

110TH CONGRESS  
1ST SESSION

# H. R. 1581

To improve coordination, implementation, and oversight of United States economic reconstruction assistance for Iraq, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. LANTOS introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on the Judiciary and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To improve coordination, implementation, and oversight of United States economic reconstruction assistance for Iraq, 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 AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Iraq Reconstruction Improvement Act of 2007”.

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

Sec. 1. Short title and table of contents.

Sec. 2. Purposes.

Sec. 3. Definition.

TITLE I—UNITED STATES ECONOMIC RECONSTRUCTION  
ASSISTANCE FOR IRAQ

- Sec. 101. Coordinator of United States Economic Reconstruction Assistance for Iraq.
- Sec. 102. Efforts to promote capacity development in Iraq.
- Sec. 103. Efforts to support anti-corruption activities in Iraq.
- Sec. 104. Assistance to support reconstruction programs on the provincial and local levels in Iraq.
- Sec. 105. Assistance to support private sector development and employment programs in Iraq.
- Sec. 106. Assistance for refugees from Iraq and internally displaced persons in Iraq.
- Sec. 107. Authorization for refugee admissions.

TITLE II—OVERSIGHT OF UNITED STATES RECONSTRUCTION  
ASSISTANCE FOR IRAQ

- Sec. 201. Extension of authority of the Office of the Special Inspector General for Iraq Reconstruction.
- Sec. 202. Assistance to support the Offices of the Inspector General of the Department of State and the United States Agency for International Development.
- Sec. 203. Report to Congress.

TITLE III—ACCOUNTABILITY AND TRANSPARENCY IN UNITED  
STATES CONTRACTING FOR RECONSTRUCTION IN IRAQ

- Sec. 301. Prohibition on funding certain contracts.
- Sec. 302. Report on audits and investigations of the Department of State and United States Agency for International Development.
- Sec. 303. Assistance to improve the contracting capacity of the Department of State and United States Agency for International Development for Iraq.

TITLE IV—BUILDING THE UNITED STATES STABILIZATION AND  
RECONSTRUCTION CAPACITY

- Sec. 401. Civilian Active Response Corps.
- Sec. 402. Civilian Reserve Readiness Corps.
- Sec. 403. Stabilization and reconstruction strategy.
- Sec. 404. Authorization of appropriations.
- Sec. 405. Reports to Congress.

**1 SEC. 2. PURPOSES.**

**2** The purposes of this Act are as follows:

- 3** (1) To promote the effectiveness and efficiency
- 4** of United States economic reconstruction assistance
- 5** for Iraq.

1           (2) To improve the capacity and capability of  
2 the Government of Iraq, on all levels, to respond to  
3 the needs of all segments of the population in all  
4 areas and communities and properly execute the  
5 Iraqi budget for reconstruction, job creation, and  
6 economic development in Iraq.

7           (3) To ensure that United States economic re-  
8 construction assistance for Iraq is provided and im-  
9 plemented in a transparent and accountable fashion.

10          (4) To work with the Government of Iraq to en-  
11 sure that United States and Iraqi economic recon-  
12 struction assistance programs are complementary  
13 and administered on a nonsectarian basis and that  
14 government services are delivered in an even-handed  
15 and nonsectarian manner.

16          (5) To enhance the long-term capacity of the  
17 Government of the United States to respond and  
18 participate in stabilization and reconstruction oper-  
19 ations.

20 **SEC. 3. DEFINITION.**

21          As used in this Act, the term “appropriate congress-  
22 sional committees” means—

23           (1) the Committee on Foreign Affairs and the  
24 Committee on Appropriations of the House of Rep-  
25 resentatives; and

1           (2) the Committee on Foreign Relations and  
2           the Committee on Appropriations of the Senate.

3 **TITLE I—UNITED STATES ECO-**  
4 **NOMIC RECONSTRUCTION AS-**  
5 **SISTANCE FOR IRAQ**

6 **SEC. 101. COORDINATOR OF UNITED STATES ECONOMIC**  
7 **RECONSTRUCTION ASSISTANCE FOR IRAQ.**

8           (a) ESTABLISHMENT.—Not later than 30 days after  
9 the date of the enactment of this Act, the President of  
10 the United States shall appoint a Coordinator of United  
11 States Economic Reconstruction Assistance for Iraq (here-  
12 inafter in this section referred to as the “Coordinator”).  
13 The Coordinator shall be appointed by and with the advice  
14 and consent of the Senate and shall report directly to the  
15 President.

16           (b) STAFF AND FUNDING.—It is the sense of Con-  
17 gress that the Coordinator should be given adequate staff  
18 and funding to carry out the duties set forth in subsection

19 (c).

20           (c) DUTIES.—The Coordinator shall—

21           (1) develop and implement an overall strategy  
22 for United States economic reconstruction assistance  
23 for Iraq;

24           (2) coordinate and ensure effective and efficient  
25 implementation, management, oversight, and ac-

1       countability of United States economic reconstruc-  
2       tion assistance policy and programs for Iraq among  
3       all departments and agencies of the Government of  
4       the United States that are implementing or other-  
5       wise supporting such programs, including the De-  
6       partment of State, the United States Agency for  
7       International Development, the Department of De-  
8       fense, the Department of the Treasury, and the De-  
9       partment of Justice;

10               (3) resolve policy and program disputes among  
11       departments and agencies of the United States Gov-  
12       ernment that are implementing assistance programs  
13       or otherwise supporting reconstruction in Iraq;

14               (4) seek to work with the Government of Iraq,  
15       on the national, provincial, and local levels, to  
16       prioritize and respond to the needs of the people of  
17       Iraq in all areas and communities;

18               (5) coordinate with the Government of Iraq in  
19       its budgeting and expenditures of Iraqi revenues to  
20       carry out economic reconstruction activities; and

21               (6) coordinate with other donors, international  
22       organizations, and international financial institu-  
23       tions that are providing economic reconstruction as-  
24       sistance for Iraq.

1 (d) RANK AND STATUS.—The Coordinator shall have  
2 the rank and status of ambassador.

3 **SEC. 102. EFFORTS TO PROMOTE CAPACITY DEVELOPMENT**  
4 **IN IRAQ.**

5 (a) ASSISTANCE TO PROMOTE CAPACITY DEVELOP-  
6 MENT.—

7 (1) ASSISTANCE AUTHORIZED.—The President  
8 of the United States shall provide assistance to in-  
9 crease the capacity and improve the sustainability of  
10 national, provincial, and local governmental institu-  
11 tions in Iraq.

12 (2) ACTIVITIES SUPPORTED.—Assistance pro-  
13 vided under paragraph (1) shall, to the maximum  
14 extent practicable, be used to—

15 (A) provide technical assistance to all Iraqi  
16 government ministries, on the national, provin-  
17 cial, and local levels, to improve transparency,  
18 accountability, and ability to respond to the  
19 needs of the Iraqi people;

20 (B) promote the implementation of fiscal  
21 and personnel management systems, including  
22 tracking and expenditure systems for Iraqi rev-  
23 enues;

24 (C) provide training and technical assist-  
25 ance to the Iraqi Ministry of Finance to better

1 account for the budgeting, expenditure, and  
2 execution of Iraqi revenues;

3 (D) assist in developing ministry-wide re-  
4 cruitment systems to build a cadre of qualified,  
5 trained, and experienced Iraqi staff at the field,  
6 project, and ministry level;

7 (E) create or improve existing databases  
8 and other human resource information systems;

9 (F) provide technical assistance to improve  
10 the capacity to fund the operations and mainte-  
11 nance of completed projects;

12 (G) develop effective inventory control sys-  
13 tems for plant and project equipment;

14 (H) promote the establishment of men-  
15 toring programs by trained and experienced  
16 Iraqi government ministry officials, engineers,  
17 and other staff for less experienced and trained  
18 Iraqi government ministry staff;

19 (I) provide training to Iraqi government  
20 ministries, on the national, provincial, and local  
21 levels, to focus the delivery of basic services on  
22 a customer-oriented basis;

23 (J) improve training on the operations and  
24 maintenance of United States-funded and Iraqi-  
25 funded projects; and

1           (K) support the expansion of the Iraq  
2           Local Governance Program and National Ca-  
3           pacity Development Program funded or carried  
4           out by the United States Agency for Inter-  
5           national Development.

6           (b) DIRECTOR OF CAPACITY DEVELOPMENT IN  
7 IRAQ.—

8           (1) ESTABLISHMENT.—The Coordinator of  
9           United States Economic Reconstruction Assistance  
10          for Iraq shall designate a Director of Capacity De-  
11          velopment in Iraq (hereinafter in this subsection re-  
12          ferred to as the “Director”), who shall be an official  
13          of the Government of the United States with experi-  
14          ence in post-conflict reconstruction and development  
15          assistance, particularly reconstruction and develop-  
16          ment assistance for Iraq.

17          (2) DUTIES.—The Director shall—

18                 (A) develop an inter-agency United States  
19                 Government detailed plan for capacity develop-  
20                 ment in Iraq, in consultation with the Govern-  
21                 ment of Iraq, that defines roles and responsibil-  
22                 ities, establishes clearly-defined goals and objec-  
23                 tives, including the identification of specific  
24                 short-term and long-term initiatives, outcome-  
25                 related performance measures, milestones for

1 achieving stated objectives, and future funding  
2 requirements;

3 (B) establish and implement the process by  
4 which goals, objectives, and milestones can be  
5 measured with respect to capacity development;

6 (C) coordinate the activities of the United  
7 States government departments or agencies  
8 that are identified in the plan developed under  
9 subparagraph (A) to engage in capacity-devel-  
10 opment activities; and

11 (D) work with other bilateral and multilat-  
12 eral donors in executing effective and com-  
13 prehensive capacity-development programs.

14 (c) AUTHORIZATION OF APPROPRIATIONS.—To carry  
15 out this section, there are authorized to be appropriated  
16 to the President such sums as may be necessary for each  
17 of the fiscal years 2008 and 2009.

18 **SEC. 103. EFFORTS TO SUPPORT ANTI-CORRUPTION AC-**  
19 **TIVITIES IN IRAQ.**

20 (a) ASSISTANCE TO SUPPORT ANTI-CORRUPTION AC-  
21 TIVITIES.—

22 (1) ASSISTANCE AUTHORIZED.—The President  
23 of the United States shall provide assistance to com-  
24 bat corruption, improve transparency and account-  
25 ability, increase the participatory nature of govern-

1 mental institutions and civil society organizations in  
2 all areas and communities, and promote other forms  
3 of good governance and management in all levels of  
4 government in Iraq.

5 (2) ACTIVITIES SUPPORTED.—Assistance pro-  
6 vided under paragraph (1) shall, to the maximum  
7 extent practicable, be used to—

8 (A) support and provide training to the  
9 Iraqi Board of Supreme Audit, Central Crimi-  
10 nal Court of Iraq, the Commission on Public  
11 Integrity or other similar entity created by the  
12 Iraqi legislature, Ministry Inspectors General,  
13 third-party monitoring of government procure-  
14 ment processes, and other anti-corruption agen-  
15 cies in Iraq;

16 (B) promote legal and judicial reforms that  
17 criminalize corruption in procurement and other  
18 areas facilitating Iraqi reconstruction and law  
19 enforcement reforms that encourage prosecu-  
20 tions of such corruption;

21 (C) provide technical assistance to develop  
22 a legal framework for commercial transactions  
23 that foster business practices that promote  
24 transparent, ethical, and competitive behavior  
25 in the economic sector, such as commercial

1 codes that incorporate international standards  
2 and protection of core labor standards;

3 (D) provide training and technical assist-  
4 ance relating to drafting anti-corruption and  
5 competitive laws and administrative codes, and  
6 provide technical assistance to Iraqi govern-  
7 mental ministries, on the national, provincial,  
8 and local levels, implementing such laws and  
9 regulations;

10 (E) promote the development of regula-  
11 tions relating to financial disclosure for public  
12 officials, political parties, and candidates for  
13 public offices;

14 (F) support transparent budgeting proc-  
15 esses, including increased assistance to the de-  
16 velopment of the Financial Management Infor-  
17 mation System and other mechanisms that pro-  
18 mote respective budget preparation and sound  
19 cash-management processes; and

20 (G) promote civil society's role in com-  
21 bating corruption, including increased support  
22 for the Iraq Civil Society Program and Civil So-  
23 ciety Resource Centers.

24 (b) ESTABLISHMENT OF COMPREHENSIVE ANTI-  
25 CORRUPTION STRATEGY.—The Coordinator of United

1 States Economic Reconstruction Assistance for Iraq shall  
2 establish a comprehensive anti-corruption strategy for  
3 Iraq among all departments and agencies of the Govern-  
4 ment of the United States carrying out anti-corruption  
5 programs for Iraq. The strategy established under this  
6 subsection shall include—

7 (1) interim and long-term objectives for each  
8 United States anti-corruption program;

9 (2) a baseline for each United States anti-cor-  
10 ruption program to identify a starting point for  
11 measuring progress;

12 (3) the identification and prioritization of sec-  
13 tors that require enhanced anti-corruption efforts;  
14 and

15 (4) the identification of training solutions that  
16 cut across United States Government departments  
17 and agencies to avoid duplication and maximize re-  
18 sources.

19 (c) COORDINATION OF ANTI-CORRUPTION EF-  
20 FORTS.—The Coordinator of United States Economic Re-  
21 construction Assistance for Iraq shall seek to coordinate  
22 with the Government of Iraq and regional and inter-  
23 national partners carrying out anti-corruption programs  
24 for Iraq on all matters relating to anti-corruption pro-  
25 grams for Iraq.

1 (d) AUTHORIZATION OF APPROPRIATIONS.—To carry  
2 out this section, there are authorized to be appropriated  
3 to the President such sums as may be necessary for each  
4 of the fiscal years 2008 and 2009.

5 **SEC. 104. ASSISTANCE TO SUPPORT RECONSTRUCTION**  
6 **PROGRAMS ON THE PROVINCIAL AND LOCAL**  
7 **LEVELS IN IRAQ.**

8 (a) ASSISTANCE AUTHORIZED.—The President of the  
9 United States shall provide assistance to support recon-  
10 struction programs on the provincial and local levels in  
11 Iraq, including, in particular, programs that are identified  
12 by Iraqi provincial and local leaders and carried out by  
13 Iraqi-led nongovernmental organizations or private enti-  
14 ties with training and experience in reconstruction activi-  
15 ties.

16 (b) ACTIVITIES SUPPORTED.—Assistance provided  
17 under subsection (a) shall, to the maximum extent prac-  
18 ticable, be used to—

19 (1) provide technical and program support to  
20 the Iraqi Provincial Reconstruction Development  
21 Councils; and

22 (2) support and increase funding for the Iraq  
23 Community Action Program and Community Sta-  
24 bilization Program funded or carried out by the

1 United States Agency for International Develop-  
2 ment.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
4 are authorized to be appropriated to the President—

5 (1) \$50,000,000 for each of the fiscal years  
6 2008 and 2009 to support and increase funding for  
7 the Community Action Program under subsection  
8 (b)(2) and

9 (2) such sums as may be necessary for each of  
10 the fiscal years 2008 and 2009 to carry out the  
11 other provisions of this section.

12 **SEC. 105. ASSISTANCE TO SUPPORT PRIVATE SECTOR DE-**  
13 **VELOPMENT AND EMPLOYMENT PROGRAMS**  
14 **IN IRAQ.**

15 (a) ASSISTANCE AUTHORIZED.—The President of the  
16 United States shall provide assistance to support private  
17 sector development and employment programs, including  
18 short-term job creation programs, for the people of Iraq.  
19 Assistance provided under this subsection shall be made  
20 available on an equitable basis in all regions of Iraq, as  
21 appropriate.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry  
23 out this section, there are authorized to be appropriated  
24 to the President such sums as may be necessary for each  
25 of the fiscal years 2008 and 2009.

1 **SEC. 106. ASSISTANCE FOR REFUGEES FROM IRAQ AND IN-**  
2 **TERNALLY DISPLACED PERSONS IN IRAQ.**

3 (a) ASSISTANCE FOR IRAQI REFUGEES.—

4 (1) ASSISTANCE AUTHORIZED.—The Secretary  
5 of State shall provide assistance to support the hu-  
6 manitarian needs of refugees from Iraq who have  
7 been outside Iraq in a country in the Middle East  
8 region since no earlier than March 19, 2003.

9 (2) ACTIVITIES SUPPORTED.—Assistance pro-  
10 vided under paragraph (1) shall, to the maximum  
11 extent practicable, be used to provide food, housing,  
12 clothing, health care, water and sanitation, edu-  
13 cation, vocational training, and registration, protec-  
14 tion, and monitoring services for Iraqi refugees.

15 (3) AUTHORIZATION OF APPROPRIATIONS.—To  
16 carry out this subsection, there are authorized to be  
17 appropriated to the Secretary \$45,000,000 for each  
18 of the fiscal years 2008 and 2009. Amounts appro-  
19 priated pursuant to the authorization of appropria-  
20 tions under this paragraph are in addition to  
21 amounts otherwise available for such purposes.

22 (b) WAIVER OF LIMITATION ON UNITED STATES  
23 EMERGENCY REFUGEE AND MIGRATION ASSISTANCE  
24 FUND.—Funds appropriated or otherwise made available  
25 under the United States Emergency Refugee and Migra-  
26 tion Assistance Fund authorized under section 2(c)(2) of

1 the Migration and Refugee Assistance Act of 1962 (22  
2 U.S.C. 2601(c)(2)) for fiscal years 2008 and 2009 shall  
3 not be subject to the limitation contained in the second  
4 sentence of such section.

5 (c) ASSISTANCE FOR INTERNALLY DISPLACED PER-  
6 SONS IN IRAQ.—

7 (1) ASSISTANCE AUTHORIZED.—The Secretary  
8 of State shall provide assistance to support the hu-  
9 manitarian needs of internally displaced persons in  
10 Iraq who have been outside their original place of  
11 residence since no earlier than March 19, 2003.

12 (2) ACTIVITIES SUPPORTED.—Assistance pro-  
13 vided under paragraph (1) shall, to the maximum  
14 extent practicable, be used to provide food, housing,  
15 clothing, health care, water and sanitation, safe  
16 transportation, education, and vocational training  
17 for internally displaced persons in Iraq.

18 (3) AUTHORIZATION OF APPROPRIATIONS.—To  
19 carry out this section, there are authorized to be ap-  
20 propriated to the Secretary \$60,000,000 for each of  
21 the fiscal years 2008 and 2009. Amounts appro-  
22 priated pursuant to the authorization of appropria-  
23 tions under this paragraph are in addition to  
24 amounts otherwise available for such purposes.

1 **SEC. 107. AUTHORIZATION FOR REFUGEE ADMISSIONS.**

2 (a) IN GENERAL.—

3 (1) INCREASE IN NUMERICAL LIMITATIONS.—In  
4 addition to the numerical limitations provided for  
5 under subsections (a) and (b) of section 207 of the  
6 Immigration and Nationality Act (8 U.S.C. 1157),  
7 the number of refugees who may be admitted during  
8 the remainder of fiscal year 2007 and during fiscal  
9 year 2008 under subsection (c) of such section shall  
10 be increased by not fewer than 20,000 for the pur-  
11 pose of admitting refugees from Iraq. Such refugees  
12 from Iraq shall be treated, for purposes of such sec-  
13 tion, as refugees of special concern under the ref-  
14 ugee resettlement priority system.

15 (2) RESTRICTION ON ELIGIBILITY.—The in-  
16 crease in the numerical limitation described in para-  
17 graph (1) shall apply only to refugees from Iraq who  
18 have become refugees since no earlier than March  
19 19, 2003.

20 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry  
21 out this section, there are authorized to be appropriated  
22 for fiscal year 2008—

23 (1) to the Department of Homeland Security,  
24 \$10,000,000 for expedited refugee processing and  
25 temporary expansion of the Refugee Corps for such  
26 expedited processing; and

1           (2) to the Office of Refugee Resettlement in the  
2       Department of Health and Human Services,  
3       \$30,000,000 for the resettlement of refugees from  
4       Iraq.

5       (c) SENSE OF CONGRESS RELATING TO THE  
6       PRIORITIZATION OF SECURITY CHECKS.—It is the sense  
7       of Congress that the Attorney General should instruct the  
8       Director of the Federal Bureau of Investigation to place  
9       greater priority on the security checks conducted on refu-  
10      gees from Iraq, without any reduction in the care, thor-  
11      oughness, or extensive process given to such checks, in  
12      order that such checks can be prioritized to provide to the  
13      Department of Homeland Security more expeditious deci-  
14      sions regarding the admission of refugees who are subject  
15      to such checks.

16      (d) REFUGEES FROM IRAQ DEFINED.—For purposes  
17      of this section, the term “refugees from Iraq” means a  
18      refugee described in subsection (a)(1) of section 106 or  
19      an internally displaced person described in subsection  
20      (c)(1) of such section.

1 **TITLE II—OVERSIGHT OF**  
2 **UNITED STATES RECON-**  
3 **STRUCTION ASSISTANCE FOR**  
4 **IRAQ**

5 **SEC. 201. EXTENSION OF AUTHORITY OF THE OFFICE OF**  
6 **THE SPECIAL INSPECTOR GENERAL FOR**  
7 **IRAQ RECONSTRUCTION.**

8 Section 3001(o)(1)(B) of the Emergency Supple-  
9 mental Appropriations Act for Defense and for the Recon-  
10 struction of Iraq and Afghanistan, 2004 (Public Law 108–  
11 106; 117 Stat. 1238; 5 U.S.C. App., note to section 8G  
12 of Public Law 95–452), as amended by section 1054(b)  
13 of Public Law 109–364 and section 2 of Public Law 109–  
14 440, is amended by striking “fiscal year 2006” and insert-  
15 ing “any of the fiscal years 2006 through 2009”.

16 **SEC. 202. ASSISTANCE TO SUPPORT THE OFFICES OF THE**  
17 **INSPECTOR GENERAL OF THE DEPARTMENT**  
18 **OF STATE AND THE UNITED STATES AGENCY**  
19 **FOR INTERNATIONAL DEVELOPMENT.**

20 (a) ASSISTANCE AUTHORIZED.—The President of the  
21 United States shall provide assistance to improve the au-  
22 diting, investigation, and oversight capacity and capability  
23 of the Offices of the Inspector General of the Department  
24 of State and the United States Agency for International  
25 Development.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry  
2 out this section, there are authorized to be appropriated  
3 to the President such sums as may be necessary for each  
4 of the fiscal years 2008 and 2009.

5 (c) SENSE OF CONGRESS.—It is the sense of Con-  
6 gress that the Office of the Special Inspector General for  
7 Iraq Reconstruction should assist the Offices of the In-  
8 spector General of the Department of State and the  
9 United States Agency for International Development in  
10 improving their auditing, investigation, and oversight ca-  
11 pacities and capabilities to ensure efficient and effective  
12 transition of responsibilities after the date on which the  
13 authority of the Office of the Special Inspector General  
14 for Iraq Reconstruction expires.

15 **SEC. 203. REPORT TO CONGRESS.**

16 The President of the United States shall, on a quar-  
17 terly basis, transmit to the appropriate congressional com-  
18 mittees a report on matters relevant to this Act, including  
19 the following:

20 (1) Progress by Iraq in the economic and recon-  
21 struction sector, including information regarding—

22 (A) unemployment levels, and the change  
23 in such levels on a monthly basis;

24 (B) electricity, water, and oil production  
25 and distribution rates;

1 (C) hunger, malnutrition and poverty lev-  
2 els, the dependence of the population on govern-  
3 ment assistance to prevent the increase in such  
4 levels, and the ability of the Government of Iraq  
5 to prevent the increase in such levels;

6 (D) an assessment of the humanitarian sit-  
7 uation, including ability of Iraqi civilians to  
8 travel freely throughout the country, the num-  
9 ber of Iraqi refugees and internally displaced  
10 persons, and the change in such numbers on a  
11 monthly basis;

12 (E) economic reforms by Government of  
13 Iraq that set the framework for long-term eco-  
14 nomic growth, including the level of private sec-  
15 tor investment and laws enacted by the Govern-  
16 ment of Iraq to ensure labor rights in Iraq sat-  
17 isfy international labor standards;

18 (F) the amount of funds obligated and ex-  
19 pended by the Government of Iraq to improve  
20 the employment situation in Iraq;

21 (G) the amount of funds obligated and ex-  
22 pended by the Government of Iraq on recon-  
23 struction, by sector; and

24 (H) progress by the Government of Iraq in  
25 fulfilling its obligations under the International

1 Compact with Iraq, including programs on good  
2 governance, human rights protection, and anti-  
3 corruption.

4 (2) Progress in obtaining support from other  
5 countries in the region and around the world includ-  
6 ing information regarding—

7 (A) the amount of new commitments and  
8 obligations for reconstruction assistance, by  
9 country; and

10 (B) the amount of new debt relief provided  
11 by countries other than the United States, by  
12 country.

13 (3) Status of United States reconstruction ef-  
14 forts in Iraq, including information regarding—

15 (A) a general description of existing pro-  
16 grams in each sector, including the amounts ob-  
17 ligated and expended during the last 60 days  
18 and the accomplishments in the last 60 days  
19 and the obligation of amounts and plans for  
20 programs for the next 60 days, and any  
21 changes in priorities between and within sectors  
22 between each reporting period;

23 (B) status of each provincial reconstruc-  
24 tion team, including the staffing of each recon-  
25 struction team, including the ratio of civilian

1 personnel to military personnel, the activities of  
2 each such team, the amounts expended by each  
3 such team, and the specific outcomes of each  
4 such team;

5 (C) a general description of existing pro-  
6 grams in each sector and their relation to the  
7 International Compact with Iraq and other pri-  
8 orities and commitments identified by the Gov-  
9 ernment of Iraq, on the national, provincial,  
10 and local levels; and

11 (D) the accomplishments and obstacles in  
12 coordinating United States reconstruction pro-  
13 grams.

14 **TITLE III—ACCOUNTABILITY**  
15 **AND TRANSPARENCY IN**  
16 **UNITED STATES CON-**  
17 **TRACTING FOR RECONSTRUC-**  
18 **TION IN IRAQ**

19 **SEC. 301. PROHIBITION ON FUNDING CERTAIN CONTRACTS.**

20 (a) IN GENERAL.—Except as provided in subsection  
21 (b), none of the funds appropriated or otherwise made  
22 available for reconstruction assistance for Iraq under the  
23 Economic Support Fund authorized under chapter 4 of  
24 part II of the Foreign Assistance Act of 1961 (22 U.S.C.  
25 2346 et seq.) may be obligated or expended in connection

1 with a contract entered into, or task order issued, after  
2 the date of the enactment of this Act with a contractor  
3 that—

4 (1) assisted in the development of the request  
5 for proposal for the contract or task order; or

6 (2) during the previous 5 years—

7 (A) has been found by the Special Inspec-  
8 tor General for Iraq Reconstruction, the De-  
9 partment of State Inspector General, or the  
10 U.S. Agency for International Development In-  
11 spector General to have overcharged or improv-  
12 erly billed the Federal Government by a total of  
13 at least \$10,000,000 through one or more over-  
14 charges;

15 (B) has been found by the Special Inspec-  
16 tor General for Iraq Reconstruction, the De-  
17 partment of State Inspector General, or the  
18 U.S. Agency for International Development In-  
19 spector General to have committed one or more  
20 fraudulent acts resulting in total costs or losses  
21 to the Federal Government of at least  
22 \$10,000,000; or

23 (C) has been suspended or debarred for a  
24 period of at least one year under the Federal  
25 suspension and debarment regulations.

1 (b) NATIONAL SECURITY WAIVER.—The President of  
2 the United States may waive the restrictions under sub-  
3 section (a) on a case-by-case basis if the President deter-  
4 mines that such waiver is in the national security interest  
5 of the United States and transmits to the appropriate con-  
6 gressional committees a report describing the reasons for  
7 such determination.

8 **SEC. 302. REPORT ON AUDITS AND INVESTIGATIONS OF**  
9 **THE DEPARTMENT OF STATE AND UNITED**  
10 **STATES AGENCY FOR INTERNATIONAL DE-**  
11 **VELOPMENT.**

12 (a) REPORT REQUIRED.—Not later than 90 days  
13 after the date of the enactment of this Act, and every 90  
14 days thereafter, the Secretary of State shall submit to the  
15 appropriate congressional committees a report that lists  
16 and describes audits and investigations conducted by the  
17 Offices of the Inspector General of the Department of  
18 State and the United States Agency for International De-  
19 velopment of cost plus fixed fee contracts, indefinite quan-  
20 tity contracts, task orders, and other contracts related to  
21 economic reconstruction activities in Iraq.

22 (b) CONTENTS.—The Secretary of State shall iden-  
23 tify in the report submitted under subsection (a)—

24 (1) any such cost plus fixed fee contract, indefi-  
25 nite quantity contract, task order, or other contract

1 that the Inspector General of the Department of  
2 State or the Inspector General of the United States  
3 Agency for International Development determines  
4 involves costs that are unjustified, unsupported, or  
5 questionable, including any charges assessed on  
6 goods or services not provided in connection with  
7 such cost plus fixed fee contract, indefinite quantity  
8 contract, task order, or other contract;

9 (2) the amount of the unjustified, unsupported,  
10 or questionable costs and the percentage of the total  
11 value of the cost plus fixed fee contract, indefinite  
12 quantity contract, task order, or other contract that  
13 such costs represent;

14 (3) the company or companies implementing  
15 such cost plus fixed fee contract, indefinite quantity  
16 contract, task order, or other contract with the De-  
17 partment of State or United States Agency of Inter-  
18 national Development that was convicted of commit-  
19 ting fraud or corruption; and

20 (4) the company or companies that were sus-  
21 pended or debarred from receiving contract in cases  
22 of fraud or corruption.

1 **SEC. 303. ASSISTANCE TO IMPROVE THE CONTRACTING CA-**  
2 **PACITY OF THE DEPARTMENT OF STATE AND**  
3 **UNITED STATES AGENCY FOR INTER-**  
4 **NATIONAL DEVELOPMENT FOR IRAQ.**

5 (a) ASSISTANCE AUTHORIZED.—The President of the  
6 United States shall provide assistance to improve and in-  
7 crease the contracting capacity for the Department of  
8 State and the United States Agency for International De-  
9 velopment for reconstruction activities in Iraq.

10 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry  
11 out this section, there are authorized to be appropriated  
12 to the President such sums as may be necessary for each  
13 of the fiscal years 2008 and 2009.

14 **TITLE IV—BUILDING THE**  
15 **UNITED STATES STABILIZA-**  
16 **TION AND RECONSTRUCTION**  
17 **CAPACITY**

18 **SEC. 401. CIVILIAN ACTIVE RESPONSE CORPS.**

19 (a) ESTABLISHMENT.—The Secretary of State, in  
20 consultation with the Administrator of the United States  
21 Agency for International Development, shall establish a  
22 Civilian Active Response Corps (hereinafter in this section  
23 referred to as the “Corps”) to provide assistance in sup-  
24 port of stabilization and reconstruction operations in for-  
25 eign countries or regions that are in, are in transition  
26 from, or are likely to enter into, conflict or civil strife.

1 (b) COMPOSITION.—The Secretary and Adminis-  
2 trator shall coordinate in the identification and training,  
3 and if necessary, in the recruitment and hiring, of nec-  
4 essary personnel with the skills necessary to contribute to  
5 stabilization and reconstruction operations for the Corps  
6 established in accordance with subsection (a). Such per-  
7 sonnel shall be composed of employees of United States  
8 civilian agencies or non-Federal government employees.

9 (c) USE OF CORPS.—The members of the Corps shall  
10 be available if the President determines that it is in the  
11 national security interests of the United States to engage  
12 in stabilization and reconstruction operations in a country  
13 or region that is in, is in transition from, or is likely to  
14 enter into, conflict or civil strife.

15 (d) TRAINING AND EDUCATION PROGRAMS.—

16 (1) IN GENERAL.—The Secretary, acting  
17 through the Coordinator for Reconstruction and Sta-  
18 bilization of the Department of State and the Ad-  
19 ministrator, is authorized to conduct and arrange for  
20 training and education of the Corps.

21 (2) EMPHASIS.—Training and education shall  
22 emphasize acquisition of general skills needed to op-  
23 erate in a post-conflict environment and training  
24 specific to the job skill set for which the member has  
25 been identified to participate in the Corps.

1           (3) CONTENTS.—Training and education may  
2 consist of—

3           (A) conducting inter-agency training, in-  
4 cluding training related to inter-agency deci-  
5 sion-making, operational planning, and execu-  
6 tion simulations, for mid-level government offi-  
7 cials and managers to prepare such officials  
8 and managers to address stabilization and re-  
9 construction operations;

10           (B) conducting advanced training related  
11 to stabilization and reconstruction operations  
12 for members of the Corps;

13           (C) conducting pre-deployment training re-  
14 lated to stabilization and reconstruction oper-  
15 ations for civilians and military-civil affairs per-  
16 sonnel;

17           (D) conducting exercises related to sta-  
18 bilization and reconstruction operations for  
19 United States and international experts;

20           (E) developing a uniform set of operating  
21 procedures for stabilization and reconstruction  
22 operations; and

23           (F) conducting ongoing monitoring and  
24 evaluations and post-operation reviews of sta-

1           bilization and reconstruction operations to es-  
2           tablish lessons learned.

3           (e) FACILITIES.—Training and education programs  
4 shall be coordinated with and utilize to the extent possible  
5 existing programs and facilities, such as the George P.  
6 Shultz National Foreign Affairs Training Center (com-  
7 monly referred to as the “Foreign Service Institute”), the  
8 National Defense University, the Center for Stabilization  
9 and Reconstruction Studies at the Naval Postgraduate  
10 School, and the United States Institute for Peace.

11          (f) EMPLOYMENT AUTHORITY.—The full-time per-  
12 sonnel authorized to be employed in the Corps under sub-  
13 section (b) shall be in addition to any other full-time per-  
14 sonnel of the Department of State or the United States  
15 Agency for International Development authorized to be  
16 employed under any other provision of law.

17 **SEC. 402. CIVILIAN RESERVE READINESS CORPS.**

18          (a) ESTABLISHMENT.—The Secretary of State, in  
19 consultation with the heads of other relevant Executive de-  
20 partments and agencies, shall establish a Civilian Reserve  
21 Readiness Corps comprised of personnel who are trained  
22 and available as needed to perform services necessary to  
23 carry out the purpose of the Civilian Active Response  
24 Corps under section 401(c). The Civilian Reserve Readiness

1   ness Corps shall constitute a reserve component of the Ci-  
2   vilian Active Response Corps.

3       (b) FEDERAL EMPLOYEES.—The Civilian Reserve  
4   Readiness Corps may include employees of the Depart-  
5   ment of State, including foreign national employees (as  
6   defined in section 103(6) of the Foreign Service Act of  
7   1980 (22 U.S.C. 3903(6))), employees of the United  
8   States Agency for International Development, employees  
9   of any other Executive department or agency (as such  
10  term is defined in section 105 of title 5, United States  
11  Code), and employees from the legislative and judicial  
12  branches who—

13           (1) have the training and skills necessary to en-  
14   able them to contribute to stabilization and recon-  
15   struction operations under section 401; and

16           (2) have volunteered for deployment to carry  
17   out such stabilization and reconstruction operations.

18       (c) NON-FEDERAL EMPLOYEES.—The Secretary is  
19  authorized to employ retired employees, contractor per-  
20  sonnel, nongovernmental organization personnel, and  
21  State and local government employees who—

22           (1) have the training and skills necessary to en-  
23   able them to contribute to stabilization and recon-  
24   struction operations under this section; and

1           (2) have volunteered to carry out such stabiliza-  
2           tion and reconstruction operations.

3           (d) USE OF CIVILIAN RESERVE.—The Secretary may  
4           deploy members of the reserve component in support of  
5           stabilization and reconstruction operations in a foreign  
6           country or region if the President makes a determination  
7           that it is important to the security interests of the United  
8           States for the employees described in subsections (b) and  
9           (c) to assist in stabilizing and reconstructing a country  
10          or region that is at risk of, in, or is in transition from  
11          conflict or civil strife.

12          (e) AUTHORITY TO HIRE RETIRED EMPLOYEES.—  
13          Section 824(g)(1) of the Foreign Service Act of 1980 (22  
14          U.S.C. 4064(g)(1)) is amended—

15               (1) in subparagraph (A), by striking “or” at  
16               the end;

17               (2) in subparagraph (B), by striking the period  
18               at the end and inserting “; or”; and

19               (3) by adding at the end the following new sub-  
20               paragraph:

21                       “(C) to facilitate the assignment of per-  
22                       sons to any country that is subject to a deter-  
23                       mination made pursuant to section 401(c) of  
24                       the Iraq Reconstruction Improvement Act of  
25                       2007 or to any posts vacated by members of the



1           (4) efforts to develop a database of proven and  
2           best practices based on previous stabilization and re-  
3           construction operations; and

4           (5) a plan to coordinate the activities of Federal  
5           departments and agencies involved in stabilization  
6           and reconstruction operations.

7 **SEC. 404. AUTHORIZATION OF APPROPRIATIONS.**

8           To carry out this title, there are authorized to be ap-  
9           propriated to the President \$35,000,000 for each of fiscal  
10          years 2008 and 2009.

11 **SEC. 405. REPORTS TO CONGRESS.**

12          (a) STRATEGY REPORT.—Not later than 180 days  
13          after the date of the enactment of this Act, the Secretary  
14          of State shall submit to the appropriate congressional  
15          committees a report on the strategy developed under sec-  
16          tion 403.

17          (b) REPORT.—Not later than 180 days after the date  
18          of the enactment of this Act, the Secretary shall submit  
19          to the appropriate congressional committees a report on  
20          the status of efforts to establish the Civilian Active Re-  
21          sponse Corps. The report shall include recommenda-  
22          tions—

23                 (1) for any legislation necessary to implement  
24          Section 401; and

1           (2) concerning the regulation and structure of  
2           the Civilian Active Response Corps, including rec-  
3           ommendations related to pay and employment secu-  
4           rity for, and benefit and retirement matters related  
5           to, members of the Corps.

6           (c) **ADDITIONAL REPORT.**—Not later than 180 days  
7           after the date of the enactment of this Act, the Secretary  
8           shall submit to the appropriate congressional committees  
9           a report on the status of efforts to establish the Civilian  
10          Reserve Readiness Corps, including any legislation nec-  
11          essary to implement section 402.

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