of Defense.

8 “(D) A senior representative designated by the
9 Secretary of Education.

10 “(E) A senior representative designated by the
11 Attorney General.

12 “(F) A senior representative designated by the
13 Administrator of the Agency for International Devel-
14 opment.

15 “(G) Senior representatives of other depart-
16 ments and agencies as the Chair determines to be
17 appropriate.

18 “(4) Representatives of the National Security Adviser
19 and the Director of the Office of Management and Budget
20 may participate in the Working Group at the discretion
21 of the adviser and the director, respectively.

22 “(5) The Working Group shall be supported by an
23 interagency staff office established in the Bureau of Edu-
24 cational and Cultural Affairs of the United States Infor-
25 mation Agency.

1 “(6) The Working Group shall have the following
2 purposes and responsibilities:

3 “(A) To collect, analyze, and report data pro-
4 vided by all United States Government departments
5 and agencies conducting international exchanges and
6 training programs.

7 “(B) To promote greater understanding and co-
8 operation among concerned United States Govern-
9 ment departments and agencies of common issues
10 and challenges in conducting international exchanges
11 and training programs, including through the estab-
12 lishment of a clearinghouse for information on inter-
13 national exchange and training activities in the gov-
14 ernmental and nongovernmental sectors.

15 “(C) In order to achieve the most efficient and
16 cost-effective use of Federal resources, to identify
17 administrative and programmatic duplication and
18 overlap of activities by the various United States
19 Government departments and agencies involved in
20 Government sponsored international exchange and
21 training programs, and to report thereon.

22 “(D) Not later than 1 year after the date of the
23 enactment of the Foreign Relations Authorization
24 Act, Fiscal Years 1998 and 1999, to develop and
25 thereafter assess, annually, a coordinated strategy

1 for all United States Government sponsored inter-
2 national exchange and training programs, and to
3 issue a report on such strategy.

4 “(E) Not later than 2 years after the date of
5 the enactment of the Foreign Relations Authoriza-
6 tion Act, Fiscal Years 1998 and 1999, to develop
7 recommendations on common performance measures
8 for all United States Government sponsored inter-
9 national exchange and training programs, and to
10 issue a report.

11 “(F) To develop strategies for expanding public
12 and private partnerships in, and leveraging private
13 sector support for, United States Government spon-
14 sored international exchange and training activities.

15 “(7) All reports prepared by the Working Group shall
16 be submitted to the President, through the Director of the
17 United States Information Agency.

18 “(8) The Working Group shall meet at least on a
19 quarterly basis.

20 “(9) All decisions of the Working Group shall be by
21 majority vote of the members present and voting.

22 “(10) The members of the Working Group shall serve
23 without additional compensation for their service on the
24 Working Group. Any expenses incurred by a member of
25 the Working Group in connection with service on the

1 Working Group shall be compensated by that member's
2 department or agency.

3 “(11) With respect to any report promulgated pursu-
4 ant to paragraph (6), a member may submit dissenting
5 views to be submitted as part of the report of the Working
6 Group.”.

7 **SEC. 1407. EDUCATIONAL AND CULTURAL EXCHANGES AND**
8 **SCHOLARSHIPS FOR TIBETANS AND BUR-**
9 **MESE.**

10 (a) ESTABLISHMENT OF EDUCATIONAL AND CUL-
11 TURAL EXCHANGE FOR TIBETANS.—The Director of the
12 United States Information Agency shall establish pro-
13 grams of educational and cultural exchange between the
14 United States and the people of Tibet. Such programs
15 shall include opportunities for training and, as the Direc-
16 tor considers appropriate, may include the assignment of
17 personnel and resources abroad.

18 (b) SCHOLARSHIPS FOR TIBETANS AND BURMESE.—

19 (1) IN GENERAL.—For each of the fiscal years
20 1998 and 1999, at least 30 scholarships shall be
21 made available to Tibetan students and professionals
22 who are outside Tibet, and at least 15 scholarships
23 shall be made available to Burmese students and
24 professionals who are outside Burma.

1 (2) WAIVER.—Paragraph (1) shall not apply to
2 the extent that the Director of the United States In-
3 formation Agency determines that there are not
4 enough qualified students to fulfill such allocation
5 requirement.

6 (3) SCHOLARSHIP DEFINED.—For the purposes
7 of this section, the term “scholarship” means an
8 amount to be used for full or partial support of tui-
9 tion and fees to attend an educational institution,
10 and may include fees, books, and supplies, equip-
11 ment required for courses at an educational institu-
12 tion, living expenses at a United States educational
13 institution, and travel expenses to and from, and
14 within, the United States.

15 **SEC. 1408. EXCHANGE PROGRAMS IN SOUTH AFRICA.**

16 (a) STATEMENT OF CONGRESS CONCERNING THE
17 FULBRIGHT COMMISSION IN SOUTH AFRICA.—The Con-
18 gress makes the following findings:

19 (1) The governments of the United States and
20 South Africa have established a bilateral commis-
21 sion, the J. William Fulbright Commission, in Pre-
22 toria, South Africa, with the primary purpose of
23 managing and providing oversight of cultural and
24 educational exchange programs for South Africans

1 and Americans, particularly the Fulbright Academic
2 Exchange Program in South Africa.

3 (2) The Fulbright commission is a model for bi-
4 lateral partnership and cooperative engagement and
5 provides a single administrative mechanism to im-
6 prove the management of United States-supported
7 educational programs in South Africa.

8 (3) Such bilateral commissions, known as Ful-
9 bright commissions, have been established around
10 the world to manage efficient and heavily leveraged
11 international exchange programs supported by the
12 United States.

13 (4) Two programs funded through the United
14 States Agency for International Development, the
15 Mandela Fellows and ATLAS, are long-term aca-
16 demic training programs at the post-baccalaureate
17 level comparable to the Fulbright Academic Ex-
18 change Program administered by the United States
19 Information Agency.

20 (5) The Fulbright Commission in South Africa
21 can provide local management of the ATLAS and
22 Mandela Fellows programs to provide an integrated
23 strategic plan for United States exchange and train-
24 ing programs.

1 (6) The Fulbright commissions usually require
2 that exchange programs feature some level of cost-
3 sharing with host governments and the private sec-
4 tor. The ATLAS and Mandela Fellows programs
5 would benefit from such an arrangement.

6 (7) The Fulbright Commission in South Africa
7 affirms continuity and consistency in the manage-
8 ment of the ATLAS and Mandela Fellows programs
9 in conjunction with the long-term commitment to
10 share in the costs of the commission and its pro-
11 grams.

12 (8) The Fulbright Commission in South Africa
13 will enhance the prestige and authority of exchange
14 grants and awards as well as reduce the possibility
15 of duplication of programs.

16 (b) POLICY REGARDING ADMINISTRATION AND MAN-
17 AGEMENT OF UNITED STATES EXCHANGE PROGRAMS IN
18 SOUTH AFRICA.—

19 (1) ATLAS AND MANDELA FELLOWS PRO-
20 GRAMS.—Funds appropriated or allocated to the
21 United States Agency for International Development
22 (USAID) for the ATLAS and Mandela Fellows pro-
23 grams shall be transferred to the United States In-
24 formation Agency.

1 (2) MANAGEMENT BY FULBRIGHT COMMISSION
2 IN SOUTH AFRICA.—The United States Information
3 Agency shall enter into agreements with the J. Wil-
4 liam Fulbright Commission in South Africa to pro-
5 vide for the oversight and management of the
6 ATLAS and Mandela Fellows programs by the com-
7 mission.

8 **SEC. 1409. SURROGATE BROADCASTING STUDIES.**

9 (a) RADIO FREE AFRICA.—Not later than 6 months
10 after the date of the enactment of this Act, the United
11 States Information Agency and the Board of Broadcasting
12 Governors should conduct and complete a study of the ap-
13 propriateness, feasibility, and projected costs of providing
14 surrogate broadcasting service to Africa and transmit the
15 results of the study to the appropriate congressional com-
16 mittees.

17 (b) RADIO FREE IRAN.—Not later than 6 months
18 after the date of the enactment of this Act, the United
19 States Information Agency and the Board of Broadcasting
20 Governors should conduct and complete a study of the ap-
21 propriateness, feasibility, and projected costs of a Radio
22 Free Europe/Radio Liberty broadcasting service to Iran
23 and transmit the results of the study to the appropriate
24 congressional committees.

1 **SEC. 1410. AUTHORITY TO ADMINISTER SUMMER TRAVEL/**
2 **WORK PROGRAMS.**

3 The Director of the United States Information Agen-
4 cy is authorized to administer summer travel/work pro-
5 grams without regard to preplacement requirements.

6 **SEC. 1411. PERMANENT ADMINISTRATIVE AUTHORITIES**
7 **REGARDING APPROPRIATIONS.**

8 Section 701(f) of the United States Information and
9 Educational Exchange Act of 1948 (22 U.S.C. 1476(f))
10 is amended by striking paragraph (4).

11 **SEC. 1412. AUTHORITIES OF THE BROADCASTING BOARD**
12 **OF GOVERNORS.**

13 (a) **AUTHORITIES.**—Section 305(a)(1) of the United
14 States International Broadcasting Act of 1994 (22 U.S.C.
15 6204(a)(1)) is amended by striking “direct and”.

16 (b) **DIRECTOR OF THE BUREAU.**—The first sentence
17 of section 307(b)(1) of the United States International
18 Broadcasting Act of 1994 (22 U.S.C.6206(b)(1)) is
19 amended to read as follows: “The Director of the Bureau
20 shall be appointed by the Board with the concurrence of
21 the Director of the United States Information Agency.”.

22 (c) **RESPONSIBILITIES OF THE DIRECTOR.**—Section
23 307 of the United States International Broadcasting Act
24 of 1994 (22 U.S.C.6206) is amended by adding at the end
25 the following new subsection:

1 “(c) RESPONSIBILITIES OF THE DIRECTOR.—The
2 Director shall organize and chair a coordinating commit-
3 tee to examine long-term strategies for the future of inter-
4 national broadcasting, including the use of new tech-
5 nologies, further consolidation of broadcast services, and
6 consolidation of currently existing public affairs and legis-
7 lative relations functions in the various international
8 broadcasting entities. The coordinating committee shall
9 include representatives of RFA, RFE/RL, the Broadcast-
10 ing Board of Governors, and, as appropriate, from the Of-
11 fice of Cuba Broadcasting, the Voice of America, and
12 WorldNet.”.

13 **SEC. 1413. UNITED STATES—JAPAN COMMISSION.**

14 (a) RELIEF FROM RESTRICTION OF INTERCHANGE-
15 ABILITY OF FUNDS.—

16 (1) Section 6(4) of the Japan-United States
17 Friendship Act (22 U.S.C. 2905(4)) is amended by
18 striking “needed, except” and all that follows
19 through “United States” and inserting “needed”.

20 (2) The second sentence of section 7(b) of the
21 Japan-United States Friendship Act (22 U.S.C.
22 2906(b)) is amended to read as follows: “Such in-
23 vestment may be made only in interest-bearing obli-
24 gations of the United States, in obligations guaran-
25 teed as to both principal and interest by the United

1 States, in interest-bearing obligations of Japan, or
2 in obligations guaranteed as to both principal and
3 interest by Japan.”.

4 (b) REVISION OF NAME OF COMMISSION.—

5 (1) After the date of the enactment of this Act,
6 the Japan-United States Friendship Commission
7 shall be designated as the “United States-Japan
8 Commission”. Any reference in any provision of law,
9 Executive order, regulation, delegation of authority,
10 or other document to the Japan-United States
11 Friendship Commission shall be considered to be a
12 reference to the United States-Japan Commission.

13 (2) The heading of section 4 of the Japan-Unit-
14 ed States Friendship Act (22 U.S.C. 2903) is
15 amended to read as follows:

16 “UNITED STATES-JAPAN COMMISSION”.

17 (3) The Japan-United States Friendship Act is
18 amended by striking “Japan-United States Friend-
19 ship Commission” each place such term appears and
20 inserting “United States-Japan Commission”.

21 (c) REVISION OF NAME OF TRUST FUND.—

22 (1) After the date of the enactment of this Act,
23 the Japan-United States Friendship Trust Fund
24 shall be designated as the “United States-Japan
25 Trust Fund”. Any reference in any provision of law
26 , Executive order, regulation, delegation of author-

1 ity, or other document to the Japan-United States
2 Friendship Trust Fund shall be considered to be a
3 reference to the United States-Japan Trust Fund.

4 (2) Section 3(a) of the Japan-United States
5 Friendship Act (22 U.S.C. 2902(a)) is amended by
6 striking “Japan-United States Friendship Trust
7 Fund” and inserting “United States-Japan Trust
8 Fund”.

9 **TITLE XV—INTERNATIONAL OR-**
10 **GANIZATIONS; UNITED NA-**
11 **TIONS AND RELATED AGEN-**
12 **CIES**

13 **CHAPTER 1—GENERAL PROVISIONS**

14 **SEC. 1501. SERVICE IN INTERNATIONAL ORGANIZATIONS.**

15 (a) IN GENERAL.—Section 3582(b) of title 5, United
16 States Code, is amended by striking all after the first sen-
17 tence and inserting the following: “On reemployment, he
18 is entitled to the rate of basic pay to which he would have
19 been entitled had he remained in the civil service. On re-
20 employment, the agency shall restore his sick leave ac-
21 count, by credit or charge, to its status at the time of
22 transfer. The period of separation caused by his employ-
23 ment with the international organization and the period
24 necessary to effect reemployment are deemed creditable
25 service for all appropriate civil service employment pur-

1 poses. This subsection does not apply to a congressional
2 employee.”.

3 (b) APPLICATION.—The amendment made by sub-
4 section (a) shall apply with respect transfers which take
5 effect on or after the date of the enactment of this Act.

6 **CHAPTER 2—UNITED NATIONS AND**
7 **RELATED AGENCIES**

8 **SEC. 1521. REFORM IN BUDGET DECISIONMAKING PROCE-**
9 **DURES OF THE UNITED NATIONS AND ITS**
10 **SPECIALIZED AGENCIES.**

11 (a) ASSESSED CONTRIBUTIONS.—Of amounts au-
12 thorized to be appropriated for “Assessed Contributions
13 to International Organizations” by this Act, the President
14 may withhold 20 percent of the funds appropriated for the
15 United States assessed contribution to the United Nations
16 or to any of its specialized agencies for any calendar year
17 if the Secretary of State determines that the United Na-
18 tions or any such agency has failed to implement or to
19 continue to implement consensus-based decisionmaking
20 procedures on budgetary matters which assure that suffi-
21 cient attention is paid to the views of the United States
22 and other member states that are the major financial con-
23 tributors to such assessed budgets.

24 (b) NOTICE TO CONGRESS.—The President shall no-
25 tify the Congress when a decision is made to withhold any

1 share of the United States assessed contribution to the
2 United Nations or its specialized agencies pursuant to
3 subsection (a) and shall notify the Congress when the deci-
4 sion is made to pay any previously withheld assessed con-
5 tribution. A notification under this subsection shall include
6 appropriate consultation between the President (or the
7 President's representative) and the Committee on Inter-
8 national Relations of the House of Representatives and
9 the Committee on Foreign Relations of the Senate.

10 (c) CONTRIBUTIONS FOR PRIOR YEARS.—Subject to
11 the availability of appropriations, payment of assessed
12 contributions for prior years may be made to the United
13 Nations or any of its specialized agencies notwithstanding
14 subsection (a) if such payment would further United
15 States interests in that organization.

16 (d) REPORT TO CONGRESS.—Not later than Feb-
17 ruary 1 of each year, the President shall submit to the
18 appropriate congressional committees a report concerning
19 the amount of United States assessed contributions paid
20 to the United Nations and each of its specialized agencies
21 during the preceding calendar year.

1 **TITLE XVI—ARMS CONTROL AND**
2 **DISARMAMENT AGENCY**

3 **SEC. 1601. COMPREHENSIVE COMPILATION OF ARMS CON-**
4 **TROL AND DISARMAMENT STUDIES.**

5 Section 39 of the Arms Control and Disarmament
6 Act (22 U.S.C. 2579) is repealed.

7 **SEC. 1602. USE OF FUNDS.**

8 Section 48 of the Arms Control and Disarmament
9 Act (22 U.S.C. 2588) is amended by striking “section 11
10 of the Act of March 1, 1919 (44 U.S.C. 111)” and insert-
11 ing “any other Act”.

12 **TITLE XVII—FOREIGN POLICY**
13 **PROVISIONS**

14 **SEC. 1701. UNITED STATES POLICY REGARDING THE INVOL-**
15 **UNTARY RETURN OF REFUGEES.**

16 (a) IN GENERAL.—No funds authorized to be appro-
17 priated by this division shall be available to effect the in-
18 voluntary return by the United States of any person to
19 a country in which the person has a well founded fear of
20 persecution on account of race, religion, nationality, mem-
21 bership in a particular social group, or political opinion,
22 except on grounds recognized as precluding protection as
23 a refugee under the United Nations Convention Relating
24 to the Status of Refugees of July 28, 1951, and the Proto-

1 col Relating to the Status of Refugees of January 31,
2 1967.

3 (b) MIGRATION AND REFUGEE ASSISTANCE.—No
4 funds authorized to be appropriated by section 1104 of
5 this Act or by section 2(c) of the Migration and Refugee
6 Assistance Act of 1962 (22 U.S.C. 2601(c)) shall be avail-
7 able to effect the involuntary return of any person to any
8 country unless the Secretary of State first notifies the ap-
9 propriate congressional committees, except that in the
10 case of an emergency involving a threat to human life the
11 Secretary of State shall notify the appropriate congres-
12 sional committees as soon as practicable.

13 (c) INVOLUNTARY RETURN DEFINED.—As used in
14 this section, the term “to effect the involuntary return”
15 means to require, by means of physical force or cir-
16 cumstances amounting to a threat thereof, a person to re-
17 turn to a country against the person’s will, regardless of
18 whether the person is physically present in the United
19 States and regardless of whether the United States acts
20 directly or through an agent.

21 **SEC. 1702. UNITED STATES POLICY WITH RESPECT TO THE**
22 **INVOLUNTARY RETURN OF PERSONS IN DAN-**
23 **GER OF SUBJECTION TO TORTURE.**

24 (a) IN GENERAL.—The United States shall not expel,
25 extradite, or otherwise effect the involuntary return of any

1 person to a country in which there are reasonable grounds
2 for believing the person would be in danger of subjection
3 to torture.

4 (b) DEFINITIONS.—

5 (1) IN GENERAL.—Except as otherwise pro-
6 vided, terms used in this section have the meanings
7 given such terms under the United Nations Conven-
8 tion Against Torture and Other Cruel, Inhuman or
9 Degrading Treatment or Punishment, subject to any
10 reservations, understandings, declarations, and pro-
11 visos contained in the United States resolution of
12 advice and consent to ratification to such conven-
13 tion.

14 (2) INVOLUNTARY RETURN.—As used in this
15 section, the term “effect the involuntary return”
16 means to take action by which it is reasonably fore-
17 seeable that a person will be required to return to
18 a country against the person’s will, regardless of
19 whether such return is induced by physical force and
20 regardless of whether the person is physically
21 present in the United States.

1 **SEC. 1703. REPORTS ON CLAIMS BY UNITED STATES FIRMS**
2 **AGAINST THE GOVERNMENT OF SAUDI ARA-**
3 **BIA.**

4 (a) **IN GENERAL.**—Within 60 days after the date of
5 the enactment of this Act and every 120 days thereafter,
6 the Secretary of State, in coordination with the Secretary
7 of Defense and the Secretary of Commerce, shall report
8 to the appropriate congressional committees on specific ac-
9 tions taken by the Department of State, the Department
10 of Defense, and the Department of Commerce toward
11 progress in resolving the commercial disputes between
12 United States firms and the Government of Saudi Arabia
13 that are described in the June 30, 1993, report by the
14 Secretary of Defense pursuant to section 9140(c) of the
15 Department of Defense Appropriations Act, 1993 (Public
16 Law 102–396), including the additional claims noticed by
17 the Department of Commerce on page 2 of that report.

18 (b) **TERMINATION.**—Subsection (a) shall cease to
19 have effect when the Secretary of State, in coordination
20 with the Secretary of Defense and the Secretary of Com-
21 merce, certifies in writing to the appropriate congressional
22 committees that the commercial disputes referred to in
23 subsection (a) have been resolved satisfactorily.

1 **SEC. 1704. HUMAN RIGHTS REPORTS.**

2 Section 116(d) of the Foreign Assistance Act of 1961
3 (22 U.S.C. 2151n) is amended by striking “January 31”
4 and inserting “February 15”.

5 **SEC. 1705. PROHIBITION ON FUNDING FOR COERCIVE POP-**
6 **ULATION CONTROL METHODS.**

7 (a) LIMITATION.—Notwithstanding any other provi-
8 sion of law or of this Act, none of the funds authorized
9 to be appropriated by this division are authorized to be
10 available for the United Nations Population Fund
11 (UNFPA), unless the President certifies to the appro-
12 priate congressional committees that (1) the United Na-
13 tions Population Fund has terminated all activities in the
14 People’s Republic of China; or (2) during the 12 months
15 preceding such certification there have been no abortions
16 as the result of coercion associated with the family plan-
17 ning policies of the national government or other govern-
18 mental entities within the People’s Republic of China.

19 (b) USE OF TERM “COERCION”.—As used in this
20 section the term “coercion” includes physical duress or
21 abuse, destruction or confiscation of property, loss of
22 means of livelihood, or severe psychological pressure.

23 **SEC. 1706. REPORTS AND POLICY CONCERNING DIPLO-**
24 **MATIC IMMUNITY.**

25 (a) ANNUAL REPORT CONCERNING DIPLOMATIC IM-
26 MUNITY.—

1 (1) REPORT TO CONGRESS.—The Secretary of
2 State shall prepare and submit to the Congress, an-
3 nually, a report concerning diplomatic immunity en-
4 titled “Report on Cases Involving Diplomatic Immu-
5 nity”.

6 (2) CONTENT OF REPORT.—In addition to such
7 other information as the Secretary of State may con-
8 sider appropriate, the report under paragraph (1)
9 shall include the following:

10 (A) The number of persons residing in the
11 United States who enjoy full immunity from the
12 criminal jurisdiction of the United States under
13 laws extending diplomatic privileges and immu-
14 nities.

15 (B) Each case involving an alien described
16 in subparagraph (A) in which the appropriate
17 authorities of a State, a political subdivision of
18 a State, or the United States reported to the
19 Department of State that the authority had
20 reasonable cause to believe the alien committed
21 a serious criminal offense within the United
22 States.

23 (C) Each case in which the United States
24 has certified that a person is enjoys full immu-
25 nity from the criminal jurisdiction of the United

1 States under laws extending diplomatic privi-
2 leges and immunities.

3 (D) The number of United States citizens
4 who are residing in a receiving state and who
5 enjoy full immunity from the criminal jurisdic-
6 tion of such state under laws extending diplo-
7 matic privileges and immunities.

8 (E) Each case involving a United States
9 citizen under subparagraph (D) in which the
10 United States has been requested by the gov-
11 ernment of a receiving state to waive the immu-
12 nity from criminal jurisdiction of the United
13 States citizen.

14 (3) SERIOUS CRIMINAL OFFENSE DEFINED.—
15 The term “serious criminal offense” means—

16 (A) any felony under Federal, State, or
17 local law;

18 (B) any Federal, State, or local offense
19 punishable by a term of imprisonment of more
20 than 1 year ;

21 (C) any crime of violence as defined for
22 purposes of section 16 of title 18, United States
23 Code; or

1 (D) driving under the influence of alcohol
2 or drugs or driving while intoxicated if the case
3 involves personal injury to another individual.

4 (b) UNITED STATES POLICY CONCERNING REFORM
5 OF DIPLOMATIC IMMUNITY.—It is the sense of the Con-
6 gress that the Secretary of State should explore, in appro-
7 priate fora, whether states should enter into agreements
8 and adopt legislation—

9 (1) to provide jurisdiction in the sending state
10 to prosecute crimes committed in the receiving state
11 by persons entitled to immunity from criminal juris-
12 diction under laws extending diplomatic privileges
13 and immunities; and

14 (2) to provide that where there is probable
15 cause to believe that an individual who is entitled to
16 immunity from the criminal jurisdiction of the re-
17 ceiving state under laws extending diplomatic privi-
18 leges and immunities committed a serious crime, the
19 sending state will waive such immunity or the send-
20 ing state will prosecute such individual.

21 **SEC. 1707. CONGRESSIONAL STATEMENT WITH RESPECT TO**
22 **EFFICIENCY IN THE CONDUCT OF FOREIGN**
23 **POLICY.**

24 It is the sense of the Congress that the Secretary,
25 after consultation with the appropriate congressional com-

1 mittees, should submit a plan to the Congress to consoli-
2 date some or all of the functions currently performed by
3 the Department of State, the agency for International De-
4 velopment, and the Arms Control and Disarmament Agen-
5 cy, in order to increase efficiency and accountability in the
6 conduct of the foreign policy of the United States.

7 **SEC. 1708. CONGRESSIONAL STATEMENT CONCERNING**
8 **RADIO FREE EUROPE/RADIO LIBERTY.**

9 It is the sense of the Congress that Radio Free Eu-
10 rope/Radio Liberty should continue surrogate broadcast-
11 ing beyond the year 2000 to countries whose people do
12 not yet fully enjoy freedom of expression. Recent events
13 in Serbia, Belarus, and Slovakia, among other nations,
14 demonstrate that even after the end of communist rule
15 in such nations, tyranny under other names still threatens
16 the freedom of their peoples, and hence the stability of
17 Europe and the national security interest of the United
18 States. The Broadcasting Board of Governors should
19 therefore continue to allocate sufficient funds to Radio
20 Free Europe/Radio Liberty to continue broadcasting at
21 current levels to target countries and to increase these lev-
22 els in response to renewed threats to freedom.

1 **SEC. 1709. PROGRAMS OR PROJECTS OF THE INTER-**
2 **NATIONAL ATOMIC ENERGY AGENCY IN**
3 **CUBA.**

4 (a) WITHHOLDING OF UNITED STATES PROPOR-
5 TIONAL SHARE OF ASSISTANCE.—

6 (1) IN GENERAL.—Section 307(c) of the For-
7 eign Assistance Act of 1961 (22 U.S.C. 2227(c)) is
8 amended—

9 (A) by striking “The limitations” and in-
10 serting “(1) Subject to paragraph (2), the limi-
11 tations”; and

12 (B) by adding at the end the following:

13 “(2)(A) Except as provided in subparagraph (B),
14 with respect to funds authorized to be appropriated by this
15 chapter and available for the International Atomic Energy
16 Agency, the limitations of subsection (a) shall apply to
17 programs or projects of such Agency in Cuba.

18 “(B)(i) Subparagraph (A) shall not apply with re-
19 spect to programs or projects of the International Atomic
20 Energy Agency that provide for the discontinuation, dis-
21 mantling, or safety inspection of nuclear facilities or relat-
22 ed materials, or for inspections and similar activities de-
23 signed to prevent the development of nuclear weapons by
24 a country described in subsection (a).

1 “(ii) Clause (i) shall not apply with respect to the
2 Juragua Nuclear Power Plant near Cienfuegos, Cuba, or
3 the Pedro Pi Nuclear Research Center unless Cuba—

4 “(I) ratifies the Treaty on the Non-Prolifera-
5 tion of Nuclear Weapons (21 UST 483) or the Trea-
6 ty for the Prohibition of Nuclear Weapons in Latin
7 America (commonly known as the Treaty of
8 Tlatelolco);

9 “(II) negotiates full-scope safeguards of the
10 International Atomic Energy Agency not later than
11 two years after ratification by Cuba of such Treaty;
12 and

13 “(III) incorporates internationally accepted nu-
14 clear safety standards.”.

15 (2) EFFECTIVE DATE.—The amendments made
16 by paragraph (1) shall take effect on October 1,
17 1997, or the date of the enactment of this Act,
18 whichever occurs later.

19 (b) OPPOSITION TO CERTAIN PROGRAMS OR
20 PROJECTS.—The Secretary of State shall direct the Unit-
21 ed States representative to the International Atomic En-
22 ergy Agency to oppose the following:

23 (1) Technical assistance programs or projects of
24 the Agency at the Juragua Nuclear Power Plant

1 near Cienfuegos, Cuba, and at the Pedro Pi Nuclear
2 Research Center.

3 (2) Any other program or project of the Agency
4 in Cuba that is, or could become, a threat to the se-
5 curity of the United States.

6 (c) REPORTING REQUIREMENTS.—

7 (1) REQUEST FOR IAEA REPORTS.—The Sec-
8 retary of State shall direct the United States rep-
9 resentative to the International Atomic Energy
10 Agency to request the Director-General of the Agen-
11 cy to submit to the United States all reports pre-
12 pared with respect to all programs or projects of the
13 Agency that are of concern to the United States, in-
14 cluding the programs or projects described in sub-
15 section (b).

16 (2) ANNUAL REPORTS TO THE CONGRESS.—Not
17 later than 180 days after the date of the enactment
18 of this Act, and on an annual basis thereafter, the
19 Secretary of State, in consultation with the United
20 States representative to the International Atomic
21 Energy Agency, shall prepare and submit to the
22 Congress a report containing a description of all
23 programs or projects of the Agency in each country
24 described in section 307(a) of the Foreign Assist-
25 ance Act of 1961 (22 U.S.C. 2227(a)).

1 **SEC. 1710. UNITED STATES POLICY WITH RESPECT TO JE-**
2 **RUSALEM AS THE CAPITAL OF ISRAEL.**

3 (a) LIMITATION.—Of the amounts authorized to be
4 appropriated by section 1101(4) for “Acquisition and
5 Maintenance of Buildings Abroad” \$25,000,000 for the
6 fiscal year 1998 and \$75,000,000 for the fiscal year 1999
7 is authorized to be appropriated for the construction of
8 a United States Embassy in Jerusalem, Israel.

9 (b) LIMITATION ON USE OF FUNDS FOR CONSULATE
10 IN JERUSALEM.—None of the funds authorized to be ap-
11 propriated by this division may be expended for the oper-
12 ation of a United States consulate or diplomatic facility
13 in Jerusalem unless such consulate or diplomatic facility
14 is under the supervision of the United States Ambassador
15 to Israel.

16 (c) LIMITATION ON USE OF FUNDS FOR PUBLICA-
17 TIONS.—None of the funds authorized to be appropriated
18 by this division may be available for the publication of any
19 official government document which lists countries and
20 their capital cities unless the publication identifies Jerusa-
21 lem as the capital of Israel.

22 (d) RECORD OF PLACE OF BIRTH.—For purposes of
23 the registration of birth, certification of nationality, or is-
24 suance of a passport of a United States citizen born in
25 the city of Jerusalem, upon request, the Secretary of State

1 shall permit the place of birth to be recorded as Jerusa-
2 lem, Israel.

3 **SEC. 1711. REPORT ON COMPLIANCE WITH THE HAGUE**
4 **CONVENTION ON INTERNATIONAL CHILD AB-**
5 **DUCTION.**

6 Beginning 6 months after the date of the enactment
7 of this Act and every subsequent 6 months during fiscal
8 years 1998 and 1999, the Secretary shall provide to the
9 appropriate congressional committees a report on the com-
10 pliance of the signatories to the Hague Convention on the
11 Civil Aspects of International Child Abduction with the
12 provisions of the convention, which shall include—

13 (1) the number of applications for the return of
14 children submitted by United States citizens to the
15 Central Authority for the United States that remain
16 unresolved;

17 (2) the countries to which the children listed in
18 the unresolved applications are alleged to have been
19 abducted;

20 (3) whether, in the judgment of the Secretary
21 of State, each of the countries listed in one or more
22 resolved applications is in full compliance with its
23 obligations under the convention; and

1 (4) in each unresolved case, the actions taken
2 by the Department of State to secure the return of
3 the child or children alleged to have been abducted.