

Calendar No. 487

106TH CONGRESS
2D SESSION

S. 2382

[Report No. 106-257]

A BILL

To authorize appropriations for technical assistance for fiscal year 2001, to promote trade and anticorruption measures, and for other purposes.

APRIL 7, 2000

Read twice and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

APRIL 7, 2000

Mr. HELMS from the Committee on Foreign Relations, reported the following original bill; which was read twice and placed on the calendar

A BILL

To authorize appropriations for technical assistance for fiscal year 2001, to promote trade and anticorruption measures, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Technical Assistance, Trade Promotion, and Anti-Cor-
6 ruption Act of 2000”.

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

Sec. 1. Short title; table of contents.

TITLE I—PROMOTING TRADE AND PROTECTING UNITED STATES
 JOBS

Subtitle A—Private Sector Development

Sec. 101. Private sector enterprise funds.

Subtitle B—Protection of United States Jobs and Exports

Sec. 111. Prohibition on bilateral assistance for foreign exports of certain commodities.

Sec. 112. Opposition to multilateral assistance for certain surplus commodities.

Sec. 113. Prohibition on assistance for activities likely to cause a loss of United States jobs.

Sec. 114. Purchase of American-made equipment and products.

Subtitle C—Trade Sanctions Reform and Export Enhancement

Sec. 121. Short title.

Sec. 122. Definitions.

Sec. 123. Restriction.

Sec. 124. Exceptions.

Sec. 125. Countries supporting international terrorism.

Sec. 126. Termination of sanctions.

Sec. 127. State sponsors of international terrorism.

Sec. 128. Congressional priority procedures.

Sec. 129. Effective date.

TITLE II—ECONOMIC ASSISTANCE

Subtitle A—Assistance Authorities

Sec. 201. Development assistance policy.

Sec. 202. Contingencies.

Sec. 203. Waiver of restrictions for narcotics-related economic assistance.

Sec. 204. Working capital fund.

Sec. 205. Certifications regarding adherence to population planning assistance laws.

Sec. 206. Funding of certain environmental assistance activities of USAID.

Sec. 207. Funding of certain assistance activities in East Timor.

Sec. 208. Availability of ESF assistance for certain assistance activities for the Horn of Africa.

Sec. 209. Allocation of assistance for sub-Saharan Africa.

Sec. 210. Nonmilitary education and anticorruption assistance.

Subtitle B—International Disaster Assistance

Sec. 211. Authority to provide reconstruction assistance.

Sec. 212. Processing of applications for transportation of humanitarian assistance abroad by the Department of Defense.

Subtitle C—Sudan Peace Act

- Sec. 221. Short title.
- Sec. 222. Findings.
- Sec. 223. Definitions.
- Sec. 224. Condemnation of slavery, other human rights abuses, and new tactics by the Government of Sudan.
- Sec. 225. Support for the IGAD peace process.
- Sec. 226. Increased pressure on combatants.
- Sec. 227. Reporting requirement.
- Sec. 228. Reform of Operation Lifeline Sudan (OLS).
- Sec. 229. Continued use of non-OLS organizations for relief efforts.
- Sec. 230. Contingency plan for any ban on air transport relief flights.
- Sec. 231. New authority for USAID's Sudan Transition Assistance for Rehabilitation (STAR) program.
- Sec. 232. Assessment and planning for Nuba Mountains and other areas subject to bans on air transport relief flights.
- Sec. 233. Options or plans for nonlethal assistance for National Democratic Alliance participants.

Subtitle D—Assistance to Countries With Large Populations Having HIV/
AIDS

- Sec. 241. Definitions.
- Sec. 242. Findings and purposes.
- Sec. 243. Additional assistance authorities to combat HIV and AIDS.
- Sec. 244. Voluntary contribution to Global Alliance for Vaccines and Immunizations and International AIDS Vaccine Initiative.
- Sec. 245. Multilateral lifesaving vaccine purchase fund.
- Sec. 246. World Bank trust fund for AIDS prevention and eradication.
- Sec. 247. Negotiations for the creation of a World Bank trust fund for education of orphans in sub-Saharan Africa.
- Sec. 248. Coordinated donor strategy for support and education of orphans in sub-Saharan Africa.
- Sec. 249. African Crisis Response Initiative and HIV/AIDS training.

Subtitle E—International Tuberculosis Control

- Sec. 251. Short title.
- Sec. 252. Findings.
- Sec. 253. Assistance for tuberculosis prevention, treatment, control, and elimination.

Subtitle F—Global Opportunities for Biotechnology in Agriculture

- Sec. 261. Short title.
- Sec. 262. Findings.
- Sec. 263. International education programs.
- Sec. 264. Development of expertise in biotechnology in the United States Agency for International Development.
- Sec. 265. Coordinated Federal strategy.
- Sec. 266. Sense of the Congress.
- Sec. 267. Definition.

TITLE III—PEACE CORPS OF THE UNITED STATES

- Sec. 301. Redesignation of Peace Corps as Peace Corps of the United States.

TITLE IV—STRENGTHENING ANTICORRUPTION MEASURES AND
ACCOUNTABILITY

- Sec. 401. Debt relief under the Heavily Indebted Poor Countries (HIPC) Initiative.
- Sec. 402. Strengthening procedures for monitoring use of funds by multilateral development banks.
- Sec. 403. Reports on policies, operations, and management of international financial institutions.
- Sec. 404. Repeal of bilateral funding for international financial institutions.
- Sec. 405. Definitions.

TITLE V—SERBIA DEMOCRATIZATION ACT

- Sec. 501. Short title.
- Sec. 502. Definitions.

Subtitle A—Support for the Democratic Opposition

- Sec. 511. Findings and policy.
- Sec. 512. Assistance to promote democracy and civil society in Yugoslavia.
- Sec. 513. Authority for radio and television broadcasting.

Subtitle B—Assistance to the Victims of Serbian Oppression

- Sec. 521. Findings.
- Sec. 522. Sense of Congress.
- Sec. 523. Assistance.

Subtitle C—“Outer Wall” Sanctions

- Sec. 531. “Outer wall” sanctions.
- Sec. 532. International financial institutions not in compliance with “outer wall” sanctions.

Subtitle D—Other Measures Against Yugoslavia

- Sec. 541. Blocking assets in the United States.
- Sec. 542. Suspension of entry into the United States.
- Sec. 543. Prohibition on strategic exports to Yugoslavia.
- Sec. 544. Prohibition on loans and investment.
- Sec. 545. Prohibition of military-to-military cooperation.
- Sec. 546. Multilateral sanctions.
- Sec. 547. Exemptions.
- Sec. 548. Waiver; termination of measures against Yugoslavia.
- Sec. 549. Statutory construction.

Subtitle E—Miscellaneous Provisions

- Sec. 551. The International Criminal Tribunal for the Former Yugoslavia.
- Sec. 552. Sense of Congress with respect to ethnic Hungarians of Vojvodina.
- Sec. 553. Ownership and use of diplomatic and consular properties.
- Sec. 554. Transition assistance.

TITLE VI—MICROENTERPRISE ASSISTANCE

- Sec. 601. Short title.
- Sec. 602. Findings and declarations of policy.
- Sec. 603. Purposes.

- Sec. 604. Microenterprise development grant assistance.
- Sec. 605. Micro- and small enterprise development credits.
- Sec. 606. Microfinance loan facility.
- Sec. 607. Report relating to future development of microenterprise institutions.
- Sec. 608. United States Agency for International Development as global leader and coordinator of bilateral and multilateral microenterprise assistance activities.
- Sec. 609. Definitions.

TITLE VII—DEFENSE AND SECURITY ASSISTANCE

Subtitle A—Military and Related Assistance

CHAPTER 1—FOREIGN MILITARY FINANCING PROGRAM

- Sec. 701. Authorization of appropriations.

CHAPTER 2—OTHER ASSISTANCE

- Sec. 711. Defense drawdown special authorities.
- Sec. 712. Increased transport authority.

Subtitle B—International Military Education and Training

- Sec. 721. Authorization of appropriations.
- Sec. 722. Additional requirements relating to international military education and training.

Subtitle C—Nonproliferation and Export Control Assistance

- Sec. 731. Nonproliferation and export control assistance.
- Sec. 732. Nonproliferation and export control training in the United States.
- Sec. 733. Science and technology centers.
- Sec. 734. Trial transit program.

Subtitle D—Antiterrorism Assistance

- Sec. 741. Authorization of appropriations.

Subtitle E—Integrated Security Assistance Planning

CHAPTER 1—ESTABLISHMENT OF A NATIONAL SECURITY ASSISTANCE STRATEGY

- Sec. 751. National security assistance strategy.
- Sec. 752. Security assistance surveys.

CHAPTER 2—ALLOCATIONS FOR CERTAIN COUNTRIES

- Sec. 761. Security assistance for new NATO members.
- Sec. 762. Increased training assistance for Greece and Turkey.
- Sec. 763. Minimum allocation for Egypt and Israel.
- Sec. 764. Security assistance for certain countries.
- Sec. 765. Border security and territorial independence.

Subtitle F—Other Provisions

- Sec. 771. Utilization of defense articles and services.

- Sec. 772. Reduction in valuation of defense articles not intended for replacement.
- Sec. 773. Congressional notification.
- Sec. 774. National security exemption.
- Sec. 775. Additions to United States war reserve stockpiles for allies.
- Sec. 776. Transfer of certain obsolete or surplus defense articles in the war reserve stockpiles for allies to Israel.
- Sec. 777. Stinger missiles in the Persian Gulf Region.
- Sec. 778. Export information.
- Sec. 779. Excess defense articles for Mongolia.
- Sec. 780. Space cooperation with Russian persons.
- Sec. 781. Assistance for Israel.

Subtitle G—Transfers of Naval Vessels

- Sec. 791. Authority to transfer naval vessels to certain foreign countries.
- Sec. 792. Inapplicability of aggregate annual limitation on value of transferred excess defense articles.
- Sec. 793. Costs of transfers.
- Sec. 794. Conditions relating to combined lease-sale transfers.
- Sec. 795. Funding of certain costs of transfers.
- Sec. 796. Expiration of authority.

Subtitle H—Definition

- Sec. 797. Appropriate committees of Congress defined.

TITLE VIII—SPECIAL AUTHORITIES AND OTHER PROVISIONS

- Sec. 801. Prohibition on assistance to foreign governments that export lethal military equipment to countries supporting international terrorism.
- Sec. 802. Effective program oversight.
- Sec. 803. Termination expenses.
- Sec. 804. Administration of justice.
- Sec. 805. Change from semiannual to annual reporting of environmental impacts of MDB assistance proposals.
- Sec. 806. Sense of the Senate on environmental contamination and health effects emanating from the former United States military facilities in the Philippines.
- Sec. 807. Repeal of obsolete provisions.

1 **TITLE I—PROMOTING TRADE**
2 **AND PROTECTING UNITED**
3 **STATES JOBS**

4 **Subtitle A—Private Sector**
5 **Development**

6 **SEC. 101. PRIVATE SECTOR ENTERPRISE FUNDS.**

7 (a) IN GENERAL.—Part III of the Foreign Assistance
8 Act of 1961 is amended by inserting after section 601 (22
9 U.S.C. 2351) the following new section:

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

11 “(a) AUTHORITY.—

12 “(1) ELIGIBLE ENTERPRISE FUNDS.—The
13 President may provide funds and support to Enter-
14 prise Funds designated in accordance with sub-
15 section (b) that are or have been established in fur-
16 therance of chapter 1 of part I of this Act for the
17 purposes of promoting—

18 “(A) development of the private sectors of
19 eligible countries, including small businesses,
20 the agricultural sector, and joint ventures with
21 United States and host country participants;
22 and

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

1 on the same basis as funds and support may be pro-
2 vided with respect to Enterprise Funds for Poland
3 and Hungary under the Support for East European
4 Democracy (SEED) Act of 1989 (22 U.S.C. 5401 et
5 seq.).

6 “(2) SUPERSEDES OTHER LAWS.—Funds may
7 be made available under this section notwithstanding
8 any other provision of law, except sections 620A and
9 490 of this Act.

10 “(b) COUNTRIES ELIGIBLE FOR ENTERPRISE
11 FUNDS.—

12 “(1) DESIGNATION OF ELIGIBLE RECIPIENTS.—
13 Except as provided in paragraph (2), the President
14 is authorized to designate a private, nonprofit orga-
15 nization as eligible to receive funds and support pur-
16 suant to this section with respect to any country in
17 the same manner and with the same limitations as
18 set forth in section 201(d) of the Support for East
19 European Democracy (SEED) Act of 1989 (22
20 U.S.C. 5421(d)).

21 “(2) INELIGIBLE COUNTRIES.—The authority
22 of paragraph (1) shall not apply to any country with
23 respect to which the President is authorized to des-
24 ignate an enterprise fund under section 498B(c) of
25 this Act or section 201 of the Support for East Eu-

1 ropean Democracy (SEED) Act of 1989 (22 U.S.C.
2 5421).

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

18 “(d) REPORTING REQUIREMENT.—Notwithstanding
19 any other provision of this section, the requirement of sec-
20 tion 201(p) of the Support for East European Democracy
21 (SEED) Act of 1989 (22 U.S.C. 5421(p)) that an Enter-
22 prise Fund shall be required to publish an annual report
23 not later than January 31 of each year shall not apply
24 with respect to an Enterprise Fund that receives funds
25 and support under this section for the first 12 months

1 after it is designated as eligible to receive such funds and
2 support.

3 “(e) ENTERPRISE FUND RESTRICTIONS.—Prior to
4 the distribution of any assets resulting from any liquida-
5 tion, dissolution, or winding up of an Enterprise Fund,
6 in whole or in part, the President shall submit to the Com-
7 mittee on Foreign Relations of the Senate and the Com-
8 mittee on International Relations of the House of Rep-
9 resentatives a plan for the distribution of the assets of
10 the Enterprise Fund.

11 “(f) USE OF OTHER FOREIGN ASSISTANCE
12 FUNDS.—In addition to amounts otherwise available for
13 such purposes, amounts made available for a fiscal year
14 to carry out chapter 1 of part I of this Act (relating to
15 development assistance) and to carry out chapter 4 of part
16 II of this Act (relating to the economic support fund) shall
17 be available for such fiscal year to carry out this section.”.

18 (b) CONFORMING AMENDMENT TO SEED ACT.—
19 Section 201(d)(2) of the Support for East European De-
20 mocracy (SEED) Act of 1989 (22 U.S.C. 5421(d)(2)) is
21 amended by striking “leadership of each House of Con-
22 gress” and inserting “Committee on Foreign Relations
23 and the Committee on Appropriations of the Senate and
24 the Committee on International Relations and the Com-

1 mittee on Appropriations of the House of Representa-
 2 tives”.

3 **Subtitle B—Protection of United**
 4 **States Jobs and Exports**

5 **SEC. 111. PROHIBITION ON BILATERAL ASSISTANCE FOR**
 6 **FOREIGN EXPORTS OF CERTAIN COMMOD-**
 7 **ITIES.**

8 Chapter 1 of part III of the Foreign Assistance Act
 9 of 1961 (22 U.S.C. 2351 et seq.) is amended by adding
 10 at the end the following new section:

11 **“SEC. 620J. PROHIBITION ON BILATERAL ASSISTANCE FOR**
 12 **FOREIGN EXPORTS OF CERTAIN COMMOD-**
 13 **ITIES.**

14 “(a) PROHIBITION RELATING TO SURPLUS COMMOD-
 15 ITIES.—No assistance shall be furnished under this Act,
 16 including title IV of chapter 2 of part I of this Act (relat-
 17 ing to the Overseas Private Investment Corporation), to
 18 finance any loan, any assistance, or any other financial
 19 commitments for the purpose of establishing or expanding
 20 production of any commodity for export by any country
 21 other than the United States, if the commodity is likely
 22 to be in surplus on world markets at the time the resulting
 23 productive capacity is expected to become operative and
 24 if the assistance will cause substantial injury to United

1 States producers of the same, similar, or competing com-
2 modity.

3 “(b) PROHIBITION RELATING TO AGRICULTURAL
4 COMMODITIES.—No assistance shall be furnished under
5 chapter 1 of part I (relating to development assistance)
6 for any testing or breeding feasibility study, variety im-
7 provement or introduction, consultancy, publication, con-
8 ference, or training in connection with the growth or pro-
9 duction in a foreign country of an agricultural commodity
10 for export which would compete with a similar commodity
11 grown or produced in the United States, except that this
12 subsection shall not prohibit—

13 “(1) activities designed to increase food security
14 in developing countries where such activities will not
15 have a significant impact in the export of agricul-
16 tural commodities of the United States; or

17 “(2) research activities intended primarily to
18 benefit American producers.”.

19 **SEC. 112. OPPOSITION TO MULTILATERAL ASSISTANCE FOR**
20 **CERTAIN SURPLUS COMMODITIES.**

21 Title XVIII of the International Financial Institu-
22 tions Act (22 U.S.C. 262s et seq.) is amended by adding
23 at the end the following new sections:

1 **“SEC. 1804. OPPOSITION TO ASSISTANCE BY INTER-**
2 **NATIONAL FINANCIAL INSTITUTIONS FOR**
3 **SURPLUS COMMODITIES.**

4 “The Secretary of the Treasury shall instruct the
5 United States Executive Directors of the International
6 Bank for Reconstruction and Development, the Inter-
7 national Development Association, the International Fi-
8 nance Corporation, the Inter-American Development
9 Bank, the International Monetary Fund, the Asian Devel-
10 opment Bank, the Inter-American Investment Corpora-
11 tion, the North American Development Bank, the Euro-
12 pean Bank for Reconstruction and Development, the Afri-
13 can Development Bank, and the African Development
14 Fund to use the voice and vote of the United States to
15 oppose any assistance by these institutions, using funds
16 appropriated pursuant to law, for the production or ex-
17 traction of any commodity or mineral for export, if it is
18 in surplus on world markets and if the assistance will
19 cause substantial injury to United States producers of the
20 same, similar, or competing commodity.”.

21 **SEC. 113. PROHIBITION ON ASSISTANCE FOR ACTIVITIES**
22 **LIKELY TO CAUSE A LOSS OF UNITED STATES**
23 **JOBS.**

24 Chapter 1 of part III of the Foreign Assistance Act
25 of 1961 (22 U.S.C. 2351 et seq.), as amended by section

1 “(3) assistance for any project or activity that
2 contributes to the violation of internationally recog-
3 nized workers rights, as defined in section 502(a)(4)
4 of the Trade Act of 1974, of workers in the recipient
5 country, including any designated zone or area in
6 that country, except that, in recognition that the ap-
7 plication of this paragraph should be commensurate
8 with the level of development of the recipient coun-
9 try and sector, the provisions of this paragraph shall
10 not preclude assistance for the informal sector in
11 such country, micro and small-scale enterprise, and
12 smallholder agriculture.”.

13 **SEC. 114. PURCHASE OF AMERICAN-MADE EQUIPMENT AND**
14 **PRODUCTS.**

15 (a) UTILIZATION OF UNITED STATES RESOURCES.—
16 To the maximum extent possible, assistance provided
17 under this Act, the Foreign Assistance Act of 1961, or
18 the Arms Export Control Act should make full use of
19 United States resources, including commodities, products,
20 and services.

21 (b) SENSE OF CONGRESS.—It is the sense of Con-
22 gress that, to the greatest extent practicable, all agricul-
23 tural commodities, equipment, and products purchased
24 with funds made available under this Act, the Foreign As-

1 sistance Act of 1961, or the Arms Export Control Act
2 should be American-made.

3 (c) NOTICE TO CONTRACTING ENTITIES.—In pro-
4 viding financial assistance to, or entering into any contract
5 with, any entity using funds made available under this
6 Act, the Foreign Assistance Act of 1961, or the Arms Ex-
7 port Control Act, the head of each Federal agency, to the
8 greatest extent practicable, shall provide to such entity a
9 notice describing the statement made in subsection (b) by
10 the Congress.

11 **Subtitle C—Trade Sanctions** 12 **Reform and Export Enhancement**

13 **SEC. 121. SHORT TITLE.**

14 This subtitle may be cited as the “Trade Sanctions
15 Reform and Export Enhancement Act of 2000”.

16 **SEC. 122. DEFINITIONS.**

17 In this subtitle:

18 (1) AGRICULTURAL COMMODITY.—The term
19 “agricultural commodity” has the meaning given the
20 term in section 102 of the Agricultural Trade Act of
21 1978 (7 U.S.C. 5602).

22 (2) AGRICULTURAL PROGRAM.—The term “ag-
23 ricultural program” means—

1 (A) any program administered under the
2 Agricultural Trade Development and Assistance
3 Act of 1954 (7 U.S.C. 1691 et seq.);

4 (B) any program administered under sec-
5 tion 416 of the Agricultural Act of 1949 (7
6 U.S.C. 1431);

7 (C) any program administered under the
8 Agricultural Trade Act of 1978 (7 U.S.C. 5601
9 et seq.);

10 (D) the dairy export incentive program ad-
11 ministered under section 153 of the Food Secu-
12 rity Act of 1985 (15 U.S.C. 713a–14);

13 (E) any commercial export sale of agricul-
14 tural commodities; or

15 (F) any export financing (including credits
16 or credit guarantees) provided by the United
17 States Government for agricultural commod-
18 ities.

19 (3) JOINT RESOLUTION.—The term “joint reso-
20 lution” means—

21 (A) in the case of section 123(a)(1), only
22 a joint resolution introduced within 10 session
23 days of Congress after the date on which the
24 report of the President under section 123(a)(1)
25 is received by Congress, the matter after the re-

1 solving clause of which is as follows: “That
2 Congress approves the report of the President
3 pursuant to section 123(a)(1) of the Trade
4 Sanctions Reform and Export Enhancement
5 Act of 2000, transmitted on _____.”,
6 with the blank completed with the appropriate
7 date; and

8 (B) in the case of section 126(1), only a
9 joint resolution introduced within 10 session
10 days of Congress after the date on which the
11 report of the President under section 126(2) is
12 received by Congress, the matter after the re-
13 solving clause of which is as follows: “That
14 Congress approves the report of the President
15 pursuant to section 126(1) of the Trade Sanc-
16 tions Reform and Export Enhancement Act of
17 2000, transmitted on _____.”, with
18 the blank completed with the appropriate date.

19 (4) MEDICAL DEVICE.—The term “medical de-
20 vice” has the meaning given the term “device” in
21 section 201 of the Federal Food, Drug, and Cos-
22 metic Act (21 U.S.C. 321).

23 (5) MEDICINE.—The term “medicine” has the
24 meaning given the term “drug” in section 201 of the

1 Federal Food, Drug, and Cosmetic Act (21 U.S.C.
2 321).

3 (6) UNILATERAL AGRICULTURAL SANCTION.—

4 The term “unilateral agricultural sanction” means
5 any prohibition, restriction, or condition on carrying
6 out an agricultural program with respect to a for-
7 eign country or foreign entity that is imposed by the
8 United States for reasons of foreign policy or na-
9 tional security, except in a case in which the United
10 States imposes the measure pursuant to a multilat-
11 eral regime and the other member countries of that
12 regime have agreed to impose substantially equiva-
13 lent measures.

14 (7) UNILATERAL MEDICAL SANCTION.—The
15 term “unilateral medical sanction” means any prohi-
16 bition, restriction, or condition on exports of, or the
17 provision of assistance consisting of, medicine or a
18 medical device with respect to a foreign country or
19 foreign entity that is imposed by the United States
20 for reasons of foreign policy or national security, ex-
21 cept in a case in which the United States imposes
22 the measure pursuant to a multilateral regime and
23 the other member countries of that regime have
24 agreed to impose substantially equivalent measures.

1 **SEC. 123. RESTRICTION.**

2 (a) NEW SANCTIONS.—Except as provided in sections
3 124 and 125 and notwithstanding any other provision of
4 law, the President may not impose a unilateral agricul-
5 tural sanction or unilateral medical sanction against a for-
6 eign country or foreign entity, unless—

7 (1) not later than 60 days before the sanction
8 is proposed to be imposed, the President submits a
9 report to Congress that—

10 (A) describes the activity proposed to be
11 prohibited, restricted, or conditioned; and

12 (B) describes the actions by the foreign
13 country or foreign entity that justify the sanc-
14 tion; and

15 (2) there is enacted into law a joint resolution
16 stating the approval of Congress for the report sub-
17 mitted under paragraph (1).

18 (b) EXISTING SANCTIONS.—

19 (1) IN GENERAL.—Except as provided in para-
20 graph (2), the President shall terminate any unilat-
21 eral agricultural sanction or unilateral medical sanc-
22 tion that is in effect as of the date of enactment of
23 this Act.

24 (2) EXEMPTIONS.—Paragraph (1) shall not
25 apply to a unilateral agricultural sanction or unilat-
26 eral medical sanction imposed—

1 (A) with respect to any program adminis-
2 tered under section 416 of the Agricultural Act
3 of 1949 (7 U.S.C. 1431);

4 (B) with respect to the Export Credit
5 Guarantee Program (GSM–102) or the Inter-
6 mediate Export Credit Guarantee Program
7 (GSM–103) established under section 202 of
8 the Agricultural Trade Act of 1978 (7 U.S.C.
9 5622); or

10 (C) with respect to the dairy export incen-
11 tive program administered under section 153 of
12 the Food Security Act of 1985 (15 U.S.C.
13 713a–14).

14 **SEC. 124. EXCEPTIONS.**

15 Section 123 shall not affect any authority or require-
16 ment to impose (or continue to impose) a sanction referred
17 to in section 123—

18 (1) against a foreign country or foreign
19 entity—

20 (A) pursuant to a declaration of war
21 against the country or entity;

22 (B) pursuant to specific statutory author-
23 ization for the use of the Armed Forces of the
24 United States against the country or entity;

1 (C) against which the Armed Forces of the
2 United States are involved in hostilities; or

3 (D) where imminent involvement by the
4 Armed Forces of the United States in hostilities
5 against the country or entity is clearly indicated
6 by the circumstances; or

7 (2) to the extent that the sanction would pro-
8 hibit, restrict, or condition the provision or use of
9 any agricultural commodity, medicine, or medical de-
10 vice that is—

11 (A) controlled on the United States Muni-
12 tions List established under section 38 of the
13 Arms Export Control Act (22 U.S.C. 2778);

14 (B) controlled on any control list estab-
15 lished under the Export Administration Act of
16 1979 or any successor statute (50 U.S.C. App.
17 2401 et seq.); or

18 (C) used to facilitate the development or
19 production of a chemical or biological weapon or
20 weapon of mass destruction.

21 **SEC. 125. COUNTRIES SUPPORTING INTERNATIONAL TER-**
22 **RORISM.**

23 Notwithstanding section 123 and except as provided
24 in section 127, the prohibitions in effect on or after the
25 date of the enactment of this Act under section 620A of

1 the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on
2 providing, to the government of any country supporting
3 international terrorism, United States Government assist-
4 ance, including United States foreign assistance, United
5 States export assistance, or any United States credits or
6 credit guarantees, shall remain in effect for such period
7 as the Secretary of State determines under such section
8 620A that the government of the country has repeatedly
9 provided support for acts of international terrorism.

10 **SEC. 126. TERMINATION OF SANCTIONS.**

11 Any unilateral agricultural sanction or unilateral
12 medical sanction that is imposed pursuant to the proce-
13 dures described in section 123(a) shall terminate not later
14 than 2 years after the date on which the sanction became
15 effective unless—

16 (1) not later than 60 days before the date of
17 termination of the sanction, the President submits to
18 Congress a report containing—

19 (A) the recommendation of the President
20 for the continuation of the sanction for an addi-
21 tional period of not to exceed 2 years; and

22 (B) the request of the President for ap-
23 proval by Congress of the recommendation; and

1 (2) there is enacted into law a joint resolution
2 stating the approval of Congress for the report sub-
3 mitted under paragraph (1).

4 **SEC. 127. STATE SPONSORS OF INTERNATIONAL TER-**
5 **RORISM.**

6 (a) IN GENERAL.—Notwithstanding any other provi-
7 sion of this subtitle, the export of agricultural commod-
8 ities, medicine, or medical devices to the government of
9 a country that has been determined by the Secretary of
10 State to have repeatedly provided support for acts of inter-
11 national terrorism under section 620A of the Foreign As-
12 sistance Act of 1961 (22 U.S.C. 2371) shall only be
13 made—

14 (1) pursuant to one-year licenses issued by the
15 United States Government for contracts entered into
16 during the one-year period and completed with the
17 12-month period beginning on the date of the sign-
18 ing of the contract, except that, in the case of the
19 export of items used for food and for food produc-
20 tion, such one-year licenses shall otherwise be no
21 more restrictive than general licenses; and

22 (2) without benefit of Federal financing, direct
23 export subsidies, Federal credit guarantees, or other
24 Federal promotion assistance programs.

1 (b) QUARTERLY REPORTS.—The applicable depart-
2 ment or agency of the Federal Government shall submit
3 to the appropriate congressional committees on a quar-
4 terly basis a report on any activities undertaken under
5 subsection (a)(1) during the preceding calendar quarter.

6 (c) BIENNIAL REPORTS.—Not later than two years
7 after the date of enactment of this Act, and every two
8 years thereafter, the applicable department or agency of
9 the Federal Government shall submit a report to the ap-
10 propriate congressional committees on the operation of the
11 licensing system under this section for the preceding two-
12 year period, including—

13 (1) the number and types of licenses applied
14 for;

15 (2) the number and types of licenses approved;

16 (3) the average amount of time elapsed from
17 the date of filing of a license application until the
18 date of its approval;

19 (4) the extent to which the licensing procedures
20 were effectively implemented; and

21 (5) a description of comments received from in-
22 terested parties about the extent to which the licens-
23 ing procedures were effective, after the applicable
24 department or agency holds a public 30-day com-
25 ment period.

1 **SEC. 128. CONGRESSIONAL PRIORITY PROCEDURES.**

2 (a) REFERRAL OF REPORT.—A report described in
3 section 123(a)(1) or 126(1) shall be referred to the appro-
4 priate committee or committees of the House of Rep-
5 resentatives and to the appropriate committee or commit-
6 tees of the Senate.

7 (b) REFERRAL OF JOINT RESOLUTION.—

8 (1) IN GENERAL.—A joint resolution introduced
9 in the Senate shall be referred to the Committee on
10 Foreign Relations, and a joint resolution introduced
11 in the House of Representatives shall be referred to
12 the Committee on International Relations.

13 (2) REPORTING DATE.—A joint resolution re-
14 ferred to in paragraph (1) may not be reported be-
15 fore the eighth session day of Congress after the in-
16 troduction of the joint resolution.

17 (c) DISCHARGE OF COMMITTEE.—If the committee
18 to which is referred a joint resolution has not reported
19 the joint resolution (or an identical joint resolution) at the
20 end of 30 session days of Congress after the date of intro-
21 duction of the joint resolution—

22 (1) the committee shall be discharged from fur-
23 ther consideration of the joint resolution; and

24 (2) the joint resolution shall be placed on the
25 appropriate calendar of the House concerned.

26 (d) FLOOR CONSIDERATION.—

1 (1) MOTION TO PROCEED.—

2 (A) IN GENERAL.—When the committee to
3 which a joint resolution is referred has re-
4 ported, or when a committee is discharged
5 under subsection (c) from further consideration
6 of, a joint resolution—

7 (i) it shall be at any time thereafter in
8 order (even though a previous motion to
9 the same effect has been disagreed to) for
10 any member of the House concerned to
11 move to proceed to the consideration of the
12 joint resolution; and

13 (ii) all points of order against the
14 joint resolution (and against consideration
15 of the joint resolution) are waived.

16 (B) PRIVILEGE.—The motion to proceed to
17 the consideration of the joint resolution—

18 (i) shall be highly privileged in the
19 House of Representatives and privileged in
20 the Senate; and

21 (ii) not debatable.

22 (C) AMENDMENTS AND MOTIONS NOT IN
23 ORDER.—The motion to proceed to the consid-
24 eration of the joint resolution shall not be sub-
25 ject to—

- 1 (i) amendment;
- 2 (ii) a motion to postpone; or
- 3 (iii) a motion to proceed to the consid-
- 4 eration of other business.

5 (D) MOTION TO RECONSIDER NOT IN

6 ORDER.—A motion to reconsider the vote by

7 which the motion is agreed to or disagreed to

8 shall not be in order.

9 (E) BUSINESS UNTIL DISPOSITION.—If a

10 motion to proceed to the consideration of the

11 joint resolution is agreed to, the joint resolution

12 shall remain the unfinished business of the

13 House concerned until disposed of.

14 (2) LIMITATIONS ON DEBATE.—

15 (A) IN GENERAL.—Debate on the joint

16 resolution, and on all debatable motions and ap-

17 peals in connection with the joint resolution,

18 shall be limited to not more than 10 hours,

19 which shall be divided equally between those fa-

20 voring and those opposing the joint resolution.

21 (B) FURTHER DEBATE LIMITATIONS.—A

22 motion to limit debate shall be in order and

23 shall not be debatable.

24 (C) AMENDMENTS AND MOTIONS NOT IN

25 ORDER.—An amendment to, a motion to post-

1 pone, a motion to proceed to the consideration
2 of other business, a motion to recommit the
3 joint resolution, or a motion to reconsider the
4 vote by which the joint resolution is agreed to
5 or disagreed to shall not be in order.

6 (3) VOTE ON FINAL PASSAGE.—Immediately
7 following the conclusion of the debate on a joint res-
8 olution, and a single quorum call at the conclusion
9 of the debate if requested in accordance with the
10 rules of the House concerned, the vote on final pas-
11 sage of the joint resolution shall occur.

12 (4) RULINGS OF THE CHAIR ON PROCEDURE.—
13 An appeal from a decision of the Chair relating to
14 the application of the rules of the Senate or House
15 of Representatives, as the case may be, to the proce-
16 dure relating to a joint resolution shall be decided
17 without debate.

18 (e) COORDINATION WITH ACTION BY OTHER
19 HOUSE.—If, before the passage by 1 House of a joint res-
20 olution of that House, that House receives from the other
21 House a joint resolution, the following procedures shall
22 apply:

23 (1) NO COMMITTEE REFERRAL.—The joint res-
24 olution of the other House shall not be referred to
25 a committee.

1 (2) FLOOR PROCEDURE.—With respect to a
2 joint resolution of the House receiving the joint
3 resolution—

4 (A) the procedure in that House shall be
5 the same as if no joint resolution had been re-
6 ceived from the other House; but

7 (B) the vote on final passage shall be on
8 the joint resolution of the other House.

9 (3) DISPOSITION OF JOINT RESOLUTIONS OF
10 RECEIVING HOUSE.—On disposition of the joint res-
11 olution received from the other House, it shall no
12 longer be in order to consider the joint resolution
13 originated in the receiving House.

14 (f) PROCEDURES AFTER ACTION BY BOTH THE
15 HOUSE AND SENATE.—If a House receives a joint resolu-
16 tion from the other House after the receiving House has
17 disposed of a joint resolution originated in that House,
18 the action of the receiving House with regard to the dis-
19 position of the joint resolution originated in that House
20 shall be deemed to be the action of the receiving House
21 with regard to the joint resolution originated in the other
22 House.

23 (g) RULEMAKING POWER.—This section is enacted
24 by Congress—

1 (1) as an exercise of the rulemaking power of
2 the Senate and House of Representatives, respec-
3 tively, and as such this section—

4 (A) is deemed to be a part of the rules of
5 each House, respectively, but applicable only
6 with respect to the procedure to be followed in
7 that House in the case of a joint resolution; and

8 (B) supersedes other rules only to the ex-
9 tent that this paragraph is inconsistent with
10 those rules; and

11 (2) with full recognition of the constitutional
12 right of either House to change the rules (so far as
13 the rules relate to the procedure of that House) at
14 any time, in the same manner and to the same ex-
15 tent as in the case of any other rule of that House.

16 **SEC. 129. EFFECTIVE DATE.**

17 (a) IN GENERAL.—Except as provided in subsection
18 (b), this subtitle takes effect on the date of enactment of
19 this Act.

20 (b) EXISTING SANCTIONS.—In the case of any unilat-
21 eral agricultural sanction or unilateral medical sanction
22 that is in effect as of the date of enactment of this Act,
23 this subtitle takes effect 180 days after the date of enact-
24 ment of this Act.

1 **TITLE II—ECONOMIC**
2 **ASSISTANCE**
3 **Subtitle A—Assistance Authorities**

4 **SEC. 201. DEVELOPMENT ASSISTANCE POLICY.**

5 Section 102(b) of the Foreign Assistance Act of 1961
6 (22 U.S.C. 2151–1(b)) is amended by adding the following
7 at the end thereof:

8 “(17) Economic reform and development of ef-
9 fective institutions of democratic governance are mu-
10 tually reinforcing. The successful transition of a de-
11 veloping country is dependent upon the quality of its
12 economic and governance institutions. Rule of law,
13 mechanisms of accountability and transparency, se-
14 curity of person, property, and investments, are but
15 a few of the critical governance and economic re-
16 forms that underpin the sustainability of broad-
17 based economic growth. Programs in support of such
18 reforms strengthen the capacity of people to hold
19 their governments accountable and to create eco-
20 nomic opportunity.”.

21 **SEC. 202. CONTINGENCIES.**

22 Section 451(a)(1) of the Foreign Assistance Act of
23 1961 (22 U.S.C. 2261(a)(1)) is amended by striking
24 “25,000,000” and inserting “\$50,000,000”.

1 **SEC. 203. WAIVER OF RESTRICTIONS FOR NARCOTICS-RE-**
2 **LATED ECONOMIC ASSISTANCE.**

3 Section 482 of the Foreign Assistance Act of 1961
4 (22 U.S.C. 2291a) is amended by adding at the end there-
5 of the following new subsection:

6 “(h) PROVISION OF NARCOTICS-RELATED ASSIST-
7 ANCE.—Narcotics-related assistance under this part
8 (other than this chapter) may be provided notwithstanding
9 any provision of law that restricts assistance to foreign
10 countries (other than section 490(e) or section 502B), if
11 at least 15 days before obligating funds for such assist-
12 ance, the President notifies the appropriate congressional
13 committees in accordance with the procedures applicable
14 to reprogramming notifications under section 634A.”.

15 **SEC. 204. WORKING CAPITAL FUND.**

16 Section 635 of the Foreign Assistance Act of 1961
17 (22 U.S.C. 2395) is amended by adding at the end the
18 following new subsection:

19 “(l)(1) There is established a working capital fund
20 (in this subsection referred to as the ‘fund’) for the United
21 States Agency for International Development (in this sub-
22 section referred to as the ‘Agency’) which shall be avail-
23 able without fiscal year limitation for the expenses of per-
24 sonal and nonpersonal services, equipment, and supplies
25 for—

1 “(A) international cooperative administrative
2 support services; and

3 “(B) rebates from the use of United States
4 Government credit cards.

5 “(2) The capital of the fund shall consist of—

6 “(A) the fair and reasonable value of such sup-
7 plies, equipment, and other assets pertaining to the
8 functions of the fund as the Administrator deter-
9 mines, and

10 “(B) any appropriations made available for the
11 purpose of providing capital,
12 minus related liabilities.

13 “(3) The fund shall be reimbursed or credited with
14 advance payments for services, equipment, or supplies pro-
15 vided from the fund from applicable appropriations and
16 funds of the Agency, other Federal agencies and other
17 sources authorized by section 607 at rates that will recover
18 total expenses of operation, including accrual of annual
19 leave and depreciation. Receipts from the disposal of, or
20 payments for the loss or damage to, property held in the
21 fund, rebates, reimbursements, refunds and other credits
22 applicable to the operation of the fund may be deposited
23 in the fund.

24 “(4) At the close of each fiscal year the Administrator
25 of the Agency shall transfer out of the fund to the mis-

1 cellaneous receipts account of the Treasury of the United
 2 States such amounts as the Administrator determines to
 3 be in excess of the needs of the fund.

4 “(5) The fund may be charged with the current value
 5 of supplies and equipment returned to the working capital
 6 of the fund by a post, activity, or agency, and the proceeds
 7 shall be credited to current applicable appropriations.”.

8 **SEC. 205. CERTIFICATIONS REGARDING ADHERENCE TO**
 9 **POPULATION PLANNING ASSISTANCE LAWS.**

10 Section 104 of the Foreign Assistance Act of 1961
 11 (22 U.S.C. 2151b) is amended—

12 (1) by redesignating subsection (g) as sub-
 13 section (h); and

14 (2) by inserting after subsection (f) the fol-
 15 lowing new subsection (g):

16 “(g) TREATMENT OF VIOLATIONS OF UNITED
 17 STATES POPULATION PLANNING ASSISTANCE LAWS.—

18 “(1) CERTIFICATION REQUIRED.—An organiza-
 19 tion shall be eligible for population planning assist-
 20 ance in a fiscal year if, prior to the initial disburse-
 21 ment of such assistance in that fiscal year to the or-
 22 ganization, the AID Administrator determines and
 23 certifies to the appropriate congressional committees
 24 that the organization—

1 “(A) has not used population planning as-
2 sistance in violation of subsection (f) during the
3 preceding fiscal year; and

4 “(B) has adequate internal accounting con-
5 trols to prevent the use of population planning
6 assistance in violation of subsection (f).

7 “(2) SUSPENSION OF ELIGIBILITY FOR ASSIST-
8 ANCE UNDER THE ACT.—An organization that the
9 AID Administrator determines has used population
10 planning assistance in violation of subsection (f)
11 shall be ineligible to receive assistance of any kind
12 under this Act for a period of 10 years from the
13 date of the determination.

14 “(3) DEFINITIONS.—In this subsection:

15 “(A) AID ADMINISTRATOR.—The term
16 ‘AID Administrator’ means the Administrator
17 of the United States Agency for International
18 Development.

19 “(B) APPROPRIATE CONGRESSIONAL COM-
20 MITTEES.—The term ‘appropriate congressional
21 committees’ means the Committee on Foreign
22 Relations and the Committee on Appropriations
23 of the Senate and the Committee on Inter-
24 national Relations and the Committee on Ap-
25 propriations of the House of Representatives.

1 “(C) ORGANIZATION.—The term ‘organiza-
2 tion’ means any organization providing popu-
3 lation planning assistance and includes any
4 grantee, subgrantee, contractor, or subcon-
5 tractor of an agency of the United States.

6 “(D) POPULATION PLANNING ASSIST-
7 ANCE.—The term ‘population planning assist-
8 ance’ means assistance under subsection (b).”.

9 **SEC. 206. FUNDING OF CERTAIN ENVIRONMENTAL ASSIST-**
10 **ANCE ACTIVITIES OF USAID.**

11 (a) ALLOCATION OF FUNDS FOR CERTAIN ENVIRON-
12 MENTAL ACTIVITIES.—Of the amounts authorized to be
13 appropriated for the fiscal year 2001 to carry out chapter
14 1 of part I of the Foreign Assistance Act of 1961 (22
15 U.S.C. 2151 et seq.; relating to development assistance),
16 there is authorized to be available at least \$60,200,000
17 to carry out activities of the type carried out by the Global
18 Environment Center of the United States Agency for
19 International Development during fiscal year 2000.

20 (b) ALLOCATION FOR WATER AND COASTAL RE-
21 SOURCES.—Of the amounts made available under sub-
22 section (a), at least \$2,500,000 shall be available for water
23 and coastal resources activities under the natural re-
24 sources management function specified in that subsection.

1 **SEC. 207. FUNDING OF CERTAIN ASSISTANCE ACTIVITIES**
2 **IN EAST TIMOR.**

3 Of the amounts authorized to be appropriated for the
4 fiscal year 2001 to carry out chapter 1 of part I of the
5 Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.;
6 relating to development assistance), there is authorized to
7 be available \$25,000,000 for assistance to East Timor for
8 the purpose of—

9 (1) restoring and expanding of productive eco-
10 nomic activity and exports in the coffee sector;

11 (2) enabling indigenous civil society organiza-
12 tions to participate in relief and reconstruction ac-
13 tivities;

14 (3) supporting community-led reconstruction,
15 development, and employment projects;

16 (4) developing or reviving media outlets; and

17 (5) demobilizing and reintegrating the militia.

18 **SEC. 208. AVAILABILITY OF ESF ASSISTANCE FOR CERTAIN**
19 **ASSISTANCE ACTIVITIES FOR THE HORN OF**
20 **AFRICA.**

21 Section 6(h) of the Horn of Africa Recovery and
22 Food Security Act (Public Law 102–274) is amended—

23 (1) by striking “assistance) and” and inserting
24 “assistance),”; and

1 (2) by inserting “, and chapter 4 of part II (re-
2 lating to economic support fund assistance)” imme-
3 diately before “of the Foreign”.

4 **SEC. 209. ALLOCATION OF ASSISTANCE FOR SUB-SAHARAN**
5 **AFRICA.**

6 (a) IN GENERAL.—The total amount of development
7 assistance made available for fiscal year 2001 for sub-Sa-
8 haran Africa shall bear the same proportion to the total
9 amount of development assistance made available for that
10 fiscal year as the total amount of development assistance
11 for sub-Saharan Africa made available for fiscal year 2000
12 bears to the total amount of development assistance made
13 available for fiscal year 2000.

14 (b) DEFINITION.—In this section, the term “develop-
15 ment assistance” means assistance provided under chapter
16 1, 10, or 11 of part I of the Foreign Assistance Act of
17 1961.

18 **SEC. 210. NONMILITARY EDUCATION AND ANTI-CORRUP-**
19 **TION ASSISTANCE.**

20 Section 638 of the Foreign Assistance Act of 1961
21 (22 U.S.C. 2398) is amended by adding at the end the
22 following subsection:

23 “(c) Notwithstanding any provision of law that re-
24 stricts assistance to a foreign country (other than section
25 490(e) or section 620A), funds made available to carry

1 out the provisions of part I of this Act may be furnished
2 for assistance for nonmilitary education programs and for
3 anticorruption programs.”.

4 **Subtitle B—International Disaster** 5 **Assistance**

6 **SEC. 211. AUTHORITY TO PROVIDE RECONSTRUCTION AS-** 7 **SISTANCE.**

8 Section 491 of the Foreign Assistance Act of 1961
9 (22 U.S.C. 2292) is amended—

10 (1) in subsection (a), by striking “for the relief
11 and rehabilitation of people and countries affected
12 by such disasters” and inserting “for the relief, re-
13 habilitation, and reconstruction of countries affected
14 by such disasters, including the relief of people in
15 such countries”;

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

19 (3) in subsection (c), by striking “and rehabili-
20 tation” and inserting “, rehabilitation, and recon-
21 struction”.

1 **SEC. 212. PROCESSING OF APPLICATIONS FOR TRANSPOR-**
2 **TATION OF HUMANITARIAN ASSISTANCE**
3 **ABROAD BY THE DEPARTMENT OF DEFENSE.**

4 (a) PRIORITY FOR DISASTER RELIEF ASSISTANCE.—
5 In processing applications for the transportation of hu-
6 manitarian assistance abroad under section 402 of title
7 10, United States Code, the Administrator of the United
8 States Agency for International Development shall afford
9 a priority to applications for the transportation of disaster
10 relief assistance.

11 (b) MODIFICATION OF APPLICATIONS.—The Admin-
12 istrator of the United States Agency for International De-
13 velopment shall take all possible actions to assist appli-
14 cants for the transportation of humanitarian assistance
15 abroad under such section 402 in modifying or completing
16 applications submitted under such section in order to meet
17 applicable requirements under such section. The actions
18 shall include efforts to contact such applicants for pur-
19 poses of the modification or completion of such applica-
20 tions.

21 **Subtitle C—Sudan Peace Act**

22 **SEC. 221. SHORT TITLE.**

23 This subtitle may be cited as the “Sudan Peace Act”.

24 **SEC. 222. FINDINGS.**

25 Congress makes the following findings:

1 (1) With clear indications that the Government
2 of Sudan intends to intensify its prosecution of the
3 war against areas outside of its control, which has
4 already cost nearly 2,000,000 lives and has displaced
5 more than 4,000,000, a sustained and coordinated
6 international effort to pressure combatants to end
7 hostilities and to address the roots of the conflict of-
8 fers the best opportunity for a comprehensive solu-
9 tion to the continuing war in Sudan.

10 (2) A viable, comprehensive, and internationally
11 sponsored peace process, protected from manipula-
12 tion, presents the best chance for a permanent reso-
13 lution of the war, protection of human rights, and
14 a self-sustaining Sudan.

15 (3) Continued strengthening of humanitarian
16 relief operations in Sudan is an essential element in
17 the effort to bring an end to the war.

18 (4) Continued leadership by the United States
19 is critical.

20 (5) Regardless of the future political status of
21 the areas of Sudan outside of the control of the Gov-
22 ernment of Sudan, the absence of credible civil au-
23 thority and institutions is a major impediment to
24 achieving self-sustenance by the Sudanese people

1 and to meaningful progress toward a viable peace
2 process.

3 (6) Through manipulation of traditional rival-
4 ries among peoples in areas outside their full con-
5 trol, the Government of Sudan has effectively used
6 divide and conquer techniques to subjugate their
7 population, and Congress finds that internationally
8 sponsored reconciliation efforts have played a critical
9 role in reducing the tactic's effectiveness and human
10 suffering.

11 (7) The Government of Sudan is increasingly
12 utilizing and organizing militias, Popular Defense
13 Forces, and other irregular troops for raiding and
14 slaving parties in areas outside of the control of the
15 Government of Sudan in an effort to severely disrupt
16 the ability of those populations to sustain them-
17 selves. The tactic is in addition to the overt use of
18 bans on air transport relief flights in prosecuting the
19 war through selective starvation and to minimize the
20 Government of Sudan's accountability internation-
21 ally.

22 (8) The Government of Sudan has repeatedly
23 stated that it intends to use the expected proceeds
24 from future oil sales to increase the tempo and

1 lethality of the war against the areas outside its con-
2 trol.

3 (9) Through its power to veto plans for air
4 transport flights under the United Nations relief op-
5 eration, Operation Lifeline Sudan (OLS), the Gov-
6 ernment of Sudan has been able to manipulate the
7 receipt of food aid by the Sudanese people from the
8 United States and other donor countries as a dev-
9 astating weapon of war in the ongoing effort by the
10 Government of Sudan to subdue areas of Sudan out-
11 side of the Government's control.

12 (10) The efforts of the United States and other
13 donors in delivering relief and assistance through
14 means outside OLS have played a critical role in ad-
15 dressing the deficiencies in OLS and offset the Gov-
16 ernment of Sudan's manipulation of food donations
17 to advantage in the civil war in Sudan.

18 (11) While the immediate needs of selected
19 areas in Sudan facing starvation have been ad-
20 dressed in the near term, the population in areas of
21 Sudan outside of the control of the Government of
22 Sudan are still in danger of extreme disruption of
23 their ability to sustain themselves.

24 (12) The Nuba Mountains and many areas in
25 Bahr al Ghazal, Upper Nile, and Blue Nile regions

1 have been excluded completely from relief distribu-
2 tion by OLS, consequently placing their populations
3 at increased risk of famine.

4 (13) At a cost which can exceed \$1,000,000 per
5 day, and with a primary focus on providing only for
6 the immediate food needs of the recipients, the cur-
7 rent international relief operations are neither sus-
8 tainable nor desirable in the long term.

9 (14) The ability of populations to defend them-
10 selves against attack in areas outside the Govern-
11 ment of Sudan's control has been severely com-
12 promised by the disengagement of the front-line
13 sponsor states, fostering the belief within officials of
14 the Government of Sudan that success on the battle-
15 field can be achieved.

16 (15) The United States should use all means of
17 pressure available to facilitate a comprehensive solu-
18 tion to the war, including—

19 (A) the multilateralization of sanctions
20 against the Government of Sudan with explicit
21 linkage of those sanctions to peace;

22 (B) the support or creation of viable demo-
23 cratic civil authority and institutions in areas of
24 Sudan outside government control;

1 (C) continued active support of people-to-
2 people reconciliation mechanisms and efforts in
3 areas outside of government control;

4 (D) the strengthening of the mechanisms
5 to provide humanitarian relief to those areas;

6 (E) cooperation among the trading part-
7 ners of the United States and within multilat-
8 eral institutions toward those ends; and

9 (F) the use of any and all possible unilat-
10 eral and multilateral economic and diplomatic
11 tools to compel Ethiopia and Eritrea to end
12 their hostilities and again assume a constructive
13 stance toward facilitating a comprehensive solu-
14 tion to the ongoing war in Sudan.

15 **SEC. 223. DEFINITIONS.**

16 In this subtitle:

17 (1) GOVERNMENT OF SUDAN.—The term “Gov-
18 ernment of Sudan” means the National Islamic
19 Front government in Khartoum, Sudan.

20 (2) IGAD.—The term “IGAD” means the
21 Inter-Governmental Authority on Development.

22 (3) OLS.—The term “OLS” means the United
23 Nations relief operation carried out by UNICEF, the
24 World Food Program, and participating relief orga-
25 nizations known as “Operation Lifeline Sudan”.

1 **SEC. 224. CONDEMNATION OF SLAVERY, OTHER HUMAN**
2 **RIGHTS ABUSES, AND NEW TACTICS BY THE**
3 **GOVERNMENT OF SUDAN.**

4 Congress hereby—

5 (1) condemns—

6 (A) violations of human rights on all sides
7 of the conflict in Sudan;

8 (B) the Government of Sudan’s overall
9 human rights record, with regard to both the
10 prosecution of the war and the denial of basic
11 human and political rights to all Sudanese;

12 (C) the ongoing slave trade in Sudan and
13 the role of the Government of Sudan in abet-
14 ting and tolerating the practice; and

15 (D) the Government of Sudan’s increasing
16 use and organization of “muraHalliin” or
17 “mujahadeen”, Popular Defense Forces (PDF),
18 and regular Sudanese Army units into orga-
19 nized and coordinated raiding and slaving par-
20 ties in Bahr al Ghazal, the Nuba Mountains,
21 Upper Nile, and Blue Nile regions; and

22 (2) recognizes that, along with selective bans on
23 air transport relief flights by the Government of
24 Sudan, the use of raiding and slaving parties is a
25 tool for creating food shortages and is used as a sys-
26 tematic means to destroy the societies, culture, and

1 economies of the Dinka, Nuer, and Nuba peoples in
2 a policy of low-intensity ethnic cleansing.

3 **SEC. 225. SUPPORT FOR THE IGAD PEACE PROCESS.**

4 (a) SENSE OF CONGRESS.—Congress hereby—

5 (1) declares its support for the efforts by execu-
6 tive branch officials of the United States and the
7 President’s Special Envoy for Sudan to lead in a re-
8 invigoration of the IGAD-sponsored peace process;

9 (2) calls on IGAD member states, the European
10 Union, the Organization of African Unity, Egypt,
11 and other key states to support the peace process;
12 and

13 (3) urges Kenya’s leadership in the implementa-
14 tion of the process.

15 (b) RELATION TO UNITED STATES DIPLOMACY.—It
16 is the sense of Congress that any such diplomatic efforts
17 toward resolution of the conflict in Sudan are best made
18 through a peace process based on the Declaration of Prin-
19 ciples reached in Nairobi, Kenya, on July 20, 1994, and
20 that the President should not create any process or diplo-
21 matic facility or office which could be viewed as a parallel
22 or competing diplomatic track.

23 (c) UNITED STATES DIPLOMATIC SUPPORT.—The
24 Secretary of State is authorized to utilize the personnel
25 of the Department of State for the support of—

- 1 (1) the secretariat of IGAD;
- 2 (2) the ongoing negotiations between the Gov-
3 ernment of Sudan and opposition forces;
- 4 (3) any peace settlement planning to be carried
5 out by the National Democratic Alliance and IGAD
6 Partners' Forum (IPF); and
- 7 (4) other United States diplomatic efforts sup-
8 porting a peace process in Sudan.

9 **SEC. 226. INCREASED PRESSURE ON COMBATANTS.**

10 It is the sense of Congress that the President, acting
11 through the United States Permanent Representative to
12 the United Nations, should—

- 13 (1) sponsor a resolution in the United Nations
14 Security Council to investigate the practice of slav-
15 ery in Sudan and provide recommendations on meas-
16 ures for its eventual elimination;
- 17 (2) sponsor a condemnation of the human
18 rights practices of the Government of Sudan at the
19 United Nations conference on human rights in Gene-
20 va in 2000;
- 21 (3) press for implementation of the rec-
22 ommendations of the United Nations Special
23 Rapporteur for Sudan with respect to human rights
24 monitors in areas of conflict in Sudan;

1 (4) press for UNICEF, International Com-
2 mittee of the Red Cross, or the International Fed-
3 eration of Red Cross and Red Crescent Societies, or
4 other appropriate international organizations or
5 agencies to maintain a registry of those individuals
6 who have been abducted or are otherwise held in
7 bondage or servitude in Sudan;

8 (5) sponsor a condemnation of the Government
9 of Sudan each time it subjects civilian populations to
10 aerial bombardment; and

11 (6) sponsor a resolution in the United Nations
12 General Assembly condemning the human rights
13 practices of the Government of Sudan.

14 **SEC. 227. REPORTING REQUIREMENT.**

15 Beginning 3 months after the date of enactment of
16 this Act, and every 3 months thereafter, the President
17 shall submit a report to Congress on—

18 (1) the specific sources and current status of
19 Sudan's financing and construction of oil exploi-
20 tation infrastructure and pipelines;

21 (2) the extent to which that financing was se-
22 cured in the United States or with involvement of
23 United States citizens;

1 (3) such financing's relation to the sanctions
2 described in subsection (a) and the Executive Order
3 of November 3, 1997;

4 (4) the extent of aerial bombardment by the
5 Government of Sudan forces in areas outside its con-
6 trol, including targets, frequency, and best estimates
7 of damage;

8 (5) the number, duration, and locations of air
9 strips or other humanitarian relief facilities to which
10 access is denied by any party to the conflict; and

11 (6) the status of the IGAD-sponsored peace
12 process and any other ongoing effort to end the con-
13 flict, including the specific and verifiable steps taken
14 by parties to the conflict, the members of the IGAD
15 Partners Forum, and the members of IGAD toward
16 a comprehensive solution to the war.

17 **SEC. 228. REFORM OF OPERATION LIFELINE SUDAN (OLS).**

18 It is the sense of Congress that the President should
19 organize and maintain a formal consultative process with
20 the European Union, its member states, the members of
21 the United Nations Security Council, and other relevant
22 parties on coordinating an effort within the United Na-
23 tions to revise the terms of OLS to end the veto power
24 of the Government of Sudan over the plans by OLS for
25 air transport relief flights.

1 **SEC. 229. CONTINUED USE OF NON-OLS ORGANIZATIONS**
2 **FOR RELIEF EFFORTS.**

3 (a) FINDING.—Congress recognizes the progress
4 made by officials of the executive branch of Government
5 toward greater utilization of non-OLS agencies for more
6 effective distribution of United States relief contributions.

7 (b) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that the President should continue to increase the
9 use of non-OLS agencies in the distribution of relief sup-
10 plies in southern Sudan.

11 (c) REPORT.—Not later than 90 days after the date
12 of enactment of this Act, the President shall submit a de-
13 tailed report to Congress describing the progress made to-
14 ward carrying out subsection (b).

15 **SEC. 230. CONTINGENCY PLAN FOR ANY BAN ON AIR**
16 **TRANSPORT RELIEF FLIGHTS.**

17 (a) PLAN.—The President shall develop a detailed
18 and implementable contingency plan to provide, outside
19 United Nations auspices, the greatest possible amount of
20 United States Government and privately donated relief to
21 all affected areas in Sudan, including the Nuba Moun-
22 tains, Upper Nile, and Blue Nile, in the event the Govern-
23 ment of Sudan imposes a total, partial, or incremental ban
24 on OLS air transport relief flights.

25 (b) ELEMENT OF PLAN.—The plan developed under
26 subsection (a) shall include coordination of other donors

1 in addition to the United States Government and private
2 institutions.

3 (c) REPORT.—Not later than 2 months after the date
4 of enactment of this Act, the President shall submit a clas-
5 sified report to Congress on the costs and startup time
6 such a plan would require in the event of a total ban on
7 air transport relief flights or in the event of a partial or
8 incremental ban on such flights.

9 (d) REPROGRAMMING AUTHORITY.—Notwith-
10 standing any other provision of law, in carrying out the
11 plan developed under subsection (a), the President may
12 reprogram up to 100 percent of the funds available for
13 support of OLS operations (but for this subsection) for
14 the purposes of the plan.

15 **SEC. 231. NEW AUTHORITY FOR USAID'S SUDAN TRANSI-**
16 **TION ASSISTANCE FOR REHABILITATION**
17 **(STAR) PROGRAM.**

18 (a) SENSE OF CONGRESS.—Congress hereby ex-
19 presses its support for the President's ongoing efforts to
20 diversify and increase effectiveness of United States as-
21 sistance to populations in areas of Sudan outside of the
22 control of the Government of Sudan, especially the long-
23 term focus shown in the Sudan Transition Assistance for
24 Rehabilitation (STAR) program with its emphasis on pro-
25 moting future democratic governance, rule of law, building

1 indigenous institutional capacity, promoting and enhance-
2 ing self-reliance, and actively supporting people-to-people
3 reconciliation efforts.

4 (b) ALLOCATION OF FUNDS.—Of the amounts made
5 available to carry out chapter 1 of part I of the Foreign
6 Assistance Act of 1961 (22 U.S.C. 2151 et seq., relating
7 to development assistance) for the period beginning on Oc-
8 tober 1, 2000, and ending on September 30, 2003,
9 \$16,000,000 shall be available for development of a viable
10 civil authority, and civil and commercial institutions, in
11 Sudan, including the provision of technical assistance, and
12 for people-to-people reconciliation efforts.

13 (c) ADDITIONAL AUTHORITIES.—Notwithstanding
14 any other provision of law, the President is granted au-
15 thority to undertake any appropriate programs using Fed-
16 eral agencies, contractual arrangements, or direct support
17 of indigenous groups, agencies, or organizations in areas
18 outside of control of the Government of Sudan in an effort
19 to provide emergency relief, promote economic self-suffi-
20 ciency, build civil authority, provide education, enhance
21 rule of law and the development of judicial and legal
22 frameworks, support people-to-people reconciliation ef-
23 forts, or implementation of any programs in support of
24 any viable peace agreement at the local, regional, or na-
25 tional level.

1 (d) IMPLEMENTATION.—It is the sense of Congress
2 that the President should immediately and to the fullest
3 extent possible utilize the Office of Transition Initiatives
4 at the Agency for International Development in an effort
5 to pursue the type of programs described in subsection
6 (c).

7 (e) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that enhancing and supporting education and the
9 development of rule of law are critical elements in the
10 long-term success of United States efforts to promote a
11 viable economic, political, social, and legal basis for devel-
12 opment in Sudan. Congress recognizes that the gap of 13–
13 16 years without secondary educational opportunities in
14 southern Sudan is an especially important problem to ad-
15 dress with respect to rebuilding and sustaining leaders and
16 educators for the next generation of Sudanese. Congress
17 recognizes the unusually important role the secondary
18 school in Rumbek has played in producing the current
19 generation of leaders in southern Sudan, and that priority
20 should be given in current and future development or tran-
21 sition programs undertaken by the United States Govern-
22 ment to rebuilding and supporting the Rumbek Secondary
23 School.

24 (f) PROGRAMS IN AREAS OUTSIDE GOVERNMENT
25 CONTROL.—Congress also intends that such programs in-

1 clude cooperation and work with indigenous groups in
2 areas outside of government control in all of Sudan, to
3 include northern, southern, and eastern regions of Sudan.

4 **SEC. 232. ASSESSMENT AND PLANNING FOR NUBA MOUN-**
5 **TAINS AND OTHER AREAS SUBJECT TO BANS**
6 **ON AIR TRANSPORT RELIEF FLIGHTS.**

7 (a) FINDING.—Congress recognizes that civilians in
8 the Nuba Mountains, Red Sea Hills, and Blue Nile regions
9 of Sudan are not receiving assistance through OLS due
10 to restrictions by the Government of Sudan.

11 (b) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that the President should—

13 (1) conduct comprehensive assessment of the
14 humanitarian needs in the Nuba Mountains, Red
15 Sea Hills, and Blue Nile regions of Sudan;

16 (2) respond appropriately to those needs based
17 on such assessment; and

18 (3) report to Congress on an annual basis on
19 efforts made under paragraph (2).

20 **SEC. 233. OPTIONS OR PLANS FOR NONLETHAL ASSIST-**
21 **ANCE FOR NATIONAL DEMOCRATIC ALLI-**
22 **ANCE PARTICIPANTS.**

23 (a) REPORT.—Not later than 90 days after the date
24 of enactment of this Act, the President shall submit to
25 the appropriate congressional committees a report, in clas-

1 sified form if necessary, detailing possible options or plans
2 of the United States Government for the provision of non-
3 lethal assistance to participants of the National Demo-
4 cratic Alliance.

5 (b) CONSULTATIONS.—Not later than 30 days after
6 submission of the report required by subsection (a), the
7 President should begin formal consultations with the ap-
8 propriate congressional committees regarding the findings
9 of the report.

10 (c) DEFINITION.—In this section, the term “appro-
11 priate congressional committees” means the Committee on
12 Foreign Relations and the Committee on Appropriations
13 of the Senate and the Committee on International Rela-
14 tions and the Committee on Appropriations of the House
15 of Representatives.

16 **Subtitle D—Assistance to Countries**
17 **With Large Populations Having**
18 **HIV/AIDS**

19 **SEC. 241. DEFINITIONS.**

20 In this subtitle:

21 (1) AIDS.—The term “AIDS” means the ac-
22 quired immune deficiency syndrome.

23 (2) ASSOCIATION.—The term “Association”
24 means the International Development Association.

1 (3) BANK.—The term “Bank” or “World
2 Bank” means the International Bank for Recon-
3 struction and Development.

4 (4) HIV.—The term “HIV” means the human
5 immunodeficiency virus.

6 (5) HIV/AIDS.—The term “HIV/AIDS”
7 means, with respect to an individual—

8 (A) an individual having HIV but not
9 AIDS; or

10 (B) an individual having HIV and AIDS.

11 **SEC. 242. FINDINGS AND PURPOSES.**

12 (a) FINDINGS.—Congress makes the following find-
13 ings:

14 (1) According to statistics of the World Bank,
15 more than 90 percent of all adults and children with
16 HIV/AIDS live in the developing world—62 percent
17 in sub-Saharan Africa, 24 percent in Asia, and 6.9
18 percent in Latin America and the Caribbean.

19 (2) According to UNAIDS, nearly 4,500,000
20 children under 15 years of age have been infected
21 with HIV since the AIDS epidemic began. More
22 than 3,000,000 have already died of AIDS. Children
23 are becoming infected at about the rate of 1 child
24 every minute, and the overwhelming majority of

1 these children acquire the infection from their moth-
2 ers.

3 (3) The gap between rich and poor countries in
4 terms of transmission of HIV from mother to child
5 has been increasing. Moreover, AIDS threatens to
6 reverse years of steady progress of child survival in
7 developing countries. UNAIDS believes that by the
8 year 2010, AIDS may have increased mortality of
9 children under 5 years of age by more than 100 per-
10 cent in regions most affected by the virus.

11 (4) In Africa, the death toll from AIDS has
12 reached 13,000,000, while 23,000,000 others live
13 with the disease, and more than 10,000,000 children
14 have been infected or orphaned by it.

15 (5) The World Bank, declaring AIDS not just
16 a public health problem but the “foremost and fast-
17 est-growing threat to development” in Africa, has
18 launched a new strategy for HIV/AIDS in Africa,
19 declaring it a top priority for the World Bank on
20 that continent.

21 (6) AIDS, like all diseases, knows no bound-
22 aries, and there is no certitude that the scale of the
23 problem in one continent can be contained within
24 that region.

1 (7) Accordingly, United States financial support
2 for medical research, education, and disease contain-
3 ment as a global strategy has beneficial ramifica-
4 tions for millions of Americans and their families
5 who are affected by this disease, and the entire pop-
6 ulation which is potentially susceptible.

7 (8) The discovery of a relatively simple and
8 cheap means of interrupting the transmission of
9 HIV from an infected mother to the unborn child—
10 namely with nevirapine (NVP), which costs US\$4 a
11 tablet—has created a great opportunity for an un-
12 precedented partnership between the United States
13 Government and the governments of Asian, African
14 and Latin American countries to combat mother-to-
15 child transmission (also known as “vertical trans-
16 mission”) of HIV.

17 (9) According to UNAIDS, this strategy will
18 decrease the proportion of orphans that are HIV-in-
19 fected and decrease infant and child mortality rates
20 in these developing regions.

21 (10) At current infection and growth rates for
22 HIV/AIDS, the National Intelligence Council esti-
23 mates that the number of AIDS orphans worldwide
24 will increase dramatically, potentially increasing
25 threefold or more in the next 10 years, contributing

1 to economic decay, social fragmentation, and polit-
2 ical destabilization in already volatile and strained
3 societies. Children without care or hope are often
4 drawn into prostitution, crime, substance abuse, or
5 child soldiery.

6 (11) Donors must focus on adequate prepara-
7 tions for the explosion in the number of orphans and
8 the burden they will place on families, communities,
9 economies, and governments. Support structures and
10 incentives for families, communities, and institutions
11 which will provide care for children orphaned by
12 HIV/AIDS, or for the children who are themselves
13 infected by HIV/AIDS, will be essential.

14 (12) A mother-to-child antiretroviral drug strat-
15 egy can be a force for social change, providing the
16 opportunity and impetus needed to tackle often long-
17 standing problems of inadequate services and the
18 profound stigma associated with HIV-infection and
19 the AIDS disease. Strengthening the health infra-
20 structure to improve mother-and-child health,
21 antenatal, delivery and postnatal services, and cou-
22 ples counseling generates enormous spillover effects
23 toward combating the AIDS epidemic in developing
24 regions.

1 (b) PURPOSES.—The purposes of this subtitle are
2 to—

3 (1) prevent human suffering; and

4 (2) ensure the viability of economic develop-
5 ment, stability, and national security in the devel-
6 oping world by advancing research to—

7 (A) understand the causes associated with
8 HIV/AIDS in developing countries; and

9 (B) assist in the development of an AIDS
10 vaccine.

11 **SEC. 243. ADDITIONAL ASSISTANCE AUTHORITIES TO COM-**
12 **BAT HIV AND AIDS.**

13 (a) ASSISTANCE FOR PREVENTION OF HIV/AIDS
14 AND VERTICAL TRANSMISSION.—Section 104(c) of the
15 Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)) is
16 amended by adding at the end the following new para-
17 graphs:

18 “(4)(A) Congress recognizes the growing inter-
19 national dilemma of children with the human immuno-
20 deficiency virus (HIV) and the merits of intervention pro-
21 grams aimed at this problem. Congress further recognizes
22 that mother-to-child transmission prevention strategies
23 can serve as a major force for change in developing re-
24 gions, and it is, therefore, a major objective of the foreign

1 assistance program to control the acquired immune defi-
2 ciency syndrome (AIDS) epidemic.

3 “(B) The agency primarily responsible for admin-
4 istering this part shall—

5 “(i) coordinate with UNAIDS, UNICEF,
6 WHO, local governments, and other organizations to
7 develop and implement effective strategies to prevent
8 vertical transmission of HIV; and

9 “(ii) coordinate with those organizations to in-
10 crease in scale intervention programs and introduce
11 voluntary counseling and testing, antiretroviral
12 drugs, replacement feeding, and other strategies.

13 “(5)(A) Congress expects the agency primarily re-
14 sponsible for administering this part to make the human
15 immunodeficiency virus (HIV) and the acquired immune
16 deficiency syndrome (AIDS) a priority in the foreign as-
17 sistance program and to undertake a comprehensive, co-
18 ordinated effort to combat HIV and AIDS.

19 “(B) Assistance described in subparagraph (A) shall
20 include providing—

21 “(i) primary prevention and education;

22 “(ii) voluntary testing and counseling;

23 “(iii) medications to prevent the transmission of
24 HIV and AIDS from mother to child; and

25 “(iv) care for those living with HIV or AIDS.

1 “(6)(A) In addition to amounts otherwise available
2 for such purpose, there is authorized to be appropriated
3 to the President \$300,000,000 for fiscal year 2001 to
4 carry out paragraphs (4) and (5).

5 “(B) Of the funds authorized to be appropriated
6 under subparagraph (A), not less than 65 percent is au-
7 thorized to be available through United States and foreign
8 nongovernmental organizations, including private and vol-
9 untary organizations, for-profit organizations, religious af-
10 filiated organizations, educational institutions, and re-
11 search facilities.

12 “(C)(i) Of the funds authorized to be appropriated
13 by subparagraph (A), not less than 20 percent is author-
14 ized to be available for programs as part of a multidonor
15 strategy to address the support and education of orphans
16 in sub-Saharan Africa, including AIDS orphans.

17 “(ii) Assistance made available under this subpara-
18 graph may be made available notwithstanding any other
19 provision of law.

20 “(D) Of the funds authorized to be appropriated
21 under subparagraph (A), not less than 8.3 percent is au-
22 thorized to be available to carry out the prevention strate-
23 gies for vertical transmission referred to in paragraph
24 (4)(A).

1 “(E) Of the funds authorized to be appropriated by
2 subparagraph (A), not more than 7 percent may be used
3 for the administrative expenses of the agency primarily re-
4 sponsible for carrying out this part of this Act in support
5 of activities described in paragraphs (4) and (5).

6 “(F) Funds appropriated under this paragraph are
7 authorized to remain available until expended.”.

8 (b) TRAINING AND TRAINING FACILITIES IN SUB-SA-
9 HARAN AFRICA.—Section 496(i)(2) of the Foreign Assist-
10 ance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by
11 adding at the end the following new sentence: “In addi-
12 tion, providing training and training facilities, in sub-Sa-
13 haran Africa, for doctors and other health care providers,
14 notwithstanding any provision of law that restricts assist-
15 ance to foreign countries.”.

16 **SEC. 244. VOLUNTARY CONTRIBUTION TO GLOBAL ALLI-**
17 **ANCE FOR VACCINES AND IMMUNIZATIONS**
18 **AND INTERNATIONAL AIDS VACCINE INITIA-**
19 **TIVE.**

20 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
21 302 of the Foreign Assistance Act of 1961 (22 U.S.C.
22 2222) is amended by adding at the end the following new
23 subsections:

24 “(j) In addition to amounts otherwise available under
25 this section, there is authorized to be appropriated to the

1 President \$50,000,000 for fiscal year 2001 to be available
2 only for United States contributions to the Global Alliance
3 for Vaccines and Immunizations.

4 “(k) In addition to amounts otherwise available under
5 this section, there is authorized to be appropriated to the
6 President \$10,000,000 for fiscal year 2001 to be available
7 only for United States contributions to the International
8 AIDS Vaccine Initiative.”

9 (b) REPORT.—At the close of fiscal year 2001, the
10 President shall submit a report to the appropriate con-
11 gressional committees on the effectiveness of the Global
12 Alliance for Vaccines and Immunizations and the Inter-
13 national AIDS Vaccine Initiative during that fiscal year
14 in meeting the goals of—

15 (1) improving access to sustainable immuniza-
16 tion services;

17 (2) expanding the use of all existing, safe, and
18 cost-effective vaccines where they address a public
19 health problem;

20 (3) accelerating the development and introduc-
21 tion of new vaccines and technologies;

22 (4) accelerating research and development ef-
23 forts for vaccines needed primarily in developing
24 countries; and

1 (b) REPORT.—Not later than 1 year after the date
2 of enactment of this Act, and annually thereafter, the
3 President shall submit a report to Congress on—

4 (1) the status of negotiations under subsection
5 (a); and

6 (2) if such fund is established, any rec-
7 ommendations for further action.

8 **SEC. 246. WORLD BANK TRUST FUND FOR AIDS PREVEN-**
9 **TION AND ERADICATION.**

10 (a) NEGOTIATIONS FOR THE CREATION OF A WORLD
11 BANK TRUST FUND TO ASSIST IN AIDS PREVENTION
12 AND ERADICATION.—The Secretary of the Treasury shall
13 enter into negotiations with the World Bank or the Asso-
14 ciation, with the member nations of such institutions, and
15 with other interested parties for the creation of a trust
16 fund, to be administered by the Bank or the Association,
17 as appropriate, which would—

18 (1) accept contributions from governments, the
19 private sector, and nongovernmental entities of all
20 kinds; and

21 (2) use such contributions to address the AIDS
22 epidemic in countries eligible to borrow from the As-
23 sociation.

24 (b) AUTHORIZATION OF APPROPRIATIONS.—In addi-
25 tion to any other funds authorized to be appropriated for

1 multilateral or bilateral programs related to AIDS, there
2 is authorized to be appropriated to the President
3 \$100,000,000 for fiscal year 2001 for payment to the
4 trust fund established as a result of the negotiations en-
5 tered into pursuant to subsection (a).

6 (c) REPORT TO CONGRESS.—Beginning 1 year after
7 the date of enactment of this Act, and annually thereafter,
8 the Secretary of the Treasury shall submit to the Commit-
9 tees on Banking and Financial Services and on Inter-
10 national Relations of the House of Representatives and
11 the Committees on Banking, Housing, and Urban Affairs
12 and on Foreign Relations of the Senate a written report
13 on the trust fund established pursuant to subsection (a),
14 the goals of the trust fund, the programs, projects, and
15 activities, including any vaccination approaches, supported
16 by the trust fund, and the effectiveness of such programs,
17 projects, and activities in reducing the worldwide spread
18 of AIDS.

19 **SEC. 247. NEGOTIATIONS FOR THE CREATION OF A WORLD**
20 **BANK TRUST FUND FOR EDUCATION OF OR-**
21 **PHANS IN SUB-SAHARAN AFRICA.**

22 (a) NEGOTIATIONS.—The Secretary of the Treasury
23 shall enter into negotiations with the World Bank or the
24 Association, with member nations of such institutions, and
25 with other interested parties, for the creation of a trust

1 fund which could accept contributions from governments,
2 the private sector, and nongovernmental entities of all
3 kinds, and use such contributions to provide support for
4 or the establishment of programs which provide primary
5 and secondary education for orphans in sub-Saharan Afri-
6 ca.

7 (b) AUTHORIZATION OF APPROPRIATIONS.—In addi-
8 tion to funds otherwise available for the purposes of sub-
9 section (a), there is authorized to be appropriated to the
10 President \$50,000,000 for the fiscal year 2001 for pay-
11 ment to the trust fund established as a result of the nego-
12 tiations entered into pursuant to subsection (a).

13 **SEC. 248. COORDINATED DONOR STRATEGY FOR SUPPORT**
14 **AND EDUCATION OF ORPHANS IN SUB-SAHA-**
15 **RAN AFRICA.**

16 Chapter 1 of part I of the Foreign Assistance Act
17 of 1961 (22 U.S.C. 2151 et seq.) is amended—

18 (1) by redesignating the second section 129 (as
19 added by section 4 of the Torture Victims Relief Act
20 of 1998 (Public Law 105–320)) as section 130; and

21 (2) by adding at the end the following new sec-
22 tion:

1 **“SEC. 131. COORDINATED DONOR STRATEGY FOR SUPPORT**
2 **AND EDUCATION OF ORPHANS IN SUB-SAHA-**
3 **RAN AFRICA.**

4 “(a) STATEMENT OF POLICY.—It is in the national
5 interest of the United States to assist in mitigating the
6 burden that will be placed on sub-Saharan African social,
7 economic, and political institutions as these institutions
8 struggle with the consequences of a dramatically increas-
9 ing AIDS orphan population, many of whom are them-
10 selves infected by HIV/AIDS. Effectively addressing that
11 burden and its consequences in sub-Saharan Africa will
12 require a coordinated multidonor strategy.

13 “(b) DEVELOPMENT OF STRATEGY.—The President
14 shall coordinate the development of a multidonor strategy
15 to provide for the support and education of AIDS orphans
16 and the families, communities, and institutions most af-
17 fected by the HIV/AIDS epidemic in sub-Saharan Africa.

18 “(c) DEFINITION.—In this section, the term ‘HIV/
19 AIDS’ means, with respect to an individual, an individual
20 who is infected with—

21 “(1) the human immunodeficiency virus (HIV);

22 or

23 “(2) HIV and the acquired immune deficiency
24 virus (AIDS).”.

1 **SEC. 249. AFRICAN CRISIS RESPONSE INITIATIVE AND HIV/**
2 **AIDS TRAINING.**

3 (a) FINDINGS.—Congress finds that—

4 (1) the spread of AIDS constitutes a threat to
5 security in Africa;

6 (2) civil unrest and war may contribute to the
7 spread of the disease to different parts of the con-
8 tinent;

9 (3) the percentage of soldiers in African mili-
10 taries who are infected with HIV/AIDS is unknown,
11 but estimates range in some countries as high as 40
12 percent; and

13 (4) it is in the interests of the United States to
14 assist the countries of Africa in combating the
15 spread of HIV/AIDS.

16 (b) EDUCATION ON THE PREVENTION OF THE
17 SPREAD OF AIDS.—In undertaking education and train-
18 ing programs for military establishments of in African
19 countries, the United States shall ensure that classroom
20 training under the African Crisis Response Initiative in-
21 cludes military-based education on the prevention of the
22 spread of AIDS.

1 **Subtitle E—International**
2 **Tuberculosis Control**

3 **SEC. 251. SHORT TITLE.**

4 This subtitle may be cited as the “International Tu-
5 berculosis Control Act of 2000”.

6 **SEC. 252. FINDINGS.**

7 Congress makes the following findings:

8 (1) Since the development of antibiotics in the
9 1950s, tuberculosis has been largely controlled in the
10 United States and the Western World.

11 (2) Due to societal factors, including growing
12 urban decay, inadequate health care systems, per-
13 sistent poverty, overcrowding, and malnutrition, as
14 well as medical factors, including the HIV/AIDS epi-
15 demic and the emergence of multi-drug resistant
16 strains of tuberculosis, tuberculosis has again be-
17 come a leading and growing cause of adult deaths in
18 the developing world.

19 (3) According to the World Health
20 Organization—

21 (A) in 1998, about 1,860,000 people
22 worldwide died of tuberculosis-related illnesses;

23 (B) one-third of the world’s total popu-
24 lation is infected with tuberculosis; and

1 (C) tuberculosis is the world's leading kill-
2 er of women between 15 and 44 years old and
3 is a leading cause of children becoming or-
4 phans.

5 (4) Because of the ease of transmission of tu-
6 berculosis, its international persistence and growth
7 pose a direct public health threat to those nations
8 that had previously largely controlled the disease.
9 This is complicated in the United States by the
10 growth of the homeless population, the rate of incar-
11 ceration, international travel, immigration, and HIV/
12 AIDS.

13 (5) With nearly 40 percent of the tuberculosis
14 cases in the United States attributable to foreign-
15 born persons, tuberculosis will never be controlled in
16 the United States until it is controlled abroad.

17 (6) The means exist to control tuberculosis
18 through screening, diagnosis, treatment, patient
19 compliance, monitoring, and ongoing review of out-
20 comes.

21 (7) Efforts to control tuberculosis are com-
22 plicated by several barriers, including—

23 (A) the labor intensive and lengthy process
24 involved in screening, detecting, and treating
25 the disease;

1 (B) a lack of funding, trained personnel,
2 and medicine in virtually every nation with a
3 high rate of the disease;

4 (C) the unique circumstances in each coun-
5 try, which requires the development and imple-
6 mentation of country-specific programs; and

7 (D) the risk of having a bad tuberculosis
8 program, which is worse than having no tuber-
9 culosis program because it would significantly
10 increase the risk of the development of more
11 widespread drug-resistant strains of the disease.

12 (8) Eliminating the barriers to the international
13 control of tuberculosis through a well-structured,
14 comprehensive, and coordinated worldwide effort
15 would be a significant step in dealing with the in-
16 creasing public health problem posed by the disease.

17 **SEC. 253. ASSISTANCE FOR TUBERCULOSIS PREVENTION,**
18 **TREATMENT, CONTROL, AND ELIMINATION.**

19 Section 104(c) of the Foreign Assistance Act of 1961
20 (22 U.S.C. 2151b(c)), as amended by section 243(a) of
21 this Act, is further amended by adding at the end the fol-
22 lowing:

23 “(7)(A) Congress recognizes the growing inter-
24 national problem of tuberculosis and the impact its contin-
25 ued existence has on those nations that had previously

1 largely controlled the disease. Congress further recognizes
2 that the means exist to control and treat tuberculosis, and
3 that it is therefore a major objective of the foreign assist-
4 ance program to control the disease. To this end, Congress
5 expects the agency primarily responsible for administering
6 this part—

7 “(i) to coordinate with the World Health Orga-
8 nization, the Centers for Disease Control, the Na-
9 tional Institutes of Health, and other organizations
10 toward the development and implementation of a
11 comprehensive tuberculosis control program; and

12 “(ii) to set as a goal the detection of at least
13 70 percent of the cases of infectious tuberculosis,
14 and the cure of at least 85 percent of the cases de-
15 tected, in those countries in which the agency has
16 established development programs, by December 31,
17 2010.

18 “(B) There is authorized to be appropriated to the
19 President, \$60,000,000 for fiscal year 2001 to be used to
20 carry out this paragraph. Funds appropriated under this
21 subparagraph are authorized to remain available until ex-
22 pended.”.

1 **Subtitle F—Global Opportunities**
2 **For Biotechnology In Agriculture**

3 **SEC. 261. SHORT TITLE.**

4 This subtitle may be cited as the “Advancing the
5 Global Opportunities for Biotechnology in Agriculture Act
6 of 2000”.

7 **SEC. 262. FINDINGS.**

8 Congress makes the following findings:

9 (1) Biotechnology in the agricultural sector
10 holds the prospect for substantial benefits to man-
11 kind in a number of critical areas.

12 (2) Enhanced crop yields resulting from the use
13 of agricultural biotechnology will help in feeding a
14 growing world population, especially in developing
15 countries.

16 (3) Healthier bio-engineered foods will assist in
17 combating diseases specific to the developing world
18 that arise from vitamin and other nutritional defi-
19 ciencies.

20 (4) Pest and disease resistant crops developed
21 through biotechnology will preserve and improve the
22 environment by reducing the need for herbicides and
23 pesticides.

24 (5) Greater agricultural yields will preserve the
25 environment by minimizing the need for additional

1 farmland to feed and clothe the world's growing pop-
2 ulation.

3 (6) Ensuring that these benefits, the underlying
4 scientific information, and the regulatory framework
5 for managing this technology are shared globally is
6 imperative and should be an integral part of United
7 States foreign assistance programs.

8 **SEC. 263. INTERNATIONAL EDUCATIONAL PROGRAMS.**

9 Of the funds appropriated to carry out sections 103
10 through 106, and chapter 10 of part I of the Foreign As-
11 sistance Act of 1961 for fiscal year 2001, \$6,000,000 is
12 authorized to be appropriated to the President for pro-
13 grams and projects designed to educate government offi-
14 cials in developing countries regarding the use of bio-
15 technology in the agricultural sector and the regulatory
16 procedures used by the United States with respect to agri-
17 cultural products using biotechnology. The programs and
18 activities shall encourage acceptance by those countries of
19 products approved under the United States regulatory sys-
20 tem or, in the case of countries which choose to establish
21 a national regulatory system based on science, to encour-
22 age adoption of domestic approval processes based on ob-
23 jective scientific principles. The programs and activities
24 shall include the following:

1 (1) TECHNICAL EXCHANGE PROGRAM FOR FOR-
2 EIGN OFFICIALS.—The President shall carry out a
3 technical exchange program that brings to the
4 United States appropriate foreign officials for the
5 purpose of educating them about the scientific proc-
6 ess underlying biotechnology and the regulatory ap-
7 proval system employed in the United States for bio-
8 technology products, and to seek answers to any
9 questions they or their citizens may have regarding
10 the safety of biotechnology, particularly in agricul-
11 tural products.

12 (2) TECHNICAL EXCHANGE PROGRAM FOR
13 UNITED STATES BIOTECHNOLOGY EXPERTS.—The
14 President shall carry out a technical exchange pro-
15 gram that sends United States experts in the field
16 of biotechnology in the agriculture sector to foreign
17 capitals to provide information on the scientific proc-
18 ess underlying biotechnology, the regulatory approval
19 system employed in the United States to approve ag-
20 ricultural products produced with biotechnology, and
21 to respond to any questions the officials in foreign
22 countries or their citizens may have regarding the
23 safety of biotechnology, particularly in the agri-
24 culture sector.

1 **SEC. 264. DEVELOPMENT OF EXPERTISE IN BIO-**
2 **TECHNOLOGY IN THE UNITED STATES AGEN-**
3 **CY FOR INTERNATIONAL DEVELOPMENT.**

4 In order to carry out the programs and activities in
5 section 263, the President shall establish a group of ex-
6 perts within the United States Agency for International
7 Development to carry out these programs. To maximize
8 its effectiveness, this group should draw on the expertise,
9 as appropriate, of regulatory officials in the Environ-
10 mental Protection Agency, the Food and Drug Adminis-
11 tration, and the United States Department of Agriculture,
12 as well as appropriate officials from the Department of
13 State.

14 **SEC. 265. COORDINATED FEDERAL STRATEGY.**

15 (a) COORDINATION.—The President shall establish
16 an interagency process for all relevant executive branch
17 agencies, including the United States Department of Agri-
18 culture, the Office of the United States Trade Representa-
19 tive, the Department of State, the United States Agency
20 for International Development, the Department of Com-
21 merce, the Food and Drug Administration, and the Envi-
22 ronmental Protection Agency, to coordinate efforts and to
23 generate support for the acceptance of agricultural bio-
24 technology. United States policies must stress the promi-
25 nence of science as the foundation for regulatory decision-
26 making and work aggressively in international fora such

1 as the World Trade Organization, the Organization for
2 Economic Cooperation and Development, the World
3 Health Organization, including its CODEX Alimentarius,
4 and the United Nations, to advocate for science-based de-
5 cision making.

6 (b) STANDARDS FOR FOOD AID.—The Agency for
7 International Development and the United States Depart-
8 ment of Agriculture should work to ensure that all food
9 and grain products that meet United States health and
10 safety requirements are acceptable to foreign countries
11 under relevant food aid programs.

12 **SEC. 266. SENSE OF THE CONGRESS.**

13 It is the sense of the Congress that the Secretary of
14 State should work with United States embassies abroad
15 to develop bilateral support from foreign governments for
16 the approval of science-based trading regimes in multilat-
17 eral forums and organizations.

18 **SEC. 267. DEFINITION.**

19 In the subtitle, the term “President” means the
20 President, acting through the United States Agency for
21 International Development.

1 **TITLE III—PEACE CORPS OF THE**
2 **UNITED STATES**

3 **SEC. 301. REDESIGNATION OF PEACE CORPS AS PEACE**
4 **CORPS OF THE UNITED STATES.**

5 (a) AMENDMENTS TO PEACE CORPS ACT.—The
6 Peace Corps Act (22 U.S.C. 2501 et seq.) is amended—

7 (1) by striking in the heading of title I “THE
8 PEACE CORPS” and inserting “THE PEACE
9 CORPS OF THE UNITED STATES”;

10 (2) by striking “PEACE CORPS” in the section
11 headings to sections 2A, 4, 5, 6, 7, and 12 each
12 place it appears and inserting “PEACE CORPS OF
13 THE UNITED STATES”; and

14 (3) by striking “Peace Corps” each place it ap-
15 pears and inserting “Peace Corps of the United
16 States”.

17 (b) CONFORMING AMENDMENTS.—(1) Section 5314
18 of title 5, United States Code, is amended by striking “Di-
19 rector of the Peace Corps” and inserting “Director of the
20 Peace Corps of the United States”.

21 (2) Section 5315 of title 5, United States Code, is
22 amended by striking “Deputy Director of the Peace
23 Corps” and inserting “Deputy Director of the Peace Corps
24 of the United States”.

1 (3) Section 5316 of title 5, United States Code, is
2 amended—

3 (A) by striking “Associate Director for Volun-
4 teers, Peace Corps” and inserting “Associate Direc-
5 tor for Volunteers, Peace Corps of the United
6 States”; and

7 (B) by striking “Associate Director for Pro-
8 gram Development and Operations, Peace Corps”
9 and inserting “Associate Director for Program De-
10 velopment and Operations, Peace Corps of the
11 United States”.

12 (c) OTHER REFERENCES.—Any reference in law
13 (other than the references amended in subsections (a) and
14 (b)) on the day before the date of enactment of this Act
15 to the Peace Corps shall be considered a reference on and
16 after such date to the Peace Corps of the United States.

17 **TITLE IV—STRENGTHENING**
18 **ANTICORRUPTION MEASURES**
19 **AND ACCOUNTABILITY**

20 **SEC. 401. DEBT RELIEF UNDER THE HEAVILY INDEBTED**
21 **POOR COUNTRIES (HIPC) INITIATIVE.**

22 (a) REPEAL OF LIMITATION ON AVAILABILITY OF
23 EARNINGS ON PROFITS OF NONPUBLIC GOLD SALES.—
24 Paragraph (1) of section 62 of the Bretton Woods Agree-
25 ments Act, as added by section 503(a) of H.R. 3425 of

1 the 106th Congress (as enacted by section 1000(a)(5) of
2 Public Law 106–113 (113 Stat. 1536)), is amended—

3 (1) by adding “and” at the end of subpara-
4 graph (B); and

5 (2) by striking subparagraph (D).

6 (b) CONTRIBUTIONS TO HIPC TRUST FUND.—

7 (1) AUTHORIZATION OF APPROPRIATIONS FOR
8 CONTRIBUTIONS.—There is authorized to be appro-
9 priated for the period beginning October 1, 1999,
10 and ending September 30, 2003, \$600,000,000 for
11 purposes of United States contributions to the Heav-
12 ily Indebted Poor Countries (HIPC) Trust Fund ad-
13 ministered by the Bank.

14 (2) AVAILABILITY OF AMOUNTS.—Amounts ap-
15 propriated pursuant to the authorization of appro-
16 priations in paragraph (1) shall remain available
17 until expended.

18 (c) CERTIFICATION REQUIRED.—

19 (1) IN GENERAL.—Except as provided in para-
20 graph (2), not later than 30 days after the date of
21 enactment of this Act, the Secretary shall certify to
22 the appropriate congressional committees that the
23 following requirements are satisfied:

24 (A) ACCESS TO CERTAIN INFORMATION
25 AND DOCUMENTS.—The Bank and the Fund

1 have given the Comptroller General access to
2 information and documents of the Bank and
3 the Fund necessary in order for the Comptroller General to audit and monitor the operations of such institutions. The Secretary shall
4 consult with the Comptroller General prior to
5 making a certification under this subparagraph.
6

7
8 (B) IMPLEMENTATION BY THE BANK OF
9 CERTAIN POLICIES.—The Bank is
10 implementing—

11 (i) policies providing for the suspension of a loan if funds are being diverted
12 for purposes other than the purpose for
13 which the loan was intended;
14

15 (ii) policies seeking to prevent loans
16 from displacing private sector financing;

17 (iii) policies requiring that loans other
18 than project loans must be disbursed—

19 (I) on the basis of specific prior
20 reforms; or

21 (II) incrementally upon implementation of specific reforms after
22 initial disbursement;

23
24 (iv) policies seeking to minimize the
25 number of projects receiving financing that

1 would displace a population involuntarily
2 or be to the detriment of the people or cul-
3 ture of the area into which the displaced
4 population is to be moved;

5 (v) policies vigorously promoting open
6 markets and liberalization of trade in
7 goods and services;

8 (vi) policies providing that financing
9 by the Bank concentrates chiefly on
10 projects and programs that promote eco-
11 nomic and social progress rather than
12 short-term liquidity financing; and

13 (vii) policies providing for the estab-
14 lishment of appropriate qualitative and
15 quantitative indicators to measure progress
16 toward graduation from receiving financing
17 on concessionary terms, including an esti-
18 mated timetable by which countries may
19 graduate over the next 15 years.

20 (C) IMPLEMENTATION BY THE FUND OF
21 CERTAIN POLICIES.—The Fund is
22 implementing—

23 (i) policies providing for the suspen-
24 sion of a financing if funds are being di-

1 verted for purposes other than the purpose
2 for which the financing was intended;

3 (ii) policies seeking to ensure that fi-
4 nancing by the Fund normally serves as a
5 catalyst for private sector financing and
6 does not displace such financing;

7 (iii) policies requiring that financing
8 must be disbursed—

9 (I) on the basis of specific prior
10 reforms; or

11 (II) incrementally upon imple-
12 mentation of specific reforms after
13 initial disbursement;

14 (iv) policies vigorously promoting open
15 markets and liberalization of trade in
16 goods and services;

17 (v) policies providing that financing
18 by the Fund concentrates chiefly on short-
19 term balance of payments financing; and

20 (vi) policies providing for the use, in
21 conjunction with the Bank, of appropriate
22 qualitative and quantitative indicators to
23 measure progress toward graduation from
24 receiving financing on concessionary terms,
25 including an estimated timetable by which

1 countries may graduate over the next 15
2 years.

3 (2) EXCEPTION.—In the event that the Sec-
4 retary cannot certify that the Comptroller General
5 has obtained the access described in paragraph
6 (1)(A) to information and documents, or that a pol-
7 icy described in paragraph (1)(B) or (1)(C) is being
8 implemented, the Secretary shall, not later than 30
9 days after the date of enactment of this Act, submit
10 a report to the appropriate congressional committees
11 on the progress, if any, made by the Bank and the
12 Fund in providing such access to the Comptroller
13 General, or in adopting and implementing such pol-
14 icy, as the case may be.

15 (3) SUBSEQUENT REPORTING ON DENIAL OF
16 ACCESS.—

17 (A) REPORT REQUIRED.—In the event that
18 the Comptroller General is denied the access de-
19 scribed in paragraph (1)(A) to information and
20 documents of the Bank or the Fund on or after
21 the date specified in subparagraph (B), the
22 Comptroller General shall submit a report to
23 the appropriate congressional committees and
24 the Secretary notifying the committees and the
25 Secretary of such fact.

1 (B) DATE OF SUBMISSION OF REPORT.—

2 The date specified in this subparagraph is the
3 earlier of—

4 (i) the date a certification is made
5 under paragraph (1) or, if a certification
6 cannot be made, the date on which a re-
7 port is submitted under paragraph (2); or

8 (ii) the date that is 30 days after the
9 date of enactment of this Act.

10 **SEC. 402. STRENGTHENING PROCEDURES FOR MONI-**
11 **TORING USE OF FUNDS BY MULTILATERAL**
12 **DEVELOPMENT BANKS.**

13 (a) IN GENERAL.—The Secretary shall instruct the
14 United States Executive Director of each multilateral de-
15 velopment bank to exert the influence of the United States
16 to strengthen the bank's procedures and management con-
17 trols intended to ensure that funds disbursed by the bank
18 to borrowing countries are used as intended and in a man-
19 ner that complies with the conditions of the bank's loan
20 to that country.

21 (b) INFORMATION TO APPROPRIATE COMMITTEES.—
22 Upon the request of the chairman or ranking minority
23 member of an appropriate congressional committee, the
24 Secretary shall obtain from the bank and make available
25 to such committee, on a confidential basis if necessary,

1 data existing at the time of the request concerning the
2 objectives described in subsection (a). In the event the
3 Secretary is unable to obtain such existing data within 30
4 days of such request, the Secretary shall submit, within
5 an additional period of 30 days, a report to the appro-
6 priate congressional committees setting forth the reasons
7 for the failure to obtain such data.

8 (c) PROGRESS EVALUATION.—Not later than 180
9 days after the date of enactment of this Act, the Secretary
10 shall submit to the appropriate congressional committees
11 a report evaluating the progress made toward achieving
12 the objectives of subsection (a), including a description
13 of—

14 (1) any progress made in improving the super-
15 vision, monitoring, and auditing of programs and
16 projects supported by each multilateral development
17 bank, in order to identify and reduce bribery and
18 corruption;

19 (2) any progress made in developing each multi-
20 lateral development bank's priorities for allocating
21 anticorruption assistance;

22 (3) country-specific anticorruption programs
23 supported by each multilateral development bank;

1 multilateral development banks under programs re-
2 ferred to in section 402(c)(1), to strengthen govern-
3 ance and reduce the opportunity for bribery and cor-
4 ruption; and

5 (2) how International Development Association-
6 financed projects contribute to the eventual gradua-
7 tion of a representative sample of countries from re-
8 liance on financing on concessionary terms and
9 international development assistance.

10 (c) AMENDMENT OF REPORT ON FUND.—Section
11 1705(a) of the International Financial Institutions Act
12 (22 U.S.C. 262r-4(a)) is amended—

13 (1) by inserting “(1)” before “the progress”;
14 and

15 (2) by inserting before the period at the end the
16 following: “, and (2) the progress made by the Inter-
17 national Monetary Fund in adopting and imple-
18 menting the policies described in section
19 401(c)(1)(C) of the Technical Assistance, Trade
20 Promotion, and Anti-Corruption Act of 2000”.

21 (d) REPORT ON DEBT RELIEF.—Not later than 90
22 days after the date of enactment of this Act, the Secretary
23 shall submit a report to the appropriate congressional
24 committees on the history of debt relief programs led by,

1 or coordinated with, international financial institutions,
 2 including but not limited to—

3 (1) the extent to which poor countries and the
 4 poorest-of-the-poor benefit from debt relief, includ-
 5 ing measurable evidence of any such benefits; and

6 (2) the extent to which debt relief contributes
 7 to the graduation of a country from reliance on fi-
 8 nancing on concessionary terms and international
 9 development assistance.

10 (e) **REPORT ON OPERATING EXPENSES.**—Not later
 11 than 180 days after the date of enactment of this Act,
 12 the Comptroller General shall submit a report to the ap-
 13 propriate congressional committees describing the salaries,
 14 benefits, and operating expense account of each inter-
 15 national financial institution for the preceding fiscal year.

16 **SEC. 404. REPEAL OF BILATERAL FUNDING FOR INTER-**
 17 **NATIONAL FINANCIAL INSTITUTIONS.**

18 Section 209(d) of the Foreign Assistance Act of 1961
 19 (22 U.S.C. 2169(d); relating to bilateral funding for inter-
 20 national financial institutions) is repealed.

21 **SEC. 405. DEFINITIONS.**

22 In this title:

23 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
 24 **TEES.**—The term “appropriate congressional com-
 25 mittees” means the Committee on Foreign Relations

1 and the Committee on Appropriations of the Senate,
2 and the Committee on Banking and Financial Serv-
3 ices and the Committee on Appropriations of the
4 House of Representatives.

5 (2) BANK.—The term “Bank” means the Inter-
6 national Bank for Reconstruction and Development.

7 (3) COMPTROLLER GENERAL.—The term
8 “Comptroller General” means the Comptroller Gen-
9 eral of the United States.

10 (4) FUND.—The term “Fund” means the Inter-
11 national Monetary Fund.

12 (5) INTERNATIONAL FINANCIAL INSTITU-
13 TIONS.—The term “international financial institu-
14 tions” means the multilateral development banks
15 and the International Monetary Fund.

16 (6) MULTILATERAL DEVELOPMENT BANKS.—
17 The term “multilateral development banks” means
18 the International Bank for Reconstruction and De-
19 velopment, the International Development Associa-
20 tion, the International Finance Corporation, the
21 Inter-American Development Bank, the Asian Devel-
22 opment Bank, the Inter-American Investment Cor-
23 poration, the African Development Bank, the Afri-
24 can Development Fund, the European Bank for Re-

1 construction and Development, and the Multilateral
2 Investment Guaranty Agency.

3 (7) SECRETARY.—The term “Secretary” means
4 the Secretary of the Treasury.

5 **TITLE V—SERBIA**
6 **DEMOCRATIZATION ACT**

7 **SEC. 501. SHORT TITLE.**

8 This title may be cited as the “Serbia Democratiza-
9 tion Act of 2000”.

10 **SEC. 502. DEFINITIONS.**

11 In this title:

12 (1) APPROPRIATE CONGRESSIONAL COMMIT-
13 TEES.—The term “appropriate congressional com-
14 mittees” means the Committee on Foreign Relations
15 of the Senate and the Committee on International
16 Relations of the House of Representatives.

17 (2) COMMERCIAL EXPORT.—The term “com-
18 mercial export” means the sale of an agricultural
19 commodity, medicine, or medical equipment by a
20 United States seller to a foreign buyer in exchange
21 for cash payment on market terms without benefit
22 of concessionary financing, export subsidies, govern-
23 ment or government-backed credits or other non-
24 market financing arrangements.

1 (3) INTERNATIONAL CRIMINAL TRIBUNAL FOR
2 THE FORMER YUGOSLAVIA OR TRIBUNAL.—The term
3 “International Criminal Tribunal for the former
4 Yugoslavia” or the “Tribunal” means the Inter-
5 national Tribunal for the Prosecution of Persons Re-
6 sponsible for Serious Violations of International Hu-
7 manitarian Law Committed in the Territory of the
8 Former Yugoslavia Since 1991, as established by
9 United Nations Security Council Resolution 827 of
10 May 25, 1993.

11 (4) YUGOSLAVIA.—The term “Yugoslavia”
12 means the so-called Federal Republic of Yugoslavia
13 (Serbia and Montenegro), and the term “Govern-
14 ment of Yugoslavia” means the central government
15 of Yugoslavia.

16 **Subtitle A—Support for the**
17 **Democratic Opposition**

18 **SEC. 511. FINDINGS AND POLICY.**

19 (a) FINDINGS.—Congress finds the following:

20 (1) The President of Yugoslavia, Slobodan
21 Milosevic, has consistently engaged in undemocratic
22 methods of governing.

23 (2) Yugoslavia has passed and implemented a
24 law strictly limiting freedom of the press and has

1 acted to intimidate and prevent independent media
2 from operating inside Yugoslavia.

3 (3) Although the Yugoslav and Serbian con-
4 stitutions provide for the right of citizens to change
5 their government, citizens of Serbia in practice are
6 prevented from exercising that right by the Milosevic
7 regime's domination of the mass media and manipu-
8 lation of the electoral process.

9 (4) The Yugoslav government has orchestrated
10 attacks on academics at institutes and universities
11 throughout the country in an effort to prevent the
12 dissemination of opinions that differ from official
13 state propaganda.

14 (5) The Yugoslav government hinders the for-
15 mation of nonviolent, democratic opposition through
16 restrictions on freedom of assembly and association.

17 (6) The Yugoslav government uses control and
18 intimidation to control the judiciary and manipulates
19 the country's legal framework to suit the regime's
20 immediate political interests.

21 (7) The Government of Serbia and the Govern-
22 ment of Yugoslavia, under the direction of President
23 Milosevic, have obstructed the efforts of the Govern-
24 ment of Montenegro to pursue democratic and free-
25 market policies.

1 (8) At great risk, the Government of Monte-
2 negro has withstood efforts by President Milosevic to
3 interfere with its government and supported the
4 goals of the United States in the conflict in Kosovo.

5 (9) The people of Serbia who do not endorse
6 the undemocratic actions of the Milosevic govern-
7 ment should not be the target of criticism that is
8 rightly directed at the Milosevic regime.

9 (b) POLICY.—

10 (1) It is the policy of the United States to en-
11 courage the development of a government in Yugo-
12 slavia based on democratic principles and the rule of
13 law and that respects internationally recognized
14 human rights.

15 (2) It is the sense of Congress that—

16 (A) the United States should actively sup-
17 port the democratic opposition in Yugoslavia,
18 including political parties and independent
19 trade unions, to develop a legitimate and viable
20 alternative to the Milosevic regime;

21 (B) all United States Government officials,
22 including individuals from the private sector
23 acting on behalf of the United States Govern-
24 ment, should meet regularly with representa-
25 tives of democratic opposition organizations of

1 Yugoslavia and minimize to the extent prac-
2 ticable any direct contacts with government of-
3 ficials from Yugoslavia, particularly President
4 Slobodan Milosevic, who perpetuate the non-
5 democratic regime in Yugoslavia; and

6 (C) the United States should emphasize to
7 all political leaders in Yugoslavia the impor-
8 tance of respecting internationally recognized
9 human rights for all individuals residing in
10 Yugoslavia.

11 **SEC. 512. ASSISTANCE TO PROMOTE DEMOCRACY AND**
12 **CIVIL SOCIETY IN YUGOSLAVIA.**

13 (a) ASSISTANCE.—

14 (1) PURPOSE OF ASSISTANCE.—The purpose of
15 assistance under this subsection is to promote and
16 strengthen institutions of democratic government
17 and the growth of an independent civil society in
18 Yugoslavia, including ethnic tolerance and respect
19 for internationally recognized human rights.

20 (2) AUTHORIZATION FOR ASSISTANCE.—To
21 carry out the purpose of paragraph (1), the Presi-
22 dent is authorized to furnish assistance and other
23 support for the activities described in paragraph (3).

1 (3) ACTIVITIES SUPPORTED.—Activities that
2 may be supported by assistance under paragraph (2)
3 include the following:

4 (A) Democracy building.

5 (B) The development of nongovernmental
6 organizations.

7 (C) The development of independent media
8 working within Serbia if possible, but, if that is
9 not feasible, from locations in neighboring coun-
10 tries.

11 (D) The development of the rule of law, to
12 include a strong, independent judiciary, the im-
13 partial administration of justice, and trans-
14 parency in political practices.

15 (E) International exchanges and advanced
16 professional training programs in skill areas
17 central to the development of civil society and
18 a market economy.

19 (F) The development of all elements of the
20 democratic process, including political parties
21 and the ability to administer free and fair elec-
22 tions.

23 (G) The development of local governance.

24 (H) The development of a free-market
25 economy.

1 (4) AUTHORIZATION OF APPROPRIATIONS.—

2 (A) IN GENERAL.—There is authorized to
3 be appropriated to the President \$50,000,000
4 for the period beginning October 1, 2000, and
5 ending September 30, 2001, to carry out this
6 subsection.

7 (B) AVAILABILITY OF FUNDS.—Amounts
8 appropriated pursuant to subparagraph (A) are
9 authorized to remain available until expended.

10 (b) PROHIBITION ON ASSISTANCE TO GOVERNMENT
11 OF YUGOSLAVIA OR OF SERBIA.—In carrying out sub-
12 section (a), the President should take all necessary steps
13 to ensure that no funds or other assistance is provided
14 to the Government of Yugoslavia or to the Government
15 of Serbia, except for purposes permitted under this sub-
16 title.

17 (c) ASSISTANCE TO GOVERNMENT OF MONTE-
18 NEGRO.—In carrying out subsection (a), the President
19 may provide assistance to the Government of Montenegro,
20 unless the President determines, and so reports to the ap-
21 propriate congressional committees, that the leadership of
22 the Government of Montenegro is not committed to, or
23 is not taking steps to promote, democratic principles, the
24 rule of law, or respect for internationally recognized
25 human rights.

1 **SEC. 513. AUTHORITY FOR RADIO AND TELEVISION BROAD-**
2 **CASTING.**

3 (a) IN GENERAL.—The Broadcasting Board of Gov-
4 ernors shall further the open communication of informa-
5 tion and ideas through the increased use of radio and tele-
6 vision broadcasting to Yugoslavia in both the Serbo-Cro-
7 atian and Albanian languages.

8 (b) IMPLEMENTATION.—Radio and television broad-
9 casting under subsection (a) shall be carried out by the
10 Voice of America and, in addition, radio broadcasting
11 under that subsection shall be carried out by RFE/RL,
12 Incorporated. Subsection (a) shall be carried out in ac-
13 cordance with all the respective Voice of America and
14 RFE/RL, Incorporated, standards to ensure that radio
15 and television broadcasting to Yugoslavia serves as a con-
16 sistently reliable and authoritative source of accurate, ob-
17 jective, and comprehensive news.

18 (c) STATUTORY CONSTRUCTION.—The implementa-
19 tion of subsection (a) may not be construed as a replace-
20 ment for the strengthening of indigenous independent
21 media called for in section 512(a)(3)(C). To the maximum
22 extent practicable, the two efforts (strengthening inde-
23 pendent media and increasing broadcasts into Serbia)
24 shall be carried out in such a way that they mutually sup-
25 port each other.

1 **Subtitle B—Assistance to the**
2 **Victims of Serbian Oppression**

3 **SEC. 521. FINDINGS.**

4 The Congress finds the following:

5 (1) Beginning in February 1998 and ending in
6 June 1999, the armed forces of Yugoslavia and the
7 Serbian Interior Ministry police force engaged in a
8 brutal crackdown against the ethnic Albanian popu-
9 lation in Kosovo.

10 (2) As a result of the attack by Yugoslav and
11 Serbian forces against the Albanian population of
12 Kosovo, more than 10,000 individuals were killed
13 and 1,500,000 individuals were displaced from their
14 homes.

15 (3) The majority of the individuals displaced by
16 the conflict in Kosovo was left homeless or was
17 forced to find temporary shelter in Kosovo or outside
18 the country.

19 (4) The activities of the Yugoslav armed forces
20 and the police force of the Serbian Interior Ministry
21 resulted in the widespread destruction of agricultural
22 crops, livestock, and property, as well as the poi-
23 soning of wells and water supplies, and the looting
24 of humanitarian goods provided by the international
25 community.

1 **SEC. 522. SENSE OF CONGRESS.**

2 It is the sense of Congress that—

3 (1) the Government of Yugoslavia and the Gov-
4 ernment of Serbia bear responsibility to the victims
5 of the conflict in Kosovo, including refugees and in-
6 ternally displaced persons, and for property damage
7 in Kosovo;

8 (2) under the direction of President Milosevic,
9 neither the Government of Yugoslavia nor the Gov-
10 ernment of Serbia provided the resources to assist
11 innocent, civilian victims of oppression in Kosovo;
12 and

13 (3) because neither the Government of Yugo-
14 slavia nor the Government of Serbia fulfilled the re-
15 sponsibilities of a sovereign government toward the
16 people in Kosovo, the international community offers
17 the only recourse for humanitarian assistance to vic-
18 tims of oppression in Kosovo.

19 **SEC. 523. ASSISTANCE.**

20 (a) **AUTHORITY.**—The President is authorized to fur-
21 nish assistance under section 491 of the Foreign Assist-
22 ance Act of 1961 (22 U.S.C. 2292) and the Migration and
23 Refugee Assistance Act of 1962 (22 U.S.C. 2601 et seq.),
24 as appropriate, for—

25 (1) relief, rehabilitation, and reconstruction in
26 Kosovo; and

1 (2) refugees and persons displaced by the con-
2 flict in Kosovo.

3 (b) PROHIBITION.—No assistance may be provided
4 under this section to any group that has been designated
5 as a terrorist organization under section 219 of the Immi-
6 gration and Nationality Act (8 U.S.C. 1189).

7 (c) USE OF ECONOMIC SUPPORT FUNDS.—Any funds
8 that have been allocated under chapter 4 of part II of the
9 Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.)
10 for assistance described in subsection (a) may be used in
11 accordance with the authority of that subsection.

12 **Subtitle C—“Outer Wall” Sanctions**

13 **SEC. 531. “OUTER WALL” SANCTIONS.**

14 (a) APPLICATION OF MEASURES.—The sanctions de-
15 scribed in subsections (c) through (g) shall apply with re-
16 spect to Yugoslavia until the President determines and
17 certifies to the appropriate congressional committees that
18 the Government of Yugoslavia has made significant
19 progress in meeting the conditions described in subsection
20 (b).

21 (b) CONDITIONS.—The conditions referred to in sub-
22 section (a) are the following:

23 (1) Agreement on a lasting settlement in
24 Kosovo.

1 (2) Compliance with the General Framework
2 Agreement for Peace in Bosnia and Herzegovina.

3 (3) Implementation of internal democratic re-
4 form.

5 (4) Settlement of all succession issues with the
6 other republics that emerged from the break-up of
7 the Socialist Federal Republic of Yugoslavia.

8 (5) Cooperation with the International Criminal
9 Tribunal for the former Yugoslavia, including the
10 transfer to The Hague of all individuals in Yugo-
11 slavia indicted by the Tribunal.

12 (c) INTERNATIONAL FINANCIAL INSTITUTIONS.—
13 The Secretary of the Treasury shall instruct the United
14 States executive directors of the international financial in-
15 stitutions to oppose, and vote against, any extension by
16 those institutions of any financial assistance (including
17 any technical assistance or grant) of any kind to the Gov-
18 ernment of Yugoslavia.

19 (d) ORGANIZATION FOR SECURITY AND COOPERA-
20 TION IN EUROPE.—The Secretary of State should instruct
21 the United States Ambassador to the Organization for Se-
22 curity and Cooperation in Europe (OSCE) to oppose and
23 block any consensus to allow the participation of Yugo-
24 slavia in the OSCE or any organization affiliated with the
25 OSCE.

1 (e) UNITED NATIONS.—The Secretary of State
2 should instruct the United States Permanent Representa-
3 tive to the United Nations—

4 (1) to oppose and vote against any resolution in
5 the United Nations Security Council to admit Yugo-
6 slavia to the United Nations or any organization af-
7 filiated with the United Nations; and

8 (2) to actively oppose and, if necessary, veto
9 any proposal to allow Yugoslavia to assume the
10 membership of the former Socialist Federal Republic
11 of Yugoslavia in the United Nations General Assem-
12 bly or any other organization affiliated with the
13 United Nations.

14 (f) NATO.—The Secretary of State should instruct
15 the United States Permanent Representative to the North
16 Atlantic Council to oppose and vote against the extension
17 to Yugoslavia of membership or participation in the Part-
18 nership for Peace program or any other organization affili-
19 ated with NATO.

20 (g) SOUTHEAST EUROPEAN COOPERATION INITIA-
21 TIVE.—The Secretary of State should instruct the United
22 States Representatives to the Southeast European Co-
23 operation Initiative (SECI) to actively oppose the partici-
24 pation of Yugoslavia in SECI.

1 (h) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that—

3 (1) the President should not restore full diplo-
4 matic relations with Yugoslavia until the President
5 has determined and so reported to the appropriate
6 congressional committees that the Government of
7 Yugoslavia has met the conditions described in sub-
8 section (b); and

9 (2) the President should encourage all other
10 European countries to diminish their level of diplo-
11 matic relations with Yugoslavia.

12 (i) INTERNATIONAL FINANCIAL INSTITUTION DE-
13 FINED.—In this section, the term “international financial
14 institution” includes the International Monetary Fund,
15 the International Bank for Reconstruction and Develop-
16 ment, the International Development Association, the
17 International Finance Corporation, the Multilateral In-
18 vestment Guaranty Agency, and the European Bank for
19 Reconstruction and Development.

20 **SEC. 532. INTERNATIONAL FINANCIAL INSTITUTIONS NOT**
21 **IN COMPLIANCE WITH “OUTER WALL” SANC-**
22 **TIONS.**

23 It is the sense of Congress that, if any international
24 financial institution (as defined in section 531(i)) approves
25 a loan or other financial assistance to the Government of

1 Yugoslavia over the opposition of the United States, then
2 the Secretary of the Treasury should withhold from pay-
3 ment of the United States share of any increase in the
4 paid-in capital of such institution an amount equal to the
5 amount of the loan or other assistance.

6 **Subtitle D—Other Measures**
7 **Against Yugoslavia**

8 **SEC. 541. BLOCKING ASSETS IN THE UNITED STATES.**

9 (a) **BLOCKING OF ASSETS.**—All property and inter-
10 ests in property, including all commercial, industrial, or
11 public utility undertakings or entities, of or in the name
12 of the Government of Serbia or the Government of Yugo-
13 slavia that are in the United States, that hereafter come
14 within the United States, or that are or hereafter come
15 within the possession or control of United States persons,
16 including their overseas branches, are hereby blocked.

17 (b) **EXERCISE OF AUTHORITIES.**—The Secretary of
18 the Treasury, in consultation with the Secretary of State,
19 shall take such actions, including the promulgation of reg-
20 ulations, orders, directives, rulings, instructions, and li-
21 censes, and employ all powers granted to the President
22 by the International Emergency Economic Powers Act, as
23 may be necessary to carry out the purposes of this subtitle,
24 including, but not limited to taking such steps as may be
25 necessary to continue in effect the measures contained in

1 Executive Order No. 13088 of June 9, 1998, and Execu-
2 tive Order No. 13121 of April 30, 1999, and any rule,
3 regulation, license, or order issued thereunder.

4 (c) PROHIBITED TRANSFERS.—Transfers prohibited
5 under subsection (a) shall include payments or transfers
6 of any property or any transactions involving the transfer
7 of anything of economic value by any United States person
8 to the Government of Serbia, the Government of Yugo-
9 slavia, or any person or entity acting for or on behalf of,
10 or owned or controlled, directly or indirectly, by any of
11 those governments, persons, or entities.

12 (d) PAYMENT OF EXPENSES.—All expenses incident
13 to the blocking and maintenance of property blocked under
14 subsection (a) shall be charged to the owners or operators
15 of such property, which expenses shall not be met from
16 blocked funds.

17 (e) PROHIBITIONS.—The following shall be prohib-
18 ited as of the date of enactment of this subtitle:

19 (1) Any transaction within the United States or
20 by a United States person relating to any vessel in
21 which a majority or controlling interest is held by a
22 person or entity in, or operating from, Serbia re-
23 gardless of the flag under which the vessel sails.

24 (2) The exportation to Serbia or to any entity
25 operated from Serbia or owned and controlled by the

1 Government of Serbia or the Government of Yugo-
2 slavia, directly or indirectly, of any goods, software
3 technology, or services, either—

4 (A) from the United States;

5 (B) requiring the issuance of a license by
6 a Federal agency;

7 (C) involving the use of United States reg-
8 istered vessels or aircraft; or

9 (D) any activity that promotes or is in-
10 tended to promote such exportation.

11 (3) Any dealing by a United States person in—

12 (A) property exported from Serbia;

13 (B) property intended for exportation from
14 Serbia to any country or exportation to Serbia
15 from any country; or

16 (C) any activity of any kind that promotes
17 or is intended to promote such dealing.

18 (4) The performance by any United States per-
19 son of any contract, including a financing contract,
20 in support of an industrial, commercial, public util-
21 ity, or governmental project in Serbia.

22 (f) EXCEPTIONS.—Nothing in this section shall apply
23 to—

24 (1) assistance provided under section 512 or
25 section 523 of this subtitle; or

1 (2) those materials described in section
2 203(b)(3) of the International Emergency Economic
3 Powers Act relating to informational materials.

4 **SEC. 542. SUSPENSION OF ENTRY INTO THE UNITED**
5 **STATES.**

6 (a) PROHIBITION.—The President shall use his au-
7 thority under section 212(f) of the Immigration and Na-
8 tionality Act (8 U.S.C. 1182(f)) to suspend the entry into
9 the United States of any alien who—

10 (1) holds a position in the senior leadership of
11 the Government of Yugoslavia or the Government of
12 Serbia; or

13 (2) is a spouse, minor child, or agent of a per-
14 son inadmissible under paragraph (1).

15 (b) SENIOR LEADERSHIP DEFINED.—In subsection
16 (a)(1), the term “senior leadership”—

17 (1) includes—

18 (A) the President, Prime Minister, Deputy
19 Prime Ministers, and government ministers of
20 Yugoslavia;

21 (B) the Governor of the National Bank of
22 Yugoslavia; and

23 (C) the President, Prime Minister, Deputy
24 Prime Ministers, and government ministers of
25 the Republic of Serbia; and

1 (2) does not include the President, Prime Min-
2 ister, Deputy Prime Ministers, and government min-
3 isters of the Republic of Montenegro.

4 **SEC. 543. PROHIBITION ON STRATEGIC EXPORTS TO YUGO-**
5 **SLAVIA.**

6 (a) PROHIBITION.—No computers, computer soft-
7 ware, or goods or technology intended to manufacture or
8 service computers may be exported to or for use by the
9 Government of Yugoslavia or by the Government of Ser-
10 bia, or by any of the following entities of either govern-
11 ment:

- 12 (1) The military.
13 (2) The police.
14 (3) The prison system.
15 (4) The national security agencies.

16 (b) STATUTORY CONSTRUCTION.—Nothing in this
17 section prevents the issuance of licenses to ensure the safe-
18 ty of civil aviation and safe operation of United States-
19 origin commercial passenger aircraft and to ensure the
20 safety of ocean-going maritime traffic in international wa-
21 ters.

22 **SEC. 544. PROHIBITION ON LOANS AND INVESTMENT.**

23 (a) UNITED STATES GOVERNMENT FINANCING.—No
24 loan, credit guarantee, insurance, financing, or other simi-
25 lar financial assistance may be extended by any agency

1 of the United States Government (including the Export-
2 Import Bank and the Overseas Private Investment Cor-
3 poration) to the Government of Yugoslavia or the Govern-
4 ment of Serbia.

5 (b) TRADE AND DEVELOPMENT AGENCY.—No funds
6 made available by law may be available for activities of
7 the Trade and Development Agency in or for Serbia.

8 (c) THIRD COUNTRY ACTION.—The Secretary of
9 State is urged to encourage all other countries, particu-
10 larly European countries, to suspend any of their own pro-
11 grams providing support similar to that described in sub-
12 section (a) or (b) to the Government of Yugoslavia or the
13 Government of Serbia, including by rescheduling repay-
14 ment of the indebtedness of either government under more
15 favorable conditions.

16 (d) PROHIBITION ON PRIVATE CREDITS.—

17 (1) IN GENERAL.—Except as provided in para-
18 graph (2), no national of the United States may
19 make or approve any loan or other extension of cred-
20 it, directly or indirectly, to the Government of Yugo-
21 slavia or to the Government of Serbia or to any cor-
22 poration, partnership, or other organization that is
23 owned or controlled by either the Government of
24 Yugoslavia or the Government of Serbia.

1 (2) EXCEPTION.—Paragraph (1) shall not
2 apply to a loan or extension of credit for any hous-
3 ing, education, or humanitarian benefit to assist the
4 victims of oppression in Kosovo.

5 **SEC. 545. PROHIBITION OF MILITARY-TO-MILITARY**
6 **COOPERATION.**

7 The United States Government (including any agency
8 or entity of the United States) shall not provide assistance
9 under the Foreign Assistance Act of 1961 or the Arms
10 Export Control Act (including the provision of Foreign
11 Military Financing under section 23 of the Arms Export
12 Control Act or international military education and train-
13 ing under chapter 5 of part II of the Foreign Assistance
14 Act of 1961) or provide any defense articles or defense
15 services under those Acts, to the armed forces of the Gov-
16 ernment of Yugoslavia or of the Government of Serbia.

17 **SEC. 546. MULTILATERAL SANCTIONS.**

18 It is the sense of Congress that the President should
19 continue to seek to coordinate with other countries, par-
20 ticularly European countries, a comprehensive, multilat-
21 eral strategy to further the purposes of this subtitle, in-
22 cluding, as appropriate, encouraging other countries to
23 take measures similar to those described in this subtitle.

1 **SEC. 547. EXEMPTIONS.**

2 (a) EXEMPTION FOR KOSOVO.—None of the restric-
3 tions imposed by this subtitle shall apply with respect to
4 Kosovo, including with respect to governmental entities or
5 administering authorities or the people of Kosovo.

6 (b) EXEMPTION FOR MONTENEGRO.—None of the re-
7 strictions imposed by this subtitle shall apply with respect
8 to Montenegro, including with respect to governmental en-
9 tities of Montenegro, unless the President determines and
10 so certifies to the appropriate congressional committees
11 that the leadership of the Government of Montenegro is
12 not committed to, or is not taking steps to promote, demo-
13 cratic principles, the rule of law, or respect for internation-
14 ally recognized human rights.

15 **SEC. 548. WAIVER; TERMINATION OF MEASURES AGAINST**
16 **YUGOSLAVIA.**

17 (a) GENERAL WAIVER AUTHORITY.—Except as pro-
18 vided in subsection (b), the requirement to impose any
19 measure under this title may be waived for successive peri-
20 ods not to exceed 12 months each, and the President may
21 provide assistance in furtherance of this title notwith-
22 standing any other provision of law, if the President deter-
23 mines and so certifies to the appropriate congressional
24 committees in writing 15 days in advance of the implemen-
25 tation of any such waiver that—

1 (1) it is important to the national interest of
2 the United States; or

3 (2) significant progress has been made in Yugo-
4 slavia in establishing a government based on demo-
5 cratic principles and the rule of law, and that re-
6 spects internationally recognized human rights.

7 (b) EXCEPTION.—The President may implement the
8 waiver under subsection (a) for successive periods not to
9 exceed 3 months each without the 15 day advance notifica-
10 tion under that subsection—

11 (1) if the President determines that exceptional
12 circumstances require the implementation of such
13 waiver; and

14 (2) the President immediately notifies the ap-
15 propriate congressional committees of his determina-
16 tion.

17 (c) TERMINATION OF RESTRICTIONS.—The restric-
18 tions imposed by this subtitle shall be terminated if the
19 President determines and so certifies to the appropriate
20 congressional committees that the Government of Yugo-
21 slavia is a government that is committed to democratic
22 principles and the rule of law, and that respects inter-
23 nationally recognized human rights.

1 **SEC. 549. STATUTORY CONSTRUCTION.**

2 (a) IN GENERAL.—None of the restrictions or prohi-
3 bitions contained in this title shall be construed to limit
4 humanitarian assistance (including the provision of food
5 and medicine), or the commercial export of agricultural
6 commodities or medicine and medical equipment, to Yugo-
7 slavia.

8 (b) SPECIAL RULE.—Nothing in subsection (a) shall
9 be construed to permit the export of an agricultural com-
10 modity or medicine that could contribute to the develop-
11 ment of a chemical or biological weapon.

12 **Subtitle E—Miscellaneous**
13 **Provisions**

14 **SEC. 551. THE INTERNATIONAL CRIMINAL TRIBUNAL FOR**
15 **THE FORMER YUGOSLAVIA.**

16 (a) FINDINGS.—Congress finds the following:

17 (1) United Nations Security Council Resolution
18 827, which was adopted May 25, 1993, established
19 the International Criminal Tribunal for the former
20 Yugoslavia to prosecute persons responsible for seri-
21 ous violations of international humanitarian law
22 committed in the territory of the former Yugoslavia
23 since January 1, 1991.

24 (2) United Nations Security Council Resolution
25 827 requires full cooperation by all countries with
26 the Tribunal, including the obligation of countries to

1 comply with requests of the Tribunal for assistance
2 or orders.

3 (3) The Government of Yugoslavia has dis-
4 regarded its international obligations with regard to
5 the Tribunal, including its obligation to transfer or
6 facilitate the transfer to the Tribunal of any person
7 on the territory of Yugoslavia who has been indicted
8 for war crimes or other crimes against humanity
9 under the jurisdiction of the Tribunal.

10 (4) The Government of Yugoslavia publicly re-
11 jected the Tribunal's jurisdiction over events in
12 Kosovo and has impeded the investigation of rep-
13 resentatives from the Tribunal, including denying
14 those representatives visas for entry into Yugoslavia,
15 in their efforts to gather information about alleged
16 crimes against humanity in Kosovo under the juris-
17 diction of the Tribunal.

18 (5) The Tribunal has indicted President
19 Slobodan Milosevic for—

20 (A) crimes against humanity, specifically
21 murder, deportations, and persecutions; and

22 (B) violations of the laws and customs of
23 war.

24 (b) POLICY.—It shall be the policy of the United
25 States to support fully and completely the investigation

1 of President Slobodan Milosevic by the International
2 Criminal Tribunal for the former Yugoslavia for genocide,
3 crimes against humanity, war crimes, and grave breaches
4 of the Geneva Convention.

5 (c) IN GENERAL.—Subject to subsection (b), it is the
6 sense of Congress that the United States Government
7 should gather all information that the intelligence commu-
8 nity (as defined in section 3(4) of the National Security
9 Act of 1947 (50 U.S.C. 401a(4)) collects or has collected
10 to support an investigation of President Slobodan
11 Milosevic for genocide, crimes against humanity, war
12 crimes, and grave breaches of the Geneva Convention by
13 the International Criminal Tribunal for the former Yugo-
14 slavia (ICTY) and that the Department of State should
15 provide all appropriate information to the Office of the
16 Prosecutor of the ICTY under procedures established by
17 the Director of Central Intelligence that are necessary to
18 ensure adequate protection of intelligence sources and
19 methods.

20 (d) REPORT TO CONGRESS.—Not less than 180 days
21 after the date of enactment of this Act, and every 180
22 days thereafter for the succeeding 5-year period, the Presi-
23 dent shall submit a report, in classified form if necessary,
24 to the appropriate congressional committees that describes
25 the information that was provided by the Department of

1 State to the Office of the Prosecutor of the International
2 Criminal Tribunal for the former Yugoslavia for the pur-
3 poses of subsection (c).

4 **SEC. 552. SENSE OF CONGRESS WITH RESPECT TO ETHNIC**
5 **HUNGARIANS OF VOJVODINA.**

6 (a) FINDINGS.—Congress finds that—

7 (1) approximately 350,000 ethnic Hungarians
8 reside in the province of Vojvodina, part of Serbia,
9 in traditional settlements in existence for centuries;

10 (2) this community has taken no side in any of
11 the Balkan conflicts since 1990, but has maintained
12 a consistent position of nonviolence, while seeking to
13 protect its existence through the meager opportuni-
14 ties afforded under the existing political system;

15 (3) the Serbian leadership deprived Vojvodina
16 of its autonomous status at the same time as it did
17 the same to the province of Kosovo;

18 (4) this population is subject to continuous har-
19 assment, intimidation, and threatening suggestions
20 that they leave the land of their ancestors; and

21 (5) during the past 10 years this form of ethnic
22 cleansing has already driven 50,000 ethnic Hungar-
23 ians out of the province of Vojvodina.

24 (b) SENSE OF CONGRESS.—It is the sense of Con-
25 gress that the President should—

1 (1) condemn harassment, threats, and intima-
2 tion against any ethnic group in Yugoslavia as the
3 usual precursor of violent ethnic cleansing;

4 (2) express deep concern over the reports on re-
5 cent threats, intimidation, and even violent incidents
6 against the ethnic Hungarian inhabitants of the
7 province of Vojvodina;

8 (3) call on the Secretary of State to regularly
9 monitor the situation of the Hungarian ethnic group
10 in Vojvodina; and

11 (4) call on the NATO allies of the United
12 States, during any negotiation on the future status
13 of Kosovo, also to pay substantial attention to estab-
14 lishing satisfactory guarantees for the rights of the
15 ethnic Hungarian community of Vojvodina, and of
16 other ethnic minorities in the province, including
17 consulting with elected leaders about their proposal
18 for self-administration.

19 **SEC. 553. OWNERSHIP AND USE OF DIPLOMATIC AND CON-**
20 **SULAR PROPERTIES.**

21 (a) FINDINGS.—Congress finds the following:

22 (1) The international judicial system, as cur-
23 rently structured, lacks fully effective remedies for
24 the wrongful confiscation of property and for unjust
25 enrichment from the use of wrongfully confiscated

1 property by governments and private entities at the
2 expense of the rightful owners of the property.

3 (2) Since the dissolution of the Socialist Fed-
4 eral Republic of Yugoslavia until March and June
5 1999, when the United States Government took cus-
6 tody, the Government of Yugoslavia exclusively used,
7 and benefited from the use of, properties located in
8 the United States that were owned by the Socialist
9 Federal Republic of Yugoslavia.

10 (3) Until the United States Government took
11 custody, the Governments of Bosnia and
12 Herzegovina, Croatia, the Former Yugoslav Republic
13 of Macedonia, and Slovenia were blocked by the Gov-
14 ernment of Yugoslavia from using, or benefiting
15 from the use of, any property located in the United
16 States that was previously owned by the Socialist
17 Federal Republic of Yugoslavia.

18 (4) The occupation and use by officials of
19 Yugoslavia of that property without prompt, ade-
20 quate, and effective compensation under the applica-
21 ble principles of international law to the Govern-
22 ments of Bosnia and Herzegovina, Croatia, the
23 Former Yugoslav Republic of Macedonia, and Slo-
24 venia is unjust and unreasonable.

1 (b) POLICY ON NEGOTIATIONS REGARDING PROP-
2 ERTIES.—It is the policy of the United States to insist
3 that the Government of Yugoslavia has a responsibility to,
4 and should, actively and cooperatively engage in good faith
5 negotiations with the Governments of Bosnia and
6 Herzegovina, Croatia, the Former Yugoslav Republic of
7 Macedonia, and Slovenia for resolution of the outstanding
8 property issues resulting from the dissolution of the So-
9 cialist Federal Republic of Yugoslavia, including the dis-
10 position of the following properties located in the United
11 States:

12 (1) 2222 Decatur Street, NW, Washington,
13 DC.

14 (2) 2410 California Street, NW, Washington,
15 DC.

16 (3) 1907 Quincy Street, NW, Washington, DC.

17 (4) 3600 Edmonds Street, NW, Washington,
18 DC.

19 (5) 2221 R Street, NW, Washington, DC.

20 (6) 854 Fifth Avenue, New York, NY.

21 (7) 730 Park Avenue, New York, NY.

22 (c) SENSE OF CONGRESS ON RETURN OF PROP-
23 ERTIES.—It is the sense of Congress that, if the Govern-
24 ment of Yugoslavia refuses to engage in good faith nego-
25 tiations on the status of the properties listed in subsection

1 (b), the President should take steps to ensure that the
2 interests of the Governments of Bosnia and Herzegovina,
3 Croatia, the Former Yugoslav Republic of Macedonia, and
4 Slovenia are protected in accordance with international
5 law.

6 **SEC. 554. TRANSITION ASSISTANCE.**

7 (a) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that once the regime of President Slobodan Milosevic
9 has been replaced by a government that is committed to
10 democratic principles and the rule of law, and that re-
11 spects internationally recognized human rights, the Presi-
12 dent of the United States should support the transition
13 to democracy in Yugoslavia by providing immediate and
14 substantial assistance, including facilitating its integration
15 into international organizations.

16 (b) AUTHORIZATION OF ASSISTANCE.—The Presi-
17 dent is authorized to furnish assistance to Yugoslavia if
18 he determines, and so certifies to the appropriate congres-
19 sional committees that the Government of Yugoslavia is
20 committed to democratic principles and the rule of law and
21 respects internationally recognized human rights.

22 (c) REPORT TO CONGRESS.—

23 (1) DEVELOPMENT OF PLAN.—The President
24 shall develop a plan for providing assistance to
25 Yugoslavia in accordance with this section. Such as-

1 sistance would be provided at such time as the
2 President determines that the Government of Yugo-
3 slavia is committed to democratic principles and the
4 rule of law and respects internationally recognized
5 human rights.

6 (2) STRATEGY.—The plan developed under
7 paragraph (1) shall include a strategy for distrib-
8 uting assistance to Yugoslavia under the plan.

9 (3) DIPLOMATIC EFFORTS.—The President
10 shall take the necessary steps—

11 (A) to seek to obtain the agreement of
12 other countries and international financial insti-
13 tutions and other multilateral organizations to
14 provide assistance to Yugoslavia after the Presi-
15 dent determines that the Government of Yugo-
16 slavia is committed to democratic principles, the
17 rule of law, and that respects internationally
18 recognized human rights; and

19 (B) to work with such countries, institu-
20 tions, and organizations to coordinate all such
21 assistance programs.

22 (4) COMMUNICATION OF PLAN.—The President
23 shall take the necessary steps to communicate to the
24 people of Yugoslavia the plan for assistance devel-
25 oped under this section.

1 (5) REPORT.—Not later than 120 days after
2 the date of enactment of this Act, the President
3 shall transmit to the appropriate congressional com-
4 mittees a report describing in detail the plan re-
5 quired to be developed by paragraph (1).

6 **TITLE VI—MICROENTERPRISE**
7 **ASSISTANCE**

8 **SEC. 601. SHORT TITLE.**

9 This title may be cited as the “Microenterprise for
10 Self-Reliance Act of 2000”.

11 **SEC. 602. FINDINGS AND DECLARATIONS OF POLICY.**

12 Congress makes the following findings and declara-
13 tions:

14 (1) According to the World Bank, more than
15 1,200,000,000 people in the developing world, or
16 one-fifth of the world’s population, subsist on less
17 than \$1 a day.

18 (2) Over 32,000 of their children die each day
19 from largely preventable malnutrition and disease.

20 (3)(A) Women in poverty generally have larger
21 work loads and less access to educational and eco-
22 nomic opportunities than their male counterparts.

23 (B) Directly aiding the poorest of the poor, es-
24 pecially women, in the developing world has a posi-
25 tive effect not only on family incomes, but also on

1 child nutrition, health and education, as women in
2 particular reinvest income in their families.

3 (4)(A) The poor in the developing world, par-
4 ticularly women, generally lack stable employment
5 and social safety nets.

6 (B) Many turn to self-employment to generate
7 a substantial portion of their livelihood. In Africa,
8 over 80 percent of employment is generated in the
9 informal sector of the self-employed poor.

10 (C) These poor entrepreneurs are often trapped
11 in poverty because they cannot obtain credit at rea-
12 sonable rates to build their asset base or expand
13 their otherwise viable self-employment activities.

14 (D) Many of the poor are forced to pay interest
15 rates as high as 10 percent per day to money lend-
16 ers.

17 (5)(A) The poor are able to expand their in-
18 comes and their businesses dramatically when they
19 can access loans at reasonable interest rates.

20 (B) Through the development of self-sustaining
21 microfinance programs, poor people themselves can
22 lead the fight against hunger and poverty.

23 (6)(A) On February 2–4, 1997, a global Micro-
24 credit Summit was held in Washington, District of
25 Columbia, to launch a plan to expand access to cred-

1 it for self-employment and other financial and busi-
2 ness services to 100,000,000 of the world's poorest
3 families, especially the women of those families, by
4 2005. While this scale of outreach may not be
5 achievable in this short time-period, the realization
6 of this goal could dramatically alter the face of glob-
7 al poverty.

8 (B) With an average family size of five, achiev-
9 ing this goal will mean that the benefits of micro-
10 finance will thereby reach nearly half of the world's
11 more than 1,000,000,000 absolute poor people.

12 (7)(A) Nongovernmental organizations, such as
13 those that comprise the Microenterprise Coalition
14 (such as the Grameen Bank (Bangladesh,) K-REP
15 (Kenya), and networks such as Accion International,
16 the Foundation for International Community Assist-
17 ance (FINCA), and the credit union movement) are
18 successful in lending directly to the very poor.

19 (B) Microfinance institutions such as BRAC
20 (Bangladesh), BancoSol (Bolivia), SEWA Bank
21 (India), and ACEP (Senegal) are regulated financial
22 institutions that can raise funds directly from the
23 local and international capital markets.

1 (8)(A) Microenterprise institutions not only re-
2 duce poverty, but also reduce the dependency on for-
3 eign assistance.

4 (B) Interest income on the credit portfolio is
5 used to pay recurring institutional costs, assuring
6 the long-term sustainability of development assist-
7 ance.

8 (9) Microfinance institutions leverage foreign
9 assistance resources because loans are recycled, gen-
10 erating new benefits to program participants.

11 (10)(A) The development of sustainable micro-
12 finance institutions that provide credit and training,
13 and mobilize domestic savings, is a critical compo-
14 nent to a global strategy of poverty reduction and
15 broad-based economic development.

16 (B) In the efforts of the United States to lead
17 the development of a new global financial architec-
18 ture, microenterprise should play a vital role. The
19 recent shocks to international financial markets
20 demonstrate how the financial sector can shape the
21 destiny of nations. Microfinance can serve as a pow-
22 erful tool for building a more inclusive financial sec-
23 tor which serves the broad majority of the world's
24 population including the very poor and women and
25 thus generate more social stability and prosperity.

1 (C) Over the last two decades, the United
2 States has been a global leader in promoting the
3 global microenterprise sector, primarily through its
4 development assistance programs at the United
5 States Agency for International Development. Addi-
6 tionally, the United States Department of the Treas-
7 ury and the Department of State have used their au-
8 thority to promote microenterprise in the develop-
9 ment programs of international financial institutions
10 and the United Nations.

11 (11)(A) In 1994, the United States Agency for
12 International Development launched the “Micro-
13 enterprise Initiative” in partnership with the Con-
14 gress.

15 (B) The initiative committed to expanding
16 funding for the microenterprise programs of the
17 Agency, and set a goal that, by the end of fiscal year
18 1996, one-half of all microenterprise resources would
19 support programs and institutions that provide cred-
20 it to the poorest, with loans under \$300.

21 (C) In order to achieve the goal of the micro-
22 credit summit, increased investment in microfinance
23 institutions serving the poorest will be critical.

24 (12) Providing the United States share of the
25 global investment needed to achieve the goal of the

1 microcredit summit will require only a small increase
2 in United States funding for international micro-
3 credit programs, with an increased focus on institu-
4 tions serving the poorest.

5 (13)(A) In order to reach tens of millions of the
6 poorest with microcredit, it is crucial to expand and
7 replicate successful microfinance institutions.

8 (B) These institutions need assistance in devel-
9 oping their institutional capacity to expand their
10 services and tap commercial sources of capital.

11 (14) Nongovernmental organizations have dem-
12 onstrated competence in developing networks of local
13 microfinance institutions and other assistance deliv-
14 ery mechanisms so that they reach large numbers of
15 the very poor, and achieve financial sustainability.

16 (15) Recognizing that the United States Agency
17 for International Development has developed very ef-
18 fective partnerships with nongovernmental organiza-
19 tions, and that the Agency will have fewer missions
20 overseas to carry out its work, the Agency should
21 place priority on investing in those nongovernmental
22 network institutions that meet performance criteria
23 through the central funding mechanisms of the
24 Agency.

1 (16) By expanding and replicating successful
2 microfinance institutions, it should be possible to
3 create a global infrastructure to provide financial
4 services to the world's poorest families.

5 (17)(A) The United States can provide leader-
6 ship to other bilateral and multilateral development
7 agencies as such agencies expand their support to
8 the microenterprise sector.

9 (B) The United States should seek to improve
10 coordination among G-7 countries in the support of
11 the microenterprise sector in order to leverage the
12 investment of the United States with that of other
13 donor nations.

14 (18) Through increased support for microenter-
15 prise, especially credit for the poorest, the United
16 States can continue to play a leadership role in the
17 global effort to expand financial services and oppor-
18 tunity to 100,000,000 of the poorest families on the
19 planet.

20 **SEC. 603. PURPOSES.**

21 The purposes of this title are—

22 (1) to make microenterprise development an im-
23 portant element of United States foreign economic
24 policy and assistance;

1 (2) to provide for the continuation and expansion of the commitment of the United States Agency
2 for International Development to the development of
3 microenterprise institutions as outlined in its 1994
4 Microenterprise Initiative;
5

6 (3) to support and develop the capacity of
7 United States and indigenous nongovernmental organization intermediaries to provide credit, savings,
8 training, technical assistance, and business development services to microentrepreneurs;
9
10

11 (4) to emphasize financial services and substantially increase the amount of assistance devoted to
12 both financial services and complimentary business development services designed to reach the poorest
13 sector in developing countries, particularly women;
14
15 and
16

17 (5) to encourage the United States Agency for
18 International Development to coordinate microfinance policy, in consultation with the Department
19 of the Treasury and the Department of State, and
20 to provide global leadership among bilateral and
21 multilateral donors in promoting microenterprise for
22 the poorest of the poor.
23

1 **SEC. 604. MICROENTERPRISE DEVELOPMENT GRANT AS-**
2 **SISTANCE.**

3 Chapter 1 of part I of the Foreign Assistance Act
4 of 1961 (22 U.S.C. 2151 et seq.), as amended by section
5 248 of this Act, is further amended by adding at the end
6 the following new section:

7 **“SEC. 132. MICROENTERPRISE DEVELOPMENT GRANT AS-**
8 **SISTANCE.**

9 “(a) FINDINGS AND POLICY.—Congress finds and de-
10 clares that—

11 “(1) the development of microenterprise is a
12 vital factor in the stable growth of developing coun-
13 tries and in the development of free, open, and equi-
14 table international economic systems;

15 “(2) it is therefore in the best interest of the
16 United States to assist the development of micro-
17 enterprises in developing countries; and

18 “(3) the support of microenterprise can be
19 served by programs providing credit, savings, train-
20 ing, technical assistance, and business development
21 services.

22 “(b) AUTHORIZATION.—

23 “(1) IN GENERAL.—In carrying out this part,
24 the President is authorized to provide grant assist-
25 ance for programs to increase the availability of
26 credit and other services to microenterprises lacking

1 full access to capital training, technical assistance,
2 and business development services through—

3 “(A) grants to microfinance institutions
4 for the purpose of expanding the availability of
5 credit, savings, and other financial services to
6 microentrepreneurs;

7 “(B) grants to microenterprise institutions
8 for the purpose of training, technical assistance,
9 and business development services for micro-
10 enterprises to enable them to make better use
11 of credit, to better manage their enterprises,
12 and to increase their income and build their as-
13 sets;

14 “(C) capacity-building for microenterprise
15 institutions in order to enable them to better
16 meet the credit and training needs of micro-
17 entrepreneurs; and

18 “(D) policy and regulatory programs at
19 the country level that improve the environment
20 for microentrepreneurs and microenterprise in-
21 stitutions that serve the poor and very poor.

22 “(2) IMPLEMENTATION.—Assistance authorized
23 under paragraph (1) shall be provided through orga-
24 nizations that have a capacity to develop and imple-

1 ment microenterprise programs, including
2 particularly—

3 “(A) United States and indigenous private
4 and voluntary organizations;

5 “(B) United States and indigenous credit
6 unions and cooperative organizations; or

7 “(C) other indigenous governmental and
8 nongovernmental organizations.

9 “(3) TARGETED ASSISTANCE.—In carrying out
10 sustainable poverty-focused programs under para-
11 graph (1), 50 percent of all microenterprise re-
12 sources shall be targeted to very poor entrepreneurs,
13 defined as those living in the bottom 50 percent
14 below the poverty line as established by the national
15 government of the country. Specifically, such re-
16 sources shall be used for—

17 “(A) direct support of programs under this
18 subsection through practitioner institutions
19 that—

20 “(i) provide credit and other financial
21 services to entrepreneurs who are very
22 poor, with loans in 1995 United States
23 dollars of—

24 “(I) \$1,000 or less in the Europe
25 and Eurasia region;

1 “(II) \$400 or less in the Latin
2 America region; and

3 “(III) \$300 or less in the rest of
4 the world; and

5 “(ii) can cover their costs in a reason-
6 able time period; or

7 “(B) demand-driven business development
8 programs that achieve reasonable cost recovery
9 that are provided to clients holding poverty
10 loans (as defined by the regional poverty loan
11 limitations in subparagraph (A)(i)) whether
12 they are provided by microfinance institutions
13 or by specialized business development services
14 providers.

15 “(4) SUPPORT FOR CENTRAL MECHANISMS.—
16 The President should continue support for central
17 mechanisms and missions that—

18 “(A) provide technical support for field
19 missions;

20 “(B) strengthen the institutional develop-
21 ment of the intermediary organizations de-
22 scribed in paragraph (2);

23 “(C) share information relating to the pro-
24 vision of assistance authorized under paragraph

1 (1) between such field missions and inter-
2 mediary organizations; and

3 “(D) support the development of nonprofit
4 global microfinance networks, including credit
5 union systems, that—

6 “(i) are able to deliver very small
7 loans through a vast grassroots infrastruc-
8 ture based on market principles; and

9 “(ii) act as wholesale intermediaries
10 providing a range of services to micro-
11 finance retail institutions, including financ-
12 ing, technical assistance, capacity-building
13 and safety and soundness accreditation.

14 “(5) LIMITATION.—Assistance provided under
15 this subsection may only be used to support micro-
16 enterprise programs and may not be used to support
17 programs not directly related to the purposes de-
18 scribed in paragraph (1).

19 “(6) DEFINITION.—In this subsection, the term
20 ‘business development services’ means support for
21 the growth of microenterprises through training,
22 technical assistance, marketing assistance, improved
23 production technologies, and other services.

24 “(c) MONITORING SYSTEM.—In order to maximize
25 the sustainable development impact of the assistance au-

1 thORIZED under subsection (a)(1), the Administrator of the
2 agency primarily responsible for administering this part
3 shall establish a monitoring system that—

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

7 “(2) establishes performance indicators to be
8 used in measuring or assessing the achievement of
9 the goals and objectives of such assistance;

10 “(3) provides a basis for recommendations for
11 adjustments to such assistance to enhance the sus-
12 tainable development impact of such assistance, par-
13 ticularly the impact of such assistance on the very
14 poor, particularly poor women; and

15 “(4) provides a basis for recommendations for
16 adjustments to measures for reaching the poorest of
17 the poor, including proposed legislation containing
18 amendments to enhance the sustainable development
19 impact of such assistance, as described in paragraph
20 (3).

21 “(d) LEVEL OF ASSISTANCE.—Of the funds made
22 available under this part and the Support for East Euro-
23 pean Democracy (SEED) Act of 1989, including local cur-
24 rencies, there are authorized to be available \$150,000,000
25 during fiscal year 2001.”.

1 **SEC. 605. 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.—Congress finds and de-
8 clares that—

9 “(1) the development of micro- and small enter-
10 prises are a vital factor in the stable growth of de-
11 veloping countries and in the development and sta-
12 bility of a free, open, and equitable international
13 economic system; and

14 “(2) it is, therefore, in the best interests of the
15 United States to assist the development of the enter-
16 prises of the poor in developing countries and to en-
17 gage the United States private sector in that proc-
18 ess.

19 “(b) PROGRAM.—To carry out the policy set forth in
20 subsection (a), the President is authorized to provide as-
21 sistance to increase the availability of credit to micro- and
22 small enterprises lacking full access to credit, including
23 through—

24 “(1) loans and guarantees to credit institutions
25 for the purpose of expanding the availability of cred-
26 it to micro- and small enterprises;

1 “(2) training programs for lenders in order to
2 enable them to better meet the credit needs of
3 microentrepreneurs; and

4 “(3) training programs for microentrepreneurs
5 in order to enable them to make better use of credit
6 and to better manage their enterprises.

7 “(c) ELIGIBILITY CRITERIA.—The Administrator of
8 the agency primarily responsible for administering this
9 part shall establish criteria for determining which entities
10 described in subsection (b) are eligible to carry out activi-
11 ties, with respect to micro- and small enterprises, assisted
12 under this section. Such criteria may include the following:

13 “(1) The extent to which the recipients of credit
14 from the entity do not have access to the local for-
15 mal financial sector.

16 “(2) The extent to which the recipients of credit
17 from the entity are among the poorest people in the
18 country.

19 “(3) The extent to which the entity is oriented
20 toward working directly with poor women.

21 “(4) The extent to which the entity recovers its
22 cost of lending.

23 “(5) The extent to which the entity implements
24 a plan to become financially sustainable.

1 “(d) ADDITIONAL REQUIREMENT.—Assistance pro-
2 vided under this section may only be used to support
3 micro- and small enterprise programs and may not be used
4 to support programs not directly related to the purposes
5 described in subsection (b).

6 “(e) AUTHORIZED USES OF FUNDS.—

7 “(1) IN GENERAL.—Amounts made available to
8 carry out this section may be used for, among other
9 things—

10 “(A) the subsidy cost, as defined in section
11 502(5) of the Federal Credit Reform Act of
12 1990, for activities under this section; and

13 “(B) the cost of administration expenses in
14 carrying out credit activities under this section.

15 “(2) DEFAULT AND PROCUREMENT PROVI-
16 SIONS.—

17 “(A) DEFAULT PROVISION.—The provi-
18 sions of section 620(q), or any comparable pro-
19 vision of law, shall not be construed to prohibit
20 assistance to a country in the event that a pri-
21 vate sector recipient of assistance furnished
22 under this section is in default in its payment
23 to the United States for the period specified in
24 such section.

1 “(B) PROCUREMENT PROVISION.—Assist-
2 ance may be provided under this section with-
3 out regard to section 604(a).

4 “(3) RULE OF CONSTRUCTION.—Amounts au-
5 thorized to be appropriated under this subsection are
6 in addition to amounts otherwise available to carry
7 out this section.”.

8 **SEC. 606. MICROFINANCE LOAN FACILITY.**

9 (a) IN GENERAL.—Chapter 1 of part I of the Foreign
10 Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as
11 amended by sections 248 and 604 of this Act, is further
12 amended by adding at the end the following new section:

13 **“SEC. 133. UNITED STATES MICROFINANCE LOAN FACILITY.**

14 “(a) ESTABLISHMENT.—The Administrator is au-
15 thorized to establish a United States Microfinance Loan
16 Facility (in this section referred to as the ‘Facility’) to
17 pool and manage the risk from natural disasters, war or
18 civil conflict, national financial crisis, or short-term finan-
19 cial movements that threaten the long-term development
20 of United States-supported microfinance institutions.

21 “(b) DISBURSEMENTS.—

22 “(1) IN GENERAL.—The Administrator shall
23 make disbursements from the Facility to United
24 States-supported microfinance institutions to prevent
25 the bankruptcy of such institutions caused by—

1 “(A) natural disasters;

2 “(B) national wars or civil conflict; or

3 “(C) national financial crisis or other
4 short-term financial movements that threaten
5 the long-term development of United States-
6 supported microfinance institutions.

7 “(2) FORM OF ASSISTANCE.—Assistance under
8 this section shall be in the form of loans or loan
9 guarantees for microfinance institutions that dem-
10 onstrate the capacity to resume self-sustained oper-
11 ations within a reasonable time period.

12 “(3) CONGRESSIONAL NOTIFICATION PROCE-
13 DURES.—During the fiscal year 2001, funds may
14 not be made available from the Facility until 15
15 days after notification of the proposed availability of
16 the funds has been provided to the congressional
17 committees specified in section 634A in accordance
18 with the procedures applicable to reprogramming no-
19 tifications under that section.

20 “(c) GENERAL PROVISIONS.—

21 “(1) POLICY PROVISIONS.—In providing the
22 credit assistance authorized by this section, the Ad-
23 ministrator should apply, as appropriate, the policy
24 provisions in this part that are applicable to develop-
25 ment assistance activities.

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

3 “(A) DEFAULT PROVISION.—The provi-
4 sions of section 620(q), or any comparable pro-
5 vision of law, shall not be construed to prohibit
6 assistance to a country in the event that a pri-
7 vate sector recipient of assistance furnished
8 under this section is in default in its payment
9 to the United States for the period specified in
10 such section.

11 “(B) PROCUREMENT PROVISION.—Assist-
12 ance may be provided under this section with-
13 out regard to section 604(a).

14 “(3) TERMS AND CONDITIONS OF CREDIT AS-
15 SISTANCE.—

16 “(A) IN GENERAL.—Credit assistance pro-
17 vided under this section shall be offered on such
18 terms and conditions, including fees charged, as
19 the Administrator may determine.

20 “(B) LIMITATION ON PRINCIPAL AMOUNT
21 OF FINANCING.—The principal amount of loans
22 made or guaranteed under this section in any
23 fiscal year, with respect to any single event,
24 may not exceed \$30,000,000.

1 “(C) EXCEPTION.—No payment may be
2 made under any guarantee issued under this
3 section for any loss arising out of fraud or mis-
4 representation for which the party seeking pay-
5 ment is responsible.

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

13 “(d) FUNDING.—

14 “(1) ALLOCATION OF FUNDS.—

15 “(A) IN GENERAL.—Of the amounts made
16 available to carry out this part for the fiscal
17 year 2001, up to \$5,000,000 may be made
18 available for—

19 “(i) the subsidy cost, as defined in
20 section 502(5) of the Federal Credit Re-
21 form Act of 1990, to carry out this section;
22 and

23 “(ii) subject to subparagraph (B), the
24 cost of administrative expenses to carry
25 out this section.

1 “(B) LIMITATION ON ADMINISTRATIVE EX-
2 PENSES.—Of the amount made available under
3 subparagraph (A) to carry out this section for
4 fiscal year 2001, not more than \$500,000 may
5 be made available for administrative expenses
6 under subparagraph (A)(ii).

7 “(2) RELATION TO OTHER FUNDING.—
8 Amounts made available under paragraph (1) are in
9 addition to amounts available under any other provi-
10 sion of law to carry out this section.

11 “(e) DEFINITIONS.—In this section:

12 “(1) ADMINISTRATOR.—The term ‘Adminis-
13 trator’ means the Administrator of the agency pri-
14 marily responsible for administering this part.

15 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
16 TEES.—The term ‘appropriate congressional com-
17 mittees’ means the Committee on Foreign Relations
18 of the Senate and the Committee on International
19 Relations of the House of Representatives.

20 “(3) UNITED STATES-SUPPORTED MICRO-
21 FINANCE INSTITUTION.—The term ‘United States-
22 supported microfinance institution’ means a finan-
23 cial intermediary that has received funds made avail-
24 able under this Act for fiscal year 1980 or any sub-
25 sequent fiscal year.”.

1 (b) REPORT.—Not later than 120 days after the date
2 of enactment of this Act, the Administrator of the United
3 States Agency for International Development shall submit
4 to the Committee on Foreign Relations of the Senate and
5 the Committee on International Relations of the House
6 of Representatives a report on the policies, rules, and reg-
7 ulations of the United States Microfinance Loan Facility
8 established under section 133 of the Foreign Assistance
9 Act of 1961, as added by subsection (a).

10 **SEC. 607. REPORT RELATING TO FUTURE DEVELOPMENT**
11 **OF MICROENTERPRISE INSTITUTIONS.**

12 (a) REPORT.—Not later than 180 days after the date
13 of the enactment of this Act, the President shall submit
14 to the appropriate congressional committees a report on
15 the most cost-effective methods and measurements for in-
16 creasing the access of poor people overseas to credit, other
17 financial services, and related training.

18 (b) CONTENTS.—The report described in subsection

19 (a)—

20 (1) should include how the President, in con-
21 sultation with the Administrator of the United
22 States Agency for International Development, the
23 Secretary of State, and the Secretary of the Treas-
24 ury, will jointly develop a comprehensive strategy for
25 advancing the global microenterprise sector in a way

1 that maintains market principles while ensuring that
2 the very poor overseas, particularly women, obtain
3 access to financial services overseas; and

4 (2) shall provide guidelines and recommenda-
5 tions for—

6 (A) instruments to assist microenterprise
7 networks to develop multi-country and regional
8 microlending programs;

9 (B) technical assistance to foreign govern-
10 ments, foreign central banks, and regulatory
11 entities to improve the policy environment for
12 microfinance institutions, and to strengthen the
13 capacity of supervisory bodies to supervise
14 microfinance institutions;

15 (C) the potential for Federal chartering of
16 United States-based international microfinance
17 network institutions, including proposed legisla-
18 tion;

19 (D) instruments to increase investor con-
20 fidence in microfinance institutions which would
21 strengthen the long-term financial position of
22 the microfinance institutions and attract capital
23 from private sector entities and individuals,
24 such as a rating system for microfinance insti-
25 tutions and local credit bureaus;

1 (E) an agenda for integrating microfinance
2 into United States foreign policy initiatives
3 seeking to develop and strengthen the global fi-
4 nance sector; and

5 (F) innovative instruments to attract funds
6 from the capital markets, such as instruments
7 for leveraging funds from the local commercial
8 banking sector, and the securitization of
9 microloan portfolios.

10 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
11 FINED.—In this section, the term “appropriate congres-
12 sional committees” means the Committee on International
13 Relations of the House of Representatives and the Com-
14 mittee on Foreign Relations of the Senate.

15 **SEC. 608. UNITED STATES AGENCY FOR INTERNATIONAL**
16 **DEVELOPMENT AS GLOBAL LEADER AND CO-**
17 **ORDINATOR OF BILATERAL AND MULTILAT-**
18 **ERAL MICROENTERPRISE ASSISTANCE AC-**
19 **TIVITIES.**

20 (a) FINDINGS AND POLICY.—Congress finds and de-
21 clares that—

22 (1) the United States can provide leadership to
23 other bilateral and multilateral development agencies
24 as such agencies expand their support to the micro-
25 enterprise sector; and

1 (2) the United States should seek to improve
2 coordination among G-7 countries in the support of
3 the microenterprise sector in order to leverage the
4 investment of the United States with that of other
5 donor nations.

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

8 (1) the Administrator of the United States
9 Agency for International Development and the Sec-
10 retary of State should seek to support and strength-
11 en the effectiveness of microfinance activities in
12 United Nations agencies, such as the International
13 Fund for Agricultural Development (IFAD) and the
14 United Nations Development Program (UNDP),
15 which have provided key leadership in developing the
16 microenterprise sector; and

17 (2) the Secretary of the Treasury should in-
18 struct each United States Executive Director of the
19 multilateral development banks (MDBs) to advocate
20 the development of a coherent and coordinated strat-
21 egy to support the microenterprise sector and an in-
22 crease of multilateral resource flows for the purposes
23 of building microenterprise retail and wholesale
24 intermediaries.

1 **SEC. 609. DEFINITIONS.**

2 In this title:

3 (1) **MICROENTERPRISE INSTITUTION.**—The
 4 term “microenterprise institution” means an institu-
 5 tion that provides microfinance services, and other
 6 training or business services, directly to microentre-
 7 preneurs.

8 (2) **MICROFINANCE INSTITUTION.**—The term
 9 “microfinance institution” means an institution that
 10 makes loans as well as provides savings and insur-
 11 ance services.

12 (3) **PRACTITIONER INSTITUTION.**—The term
 13 “practitioner institution” means a microfinance in-
 14 stitution that is administered by a nongovernmental
 15 organization or by a private and voluntary organiza-
 16 tion and that provides direct services for microentre-
 17 preneurs.

18 **TITLE VII—DEFENSE AND**
 19 **SECURITY ASSISTANCE**
 20 **Subtitle A—Military and Related**
 21 **Assistance**

22 **CHAPTER 1—FOREIGN MILITARY**
 23 **FINANCING PROGRAM**

24 **SEC. 701. AUTHORIZATION OF APPROPRIATIONS.**

25 There are authorized to be appropriated for grant as-
 26 sistance under section 23 of the Arms Export Control Act

1 (22 U.S.C. 2763) and for the subsidy cost, as defined in
2 section 502(5) of the Federal Credit Reform Act of 1990,
3 of direct loans under such section for fiscal year 2001,
4 the total amount of \$3,627,000,000.

5 **CHAPTER 2—OTHER ASSISTANCE**

6 **SEC. 711. DEFENSE DRAWDOWN SPECIAL AUTHORITIES.**

7 (a) EMERGENCY DRAWDOWN.—Section 506(a)(1) of
8 the Foreign Assistance Act of 1961 (22 U.S.C.
9 2318(a)(1)) is amended by striking “\$100,000,000” and
10 inserting “\$150,000,000”.

11 (b) ADDITIONAL DRAWDOWN.—Section
12 506(a)(2)(A)(i) of such Act (22 U.S.C. 2318(a)(2)(A)(i))
13 is amended—

14 (1) by striking “or” the first place it appears;

15 and

16 (2) by striking subclause (III) and inserting the
17 following:

18 “(III) chapter 8 of part II (relat-
19 ing to antiterrorism assistance);

20 “(IV) chapter 9 of part II (relat-
21 ing to nonproliferation assistance); or

22 “(V) the Migration and Refugee
23 Assistance Act of 1962; or”.

1 **SEC. 712. INCREASED TRANSPORT AUTHORITY.**

2 Section 516(e)(2)(C) of the Foreign Assistance Act
3 of 1961 (22 U.S.C. 23321j(e)(2)(C)) is amended by strik-
4 ing “25,000” and inserting “50,000”.

5 **Subtitle B—International Military**
6 **Education and Training**

7 **SEC. 721. AUTHORIZATION OF APPROPRIATIONS.**

8 There are authorized to be appropriated \$65,000,000
9 for fiscal year 2001 to carry out chapter 5 of part II of
10 the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et
11 seq.).

12 **SEC. 722. ADDITIONAL REQUIREMENTS RELATING TO**
13 **INTERNATIONAL MILITARY EDUCATION AND**
14 **TRAINING.**

15 Chapter 5 of part II of the Foreign Assistance Act
16 of 1961 (22 U.S.C. 2347 et seq.) is amended by adding
17 at the end the following:

18 **“SEC. 547. CONSULTATION REQUIREMENT.**

19 “The selection of foreign personnel for training under
20 this chapter shall be made in consultation with the United
21 States defense attache to the relevant country.

22 **“SEC. 548. RECORDS REGARDING FOREIGN PARTICIPANTS.**

23 “In order to contribute most effectively to the devel-
24 opment of military professionalism in foreign countries,
25 the Secretary of Defense shall develop and maintain a
26 database containing records on each foreign military or

1 defense ministry civilian participant in education and
 2 training activities conducted under this chapter after De-
 3 cember 31, 2000. This record shall include the type of in-
 4 struction received, the dates of such instruction, whether
 5 such instruction was completed successfully, and, to the
 6 extent practicable, a record of the person's subsequent
 7 military or defense ministry career and current position
 8 and location.”.

9 **Subtitle C—Nonproliferation and**
 10 **Export Control Assistance**

11 **SEC. 731. NONPROLIFERATION AND EXPORT CONTROL AS-**
 12 **SISTANCE.**

13 Part II of the Foreign Assistance Act of 1961 (22
 14 U.S.C. 2301 et seq.) is amended by adding at the end
 15 the following new chapter:

16 **“CHAPTER 9—NONPROLIFERATION AND**
 17 **EXPORT CONTROL ASSISTANCE**

18 **“SEC. 581. GENERAL AUTHORITY.**

19 “Notwithstanding any other provision of law that re-
 20 stricts assistance to foreign countries (other than sections
 21 502B and 620A of this Act), the President is authorized
 22 to furnish, on such terms and conditions as the President
 23 may determine, assistance to foreign countries in order to
 24 enhance the ability of such countries to halt the prolifera-
 25 tion of nuclear, chemical, and biological weapons, and ad-

1 vanced conventional weaponry. Such assistance may in-
2 clude training services and the provision of equipment and
3 other commodities related to the detection, deterrence,
4 monitoring, interdiction, and prevention or countering of
5 proliferation, the establishment of effective nonprolifera-
6 tion laws and regulations, and the apprehension of those
7 individuals involved in acts of proliferation of such weap-
8 ons.

9 **“SEC. 582. PURPOSES.**

10 “Activities conducted under this chapter shall be
11 designed—

12 “(1) to enhance the nonproliferation and export
13 control capabilities of friendly countries by providing
14 training and equipment to detect, deter, monitor,
15 interdict, and counter proliferation;

16 “(2) to strengthen the bilateral ties of the
17 United States with friendly governments by offering
18 concrete assistance in this area of vital national se-
19 curity interest; and

20 “(3) to accomplish the activities and objectives
21 set forth in sections 503 and 504 of the FREEDOM
22 Support Act (Public Law 102–511).

23 **“SEC. 583. TRANSIT INTERDICTION.**

24 “(a) ALLOCATION OF FUNDS.—In providing assist-
25 ance under this chapter, the President should ensure that

1 not less than one-quarter of the total of such assistance
2 is expended for the purpose of enhancing the capabilities
3 of friendly countries to detect and interdict proliferation-
4 related shipments of cargo that originate from, and are
5 destined for, other countries.

6 “(b) PRIORITY TO CERTAIN COUNTRIES.—Priority
7 shall be given in the apportionment of the assistance de-
8 scribed under subsection (a) to any friendly country that
9 has been determined by the Secretary of State to be a
10 country frequently transited by proliferation-related ship-
11 ments of cargo.

12 **“SEC. 584. LIMITATIONS.**

13 “The limitations contained in section 573 (a) and (d)
14 of this Act shall apply to this chapter.

15 **“SEC. 585. AUTHORIZATION OF APPROPRIATIONS.**

16 “(a) AUTHORIZATION OF APPROPRIATIONS.—There
17 is authorized to be appropriated to the President to carry
18 out this chapter \$129,000,000 for the fiscal year 2001.

19 “(b) AVAILABILITY OF FUNDS.—Funds made avail-
20 able under subsection (a) may be used notwithstanding
21 any other provision of law (other than section 502B or
22 620A) and shall remain available until expended.”.

1 **SEC. 732. NONPROLIFERATION AND EXPORT CONTROL**
2 **TRAINING IN THE UNITED STATES.**

3 Of the amount made available for fiscal year 2001
4 under chapter 9 of part II of the Foreign Assistance Act
5 of 1961, as added by section 731, \$2,000,000 is author-
6 ized to be available for the purpose of training and edu-
7 cation of personnel from friendly countries in the United
8 States.

9 **SEC. 733. SCIENCE AND TECHNOLOGY CENTERS.**

10 Of the amounts made available for fiscal year 2001
11 under chapter 9 of part II of the Foreign Assistance Act
12 of 1961, as added by section 731, \$59,000,000 is author-
13 ized to be available for each such year for science and
14 technology centers in the independent states of the former
15 Soviet Union, if the Secretary of State first certifies to
16 the appropriate committees of Congress that memoranda
17 of understanding relating to the operation of such centers
18 have been concluded between the Department of State and
19 the Department of Defense and other relevant agencies
20 of the United States Government.

21 **SEC. 734. TRIAL TRANSIT PROGRAM.**

22 (a) ALLOCATION OF FUNDS.—Of the amount made
23 available for fiscal year 2001 under chapter 9 of the For-
24 eign Assistance Act of 1961, as added by section 731,
25 \$5,000,000 is authorized to be available to establish a
26 static cargo x-ray facility in Malta, if the Secretary of

1 State first certifies to the appropriate committees of Con-
2 gress that the Government of Malta has provided adequate
3 assurances that such a facility will be utilized in connec-
4 tion with random cargo inspections by Maltese customs
5 officials of container traffic transiting through the Malta
6 Freeport.

7 (b) REQUIREMENT OF WRITTEN ASSESSMENT.—In
8 the event that a facility is established in Malta pursuant
9 to subsection (a), the Secretary of State shall submit a
10 written assessment to the appropriate committees of Con-
11 gress not later than 270 days after such a facility com-
12 mences operation detailing—

13 (1) statistics on utilization of the facility by
14 Malta;

15 (2) the contribution made by the facility to
16 United States nonproliferation and export control
17 objectives; and

18 (3) the feasibility of establishing comparable fa-
19 cilities in other countries identified by the Secretary
20 of State pursuant to section 583 of the Foreign As-
21 sistance Act of 1961, as added by section 731.

22 (c) TREATMENT OF ASSISTANCE.—Assistance under
23 this section shall be considered as assistance under section
24 583(a) of the Foreign Assistance Act of 1961 (relating
25 to transit interdiction), as added by section 731.

1 **Subtitle D—Antiterrorism**
2 **Assistance**

3 **SEC. 741. AUTHORIZATION OF APPROPRIATIONS.**

4 Section 574(a) of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2349aa–4(a)) is amended by striking
6 “\$9,840,000” and all that follows through the period and
7 inserting the following: “\$73,000,000 for the fiscal year
8 2001.”.

9 **Subtitle E—Integrated Security**
10 **Assistance Planning**

11 **CHAPTER 1—ESTABLISHMENT OF A NA-**
12 **TIONAL SECURITY ASSISTANCE**
13 **STRATEGY**

14 **SEC. 751. NATIONAL SECURITY ASSISTANCE STRATEGY.**

15 (a) REQUIREMENT.—Not later than 180 days after
16 the date of enactment of this Act, and annually thereafter
17 in connection with congressional presentation materials of
18 the foreign operations appropriations budget request, the
19 Secretary of State shall submit to the appropriate commit-
20 tees of Congress a report setting forth a National Security
21 Assistance Strategy for the United States.

22 (b) ELEMENTS OF THE STRATEGY.—The strategy
23 shall—

24 (1) set forth a 5-year plan for security assist-
25 ance programs;

1 (2) be consistent with the National Security
2 Strategy of the United States;

3 (3) be coordinated with the Secretary of De-
4 fense and the Chairman of the Joint Chiefs of Staff;

5 (4) identify overarching security assistance ob-
6 jectives, including identification of the role that spe-
7 cific security assistance programs will play in achiev-
8 ing such objectives;

9 (5) identify a primary security assistance objec-
10 tive, as well as specific secondary objectives, for indi-
11 vidual countries;

12 (6) identify, on a country-by-country basis, how
13 specific resources will be allocated to accomplish
14 both primary and secondary objectives;

15 (7) discuss how specific types of assistance,
16 such as foreign military financing and international
17 military education and training, will be combined at
18 the country level to achieve United States objectives;
19 and

20 (8) detail, with respect to each of the para-
21 graphs (1) through (7), how specific types of assist-
22 ance provided pursuant to the Arms Export Control
23 Act and Foreign Assistance Act of 1961 are coordi-
24 nated with United States assistance programs man-

1 aged by the Department of Defense and other agen-
2 cies.

3 (c) COVERED ASSISTANCE.—The National Security
4 Assistance Strategy shall cover assistance provided
5 under—

6 (1) section 23 of the Arms Export Control Act
7 (22 U.S.C. 2763);

8 (2) chapters 5, 8, and 9 of part II of the For-
9 eign Assistance Act of 1961 (22 U.S.C. 2347 et
10 seq.); and

11 (3) section 516 of the Foreign Assistance Act
12 of 1961 (22 U.S.C. 2321i).

13 **SEC. 752. SECURITY ASSISTANCE SURVEYS.**

14 (a) UTILIZATION.—The Secretary of State shall uti-
15 lize security assistance surveys in preparation of the Na-
16 tional Security Assistance Strategy required pursuant to
17 section 751 of this Act.

18 (b) FUNDING.—Of the amounts made available for
19 fiscal year 2001 under section 23 of the Arms Export Con-
20 trol Act (22 U.S.C. 2763), \$2,000,000 is authorized to
21 be available to the Secretary of State to conduct security
22 assistance surveys, or to request such a survey, on a reim-
23 bursable basis, by the Department of Defense or other
24 United States Government agencies. Such surveys shall be

1 conducted consistent with the requirements of section 26
2 of the Arms Export Control Act.

3 **CHAPTER 2—ALLOCATIONS FOR CERTAIN**
4 **COUNTRIES**

5 **SEC. 761. SECURITY ASSISTANCE FOR NEW NATO MEM-**
6 **BERS.**

7 (a) FOREIGN MILITARY FINANCING.—Of the
8 amounts made available for fiscal year 2001 under section
9 23 of the Arms Export Control Act (22 U.S.C. 2763),
10 \$35,000,000 is authorized to be available on a grant basis
11 for the Czech Republic, Hungary, and Poland.

12 (b) MILITARY EDUCATION AND TRAINING.—Of the
13 amounts made available for fiscal year 2001 to carry out
14 chapter 5 of part II of the Foreign Assistance Act of 1961
15 (22 U.S.C. 2347 et seq.), \$7,000,000 is authorized to be
16 available only for the Czech Republic, Hungary, and Po-
17 land.

18 (c) SELECT PRIORITIES.—In providing assistance
19 under this section, the President shall give priority to sup-
20 porting activities consistent with the objectives set forth
21 in the following conditions of the Senate resolution of rati-
22 fication for the Protocols to the North Atlantic Treaty of
23 1949 on the Accession of Poland, Hungary, and the Czech
24 Republic:

1 (1) Condition (1)(A)(v), (vi), and (vii), relating
2 to common threats, the core mission of NATO, and
3 the capacity to respond to common threats.

4 (2) Condition (1)(B), relating to the funda-
5 mental importance of collective defense.

6 (3) Condition (1)(C), relating to defense plan-
7 ning, command structures, and force goals.

8 (4) Conditions (4)(B)(i) and (4)(B)(ii), relating
9 to intelligence matters.

10 **SEC. 762. INCREASED TRAINING ASSISTANCE FOR GREECE**
11 **AND TURKEY.**

12 (a) IN GENERAL.—Of the amounts made available
13 for fiscal year 2001 to carry out chapter 5 of part II of
14 the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et
15 seq.)—

16 (1) \$1,000,000 is authorized to be available for
17 Greece; and

18 (2) \$2,500,000 is authorized to be available for
19 Turkey.

20 (b) USE FOR PROFESSIONAL MILITARY EDU-
21 CATION.—Of the amounts available under paragraphs (1)
22 and (2) of subsection (a), \$500,000 of such amounts
23 should be available only for purposes of professional mili-
24 tary education.

1 (c) USE FOR JOINT TRAINING.—It is the sense of
2 Congress that, to the maximum extent practicable,
3 amounts available under subsection (a) that are used in
4 accordance with subsection (b) should be used for joint
5 training of Greek and Turkish officers.

6 **SEC. 763. MINIMUM ALLOCATION FOR EGYPT AND ISRAEL.**

7 (a) AVAILABILITY OF FUNDS.—Of the amounts made
8 available for fiscal year 2001 for assistance under the
9 “Foreign Military Financing Program” account under
10 section 23 of the Arms Export Control Act (22 U.S.C.
11 2763), \$1,980,000,000 is authorized to be available on a
12 grant basis for Israel, and \$1,300,000,000 is authorized
13 to be available on a grant basis for Egypt.

14 (b) DISBURSEMENT OF FUNDS.—Funds authorized
15 to be available for Israel under subsection (a) shall be dis-
16 bursed not later than 30 days after the date of enactment
17 of an Act making appropriations for foreign operations,
18 export financing, and related programs for fiscal year
19 2001, or October 31, 2000, whichever date is later.

20 (c) AVAILABILITY OF FUNDS FOR ADVANCED WEAP-
21 ONS SYSTEMS.—To the extent the Government of Israel
22 requests that funds be used for such purposes, grants
23 made available for Israel out of funds authorized to be
24 available under subsection (a) for Israel shall, as agreed
25 by Israel and the United States, be available for advanced

1 weapons systems, of which not less than 26.3 percent shall
2 be available for the procurement in Israel of defense arti-
3 cles and defense services, including research and develop-
4 ment.

5 **SEC. 764. SECURITY ASSISTANCE FOR CERTAIN COUN-**
6 **TRIES.**

7 (a) FOREIGN MILITARY FINANCING.—Of the
8 amounts made available for fiscal year 2001 under section
9 23 of the Arms Export Control Act (22 U.S.C. 2763)—

10 (1) \$20,500,000 is authorized to be available on
11 a grant basis for Estonia, Latvia, and Lithuania;

12 (2) \$5,000,000 is authorized to be available on
13 a grant basis for the Philippines;

14 (3) \$5,000,000 is authorized to be available on
15 a grant basis for Georgia;

16 (4) \$1,000,000 is authorized to be available on
17 a grant basis for Malta;

18 (5) \$4,000,000 is authorized to be available on
19 a grant basis for Slovenia;

20 (6) \$8,400,000 is authorized to be available on
21 a grant basis for Slovakia;

22 (7) \$11,000,000 is authorized to be available on
23 a grant basis for Romania; and

24 (8) \$8,500,000 is authorized to be available on
25 a grant basis for Bulgaria.

1 (b) IMET.—Of the amounts made available for fiscal
2 year 2001 to carry out chapter 5 of part II of the Foreign
3 Assistance Act of 1961 (22 U.S.C. 2347 et seq.)—

4 (1) \$4,000,000 is authorized to be available for
5 Estonia, Latvia, and Lithuania;

6 (2) \$1,500,000 is authorized to be available for
7 the Philippines;

8 (3) \$1,000,000 is authorized to be available for
9 Georgia;

10 (4) \$1,000,000 is authorized to be available for
11 Malta;

12 (5) \$1,000,000 is authorized to be available for
13 Slovenia;

14 (6) \$1,000,000 is authorized to be available for
15 Slovakia;

16 (7) \$1,500,000 is authorized to be available for
17 Romania; and

18 (8) \$1,200,000 is authorized to be available for
19 Bulgaria.

20 **SEC. 765. BORDER SECURITY AND TERRITORIAL INDE-**
21 **PENDENCE.**

22 (a) GUAM COUNTRIES AND ARMENIA.—For the pur-
23 pose of carrying out section 499C of the Foreign Assist-
24 ance Act of 1961 and assisting GUAM countries and Ar-
25 menia to strengthen national control of their borders and

1 to promote the independence and territorial sovereignty of
2 such countries, the following amounts are authorized to
3 be made available for fiscal year 2001:

4 (1) \$20,000,000 of the amounts made available
5 for fiscal year 2001 under section 23 of the Arms
6 Export Control Act (22 U.S.C. 2763).

7 (2) \$10,000,000 of the amounts made available
8 for fiscal year 2001 under chapter 9 of part II of
9 the Foreign Assistance Act of 1961, as added by
10 section 731.

11 (3) \$5,000,000 of the amounts made available
12 for fiscal year 2001 to carry out chapter 5 of part
13 II of the Foreign Assistance Act of 1961 (22 U.S.C.
14 2347 et seq.).

15 (4) \$2,000,000 of the amounts made available
16 for fiscal year 2001 to carry out chapter 8 of part
17 II of the Foreign Assistance Act.

18 (b) GUAM COUNTRIES DEFINED.—In this section,
19 the term “GUAM countries” means the group of countries
20 that signed a protocol on quadrilateral cooperation on No-
21 vember 25, 1997.

1 **Subtitle F—Other Provisions**

2 **SEC. 771. UTILIZATION OF DEFENSE ARTICLES AND SERV-**
3 **ICES.**

4 Section 502 of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2302) is amended in the first sentence by in-
6 serting “(including for antiterrorism and nonproliferation
7 purposes)” after “internal security”.

8 **SEC. 772. REDUCTION IN VALUATION OF DEFENSE ARTI-**
9 **CLES NOT INTENDED FOR REPLACEMENT.**

10 (a) **AUTHORITY.**—Section 21(a) of the Arms Export
11 Control Act (22 U.S.C. 2761(a)) is amended by adding
12 at the end the following new paragraph:

13 “(3) The President may reduce the price required to
14 be paid under paragraph (1)(A) for the sale of a defense
15 article if such sale would—

16 “(A) facilitate the sale of a similar or related
17 new defense article that is manufactured in the
18 United States; or

19 “(B) serve the national security interests of the
20 United States.”.

21 (b) **CONFORMING AMENDMENT.**—Section
22 21(a)(1)(A) of such Act (22 U.S.C. 2761(a)(1)(A)) is
23 amended by inserting “, except as provided in paragraph
24 (3)” after “actual value thereof”.

1 (c) REPORTS ON REDUCTIONS IN PRICE.—In each
2 case in which the President reduces the price of a defense
3 article under paragraph (3) of section 21(a) of the Arms
4 Export Control Act (as added by subsection (a) of this
5 section), the President shall submit to the appropriate
6 committees of Congress a report on the reduction in price.

7 **SEC. 773. CONGRESSIONAL NOTIFICATION.**

8 (a) REPEAL OF REQUIREMENT REGARDING COOPER-
9 ATIVE PROJECTS.—Section 27 of the Arms Export Con-
10 trol Act (22 U.S.C. 2767) is amended—

11 (1) by striking subsection (g); and

12 (2) by redesignating subsections (h), (i), and
13 (j), as subsections (g), (h), and (i), respectively.

14 (b) REGULATIONS RELATING TO REGISTRATION AND
15 LICENSING REQUIREMENTS.—Section 38(b)(2) of the
16 Arms Export Control Act (22 U.S.C. 2778(b)(2)) is
17 amended by inserting “and in effect on January 1, 2000”
18 after “regulations issued under subsection (a)(1) of this
19 section”.

20 **SEC. 774. NATIONAL SECURITY EXEMPTION.**

21 The prohibition contained in section 907 of the
22 FREEDOM Support Act shall not apply to any activity
23 conducted pursuant to title V of the National Security Act
24 of 1947 (50 U.S.C. 413 et seq.).

1 **SEC. 775. ADDITIONS TO UNITED STATES WAR RESERVE**
2 **STOCKPILES FOR ALLIES.**

3 Section 514(b)(2) of the Foreign Assistance Act of
4 1961 (22 U.S.C. 2321h(b)(2)) is amended to read as fol-
5 lows:

6 “(2)(A) The value of such additions to stockpiles of
7 defense articles in foreign countries shall not exceed
8 \$50,000,000 for fiscal year 2001.

9 “(B) Of the amount specified in subparagraph (A)
10 for fiscal year 2001, not more than \$50,000,000 may be
11 made available for stockpiles in the Republic of Korea.”.

12 **SEC. 776. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS**
13 **DEFENSE ARTICLES IN THE WAR RESERVE**
14 **STOCKPILES FOR ALLIES TO ISRAEL.**

15 (a) TRANSFERS TO ISRAEL.—

16 (1) AUTHORITY.—Notwithstanding section 514
17 of the Foreign Assistance Act of 1961 (22 U.S.C.
18 2321h), the President may transfer to Israel, in re-
19 turn for concessions to be negotiated by the Sec-
20 retary of Defense, with the concurrence of the Sec-
21 retary of State, any or all of the items described in
22 paragraph (2).

23 (2) ITEMS COVERED.—The items referred to in
24 paragraph (1) are munitions such as armor, artil-
25 lery, automatic weapons ammunition, missiles, and
26 other munitions that—

1 (A) are obsolete or surplus items;

2 (B) are in the inventory of the Department
3 of Defense;

4 (C) are intended for use as reserve stocks
5 for Israel; and

6 (D) as of the date of enactment of this
7 Act, are located in a stockpile in Israel.

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

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

22 (d) EXPIRATION OF AUTHORITY.—No transfer may
23 be made under the authority of this section 5 years after
24 the date of enactment of this Act.

1 **SEC. 777. STINGER MISSILES IN THE PERSIAN GULF RE-**
2 **GION.**

3 (a) PROHIBITION.—Notwithstanding any other provi-
4 sion of law and except as provided in subsection (b), the
5 United States may not sell or otherwise make available
6 under the Arms Export Control Act or chapter 2 of part
7 II of the Foreign Assistance Act of 1961 any Stinger
8 ground-to-air missiles to any country bordering the Per-
9 sian Gulf.

10 (b) ADDITIONAL TRANSFERS AUTHORIZED.—In ad-
11 dition to other defense articles authorized to be trans-
12 ferred by section 581 of the Foreign Operations, Export
13 Financing, and Related Programs Appropriation Act,
14 1990, the United States may sell or make available, under
15 the Arms Export Control Act or chapter 2 of part II of
16 the Foreign Assistance Act of 1961, Stinger ground to air
17 missiles to any country bordering the Persian Gulf in
18 order to replace, on a one-for-one basis, Stinger missiles
19 previously furnished to such country if the Stinger missiles
20 to be replaced are nearing the scheduled expiration of their
21 shelf-life.

22 **SEC. 778. EXPORT INFORMATION.**

23 (a) DELAYED FILINGS; PENALTIES FOR FAILURE TO
24 FILE.—Section 304 of title 13, United States Code, is
25 amended—

1 (1) by striking “the penal sum of \$1,000” and
2 inserting “a penal sum of \$10,000”; and

3 (2) by striking “a penalty not to exceed \$100
4 for each day’s delinquency beyond the prescribed pe-
5 riod, but not more than \$1,000” and inserting “a
6 penalty not to exceed \$1,000 for each day’s delin-
7 quency beyond the prescribed period but not more
8 than \$10,000”.

9 (b) ADDITIONAL PENALTIES.—

10 (1) IN GENERAL.—Section 305 of title 13,
11 United States Code, is amended to read as follows:

12 **“§ 305. Penalties for unlawful export information ac-**
13 **tivities**

14 “(a) Any person who knowingly fails to file or know-
15 ingly submits false or misleading export information
16 through the Shipper’s Export Declaration (SED) (or any
17 successor document) or the Automated Export System
18 (AES) shall be subject to a fine not to exceed \$10,000,
19 or imprisoned for not more than 5 years, or both.

20 “(b) Any person who knowingly reports any informa-
21 tion on or uses the SED or the AES to further any illegal
22 activity shall be subject to a fine not to exceed \$10,000,
23 or imprisoned for not more than 5 years, or both.

24 “(c) Any person violating the provisions of this chap-
25 ter or any rule, regulation, or order issued thereunder, ex-

1 cept as provided in section 304, shall be subject to a pen-
2 alty not to exceed \$10,000 in addition to any other penalty
3 imposed by law. The amount of any such penalty shall
4 be payable into the Treasury of the United States and
5 shall be recoverable in a civil suit in the name of the
6 United States.

7 “(d) The Secretary may remit or mitigate any pen-
8 alties imposed under subsection (c) if, in the Secretary’s
9 opinion—

10 “(1) they were incurred without willful neg-
11 ligence or fraud; or

12 “(2) other circumstances exist that justify a re-
13 mission or mitigation.”.

14 (2) CLERICAL AMENDMENT.—The table of sec-
15 tions at the beginning of chapter 9 of that title is
16 amended by striking the item relating to section 305
17 and inserting the following new item:

“305. Penalties for unlawful export information activities.”.

18 **SEC. 779. EXCESS DEFENSE ARTICLES FOR MONGOLIA.**

19 (a) USES FOR WHICH FUNDS ARE AVAILABLE.—
20 Notwithstanding section 516(e) of the Foreign Assistance
21 Act of 1961 (22 U.S.C. 2321j(e)), during fiscal year 2001,
22 funds available to the Department of Defense may be ex-
23 pended for crating, packing, handling, and transportation
24 of excess defense articles transferred under the authority
25 of section 516 of that Act to Mongolia.

1 (b) CONTENT OF CONGRESSIONAL NOTIFICATION.—
2 Each notification required to be submitted under section
3 516(f) of the Foreign Assistance Act of 1961 (22 U.S.C.
4 2321j(f)) with respect to a proposed transfer of a defense
5 article described in subsection (a) shall include an esti-
6 mate of the amount of funds to be expended under sub-
7 section (a) with respect to that transfer.

8 **SEC. 780. SPACE COOPERATION WITH RUSSIAN PERSONS.**

9 (a) ANNUAL CERTIFICATION.—

10 (1) REQUIREMENT.—The President shall sub-
11 mit each year to the appropriate committees of Con-
12 gress, with respect to each Russian person described
13 in paragraph (2), a certification that the person is
14 not suspected of contributing to the acquisition, de-
15 sign, development, or production of MTCR-class bal-
16 listic missiles in Iran at any time since January 1,
17 2000.

18 (2) APPLICABILITY.—The certification require-
19 ment under paragraph (1) applies with respect to
20 each Russian person that, as of the date of the cer-
21 tification, is a person engaged in commercial co-
22 operation relating to MTCR equipment or tech-
23 nology with a United States person pursuant to an
24 arms export license that was issued within the 36

1 months preceding the month in which the certifi-
2 cation is made.

3 (3) COMMENCEMENT AND TERMINATION OF RE-
4 QUIREMENT.—

5 (A) TIMES FOR SUBMISSION.—The Presi-
6 dent shall submit—

7 (i) the first certification under para-
8 graph (1) not later than 60 days after the
9 date of the enactment of this Act; and

10 (ii) each annual certification there-
11 after on the anniversary of the first sub-
12 mission.

13 (B) TERMINATION OF REQUIREMENT.—No
14 certification is required under paragraph (1)
15 after the submission of the annual certification
16 that is required to be submitted 5 years after
17 the date on which the first certification is sub-
18 mitted.

19 (b) TERMINATION OF EXISTING LICENSES.—If, at
20 any time after the issuance of a license under section 36(c)
21 of the Arms Export Control Act relating to the use, devel-
22 opment, or co-production of commercial rocket engine
23 technology with a foreign person, the President determines
24 that the foreign person has engaged in any action de-
25 scribed in section 73(a)(1) of the Arms Export Control

1 Act (22 U.S.C. 2797b(a)(1)) since the date the license was
2 issued, the President may terminate the license.

3 (c) REPORT ON EXPORT LICENSING OF MTCR
4 ITEMS UNDER \$50,000,000.—Section 71(d) of the Arms
5 Export Control Act (22 U.S.C. 2797(d)) is amended by
6 striking “Within 15 days” and all that follows through
7 “MTCR Annex,” and inserting “Within 15 days after the
8 issuance of a license (including any brokering license) for
9 the export of items valued at less than \$50,000,000 that
10 are controlled under this Act pursuant to United States
11 obligations under the Missile Technology Control Regime
12 or are goods or services that are intended to support the
13 design, utilization, development, or production of a space
14 launch vehicle system listed in Category I or II of the
15 MTCR Annex,”.

16 (d) DEFINITIONS.—In this section:

17 (1) APPROPRIATE COMMITTEES OF CON-
18 GRESS.—The term “appropriate committees of Con-
19 gress” means the Committee on Foreign Relations
20 of the Senate and the Committee on International
21 Relations of the House of Representatives.

22 (2) FOREIGN PERSON.—The term “foreign per-
23 son” has the meaning given the term in section
24 74(7) of the Arms Export Control Act (22 U.S.C.
25 2797c(7)).

1 (3) MTCR EQUIPMENT OR TECHNOLOGY.—The
2 term “MTCR equipment or technology” has the
3 meaning given the term in section 74(5) of the Arms
4 Export Control Act (22 U.S.C. 2797c(5)).

5 (4) PERSON.—The term “person” has the
6 meaning given the term in section 74(8) of the Arms
7 Export Control Act (22 U.S.C. 2797c(8)).

8 (5) UNITED STATES PERSON.—The term
9 “United States person” has the meaning given the
10 term in section 74(6) of the Arms Export Control
11 Act (22 U.S.C. 2797c(6)).

12 **SEC. 781. ASSISTANCE FOR ISRAEL.**

13 (a) DEFINITIONS.—In this section:

14 (1) ESF ASSISTANCE.—The term “ESF assist-
15 ance” means assistance under chapter 4 of part II
16 of the Foreign Assistance Act of 1961 (22 U.S.C.
17 2346 et seq.), relating to the economic support fund.

18 (2) FOREIGN MILITARY FINANCING PRO-
19 GRAM.—The term “Foreign Military Financing Pro-
20 gram” means the program authorized by section 23
21 of the Arms Export Control Act (22 U.S.C. 2763).

22 (b) ESF ASSISTANCE.—

23 (1) IN GENERAL.—Of the amounts made avail-
24 able for each of the fiscal years 2001 through 2008
25 for ESF assistance, not less than the amount speci-

1 fied in paragraph (2) for each such fiscal year shall
2 be available only for Israel.

3 (2) COMPUTATION OF AMOUNT.—Subject to
4 subsection (d), the amount referred to in paragraph
5 (1) is equal to—

6 (A) the amount made available for ESF
7 assistance for Israel for the preceding fiscal
8 year, minus

9 (B) \$120,000,000.

10 (c) FMF PROGRAM.—

11 (1) IN GENERAL.—Of the amount made avail-
12 able for each of the fiscal years 2001 through 2008
13 for assistance under the Foreign Military Financing
14 Program, not less than the amount specified in
15 paragraph (2) for each such fiscal year shall be
16 available only for Israel.

17 (2) COMPUTATION OF AMOUNT.—Subject to
18 subsection (d), the amount referred to in paragraph
19 (1) is equal to—

20 (A) the amount made available for assist-
21 ance under the Foreign Military Financing Pro-
22 gram for Israel for the preceding fiscal year,
23 plus

24 (B) \$60,000,000.

1 (d) EXCLUSION OF RESCISSIONS AND SUPPLE-
2 MENTAL APPROPRIATIONS.—For purposes of this section,
3 the computation of amounts made available for a fiscal
4 year shall not take into account any amount rescinded by
5 an Act or any amount appropriated by an Act making sup-
6 plemental appropriations for a fiscal year.

7 **Subtitle G—Transfers of Naval** 8 **Vessels**

9 **SEC. 791. AUTHORITY TO TRANSFER NAVAL VESSELS TO** 10 **CERTAIN FOREIGN COUNTRIES.**

11 (a) AUSTRALIA.—The President is authorized to
12 transfer to the Government of Australia four “KIDD”
13 class guided missile destroyers KIDD (DDG 993),
14 CALLAGHAN (DDG 994), SCOTT (DDG 995), and
15 CHANDLER (DDG 996). Such transfers shall be on a
16 combined lease-sale basis under sections 61 and 21 of the
17 Arms Export Control Act (22 U.S.C. 2796, 2761).

18 (b) BRAZIL.—The President is authorized to transfer
19 to the Government of Brazil two “THOMASTON” class
20 dock landing ships ALAMO (LSD 33) and HERMITAGE
21 (LSD 34), and four “GARCIA” class frigates BRADLEY
22 (FF 1041), DAVIDSON (FF 1045), SAMPLE (FF
23 1048) and ALBERT DAVID (FF 1050). Such transfers
24 shall be on a grant basis under section 516 of the Foreign
25 Assistance Act of 1961 (22 U.S.C. 2321j).

1 (c) CHILE.—The President is authorized to transfer
2 to the Government of the Chile two “OLIVER HAZARD
3 PERRY” class guided missile frigates WADSWORTH
4 (FFG 9), and ESTOCIN (FFG 15). Such transfers shall
5 be on a combined lease-sale basis under sections 61 and
6 21 of the Arms Export Control Act (22 U.S.C. 2796,
7 2761).

8 (d) EGYPT.—The President is authorized to transfer
9 to the Government of Egypt one “DIXIE” class destroyer
10 tender, YOSEMITE (AD 19). Such transfer shall be on
11 a grant basis under section 516 of the Foreign Assistance
12 Act of 1961 (22 U.S.C. 2321j).

13 (e) GREECE.—The President is authorized to trans-
14 fer to the Government of Greece two “KNOX” class frig-
15 ates VREELAND (FF 1068), and TRIPPE (FF 1075).
16 Such transfers shall be on a grant basis under section 516
17 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

18 (f) TURKEY.—The President is authorized to transfer
19 to the Government of Turkey two “OLIVER HAZARD
20 PERRY” class guided missile frigates JOHN A. MOORE
21 (FFG 19), and FLATLEY (FFG 21). Such transfers
22 shall be on a combined lease-sale basis under sections 61
23 and 21 of the Arms Export Control Act (22 U.S.C. 2796,
24 2761). The authority granted by this section is in addition

1 to that granted under section 1018(a)(9) of Public Law
2 106-65.

3 **SEC. 792. INAPPLICABILITY OF AGGREGATE ANNUAL LIMI-**
4 **TATION ON VALUE OF TRANSFERRED EXCESS**
5 **DEFENSE ARTICLES.**

6 The value of naval vessels authorized under section
7 791 of this Act to be transferred on a grant basis under
8 section 516 of the Foreign Assistance Act of 1961 (22
9 U.S.C. 2321j) shall not be included in the aggregate an-
10 nual value of transferred excess defense articles which is
11 subject to the aggregate annual limitation set forth in sec-
12 tion 516(g) of the Foreign Assistance Act of 1961 (22
13 U.S.C. 2321j(g)).

14 **SEC. 793. COSTS OF TRANSFERS.**

15 Any expense of the United States in connection with
16 a transfer authorized by this Act shall be charged to the
17 recipient.

18 **SEC. 794. CONDITIONS RELATING TO COMBINED LEASE-**
19 **SALE TRANSFERS.**

20 A transfer of a vessel on a combined lease-sale basis
21 authorized by section 791 shall be made in accordance
22 with the following requirements:

23 (1) The President may initially transfer the ves-
24 sel by lease, with lease payments suspended for the
25 term of the lease, if the country entering into the

1 lease for the vessel simultaneously enters into a for-
2 eign military sales agreement for the transfer of title
3 to the vessel.

4 (2) The President may not deliver to the pur-
5 chasing country title to the vessel until the purchase
6 price of the vessel under such a foreign military
7 sales agreement is paid in full.

8 (3) Upon payment of the purchase price in full
9 under such a sales agreement and delivery of title to
10 the recipient country, the President shall terminate
11 the lease.

12 (4) If the purchasing country fails to make full
13 payment of the purchase price in accordance with
14 the sales agreement by the date required under the
15 sales agreement—

16 (A) the sales agreement shall be imme-
17 diately terminated;

18 (B) the suspension of lease payments
19 under the lease shall be vacated; and

20 (C) the United States shall be entitled to
21 retain all funds received on or before the date
22 of the termination under the sales agreement,
23 up to the amount of lease payments due and
24 payable under the lease and all other costs re-
25 quired by the lease to be paid to that date.

1 **TITLE VIII—SPECIAL AUTHORI-**
2 **TIES AND OTHER PROVISIONS**

3 **SEC. 801. PROHIBITION ON ASSISTANCE TO FOREIGN GOV-**
4 **ERNMENTS THAT EXPORT LETHAL MILITARY**
5 **EQUIPMENT TO COUNTRIES SUPPORTING**
6 **INTERNATIONAL TERRORISM.**

7 Section 620H(a)(1) of the Foreign Assistance Act of
8 1961 (22 U.S.C. 2378(a)(1)) is amended by inserting
9 “and the Arms Export Control Act” after “this Act”.

10 **SEC. 802. EFFECTIVE PROGRAM OVERSIGHT.**

11 Section 635 of the Foreign Assistance Act of 1961
12 (22 U.S.C. 2395), as amended by section 204 of this Act,
13 is further amended by adding at the end thereof the fol-
14 lowing new subsection:

15 “(m) The Administrator of the agency primarily re-
16 sponsible for administering part I may use funds made
17 available under that part to provide program and manage-
18 ment oversight for activities that are funded under that
19 part and that are conducted in countries in which the
20 agency does not have a field mission or office.”.

21 **SEC. 803. TERMINATION EXPENSES.**

22 Section 617 of the Foreign Assistance Act of 1961
23 (22 U.S.C. 2367) is amended to read as follows:

1 **“SEC. 617. TERMINATION EXPENSES.**

2 “(a) IN GENERAL.—Funds made available under this
3 Act and the Arms Export Control Act, may remain avail-
4 able for obligation for a period not to exceed 8 months
5 from the date of any termination of assistance under such
6 Acts for the necessary expenses of winding up programs
7 related to such termination and may remain available until
8 expended. Funds obligated under the authority of such
9 Acts prior to the effective date of the termination of assist-
10 ance may remain available for expenditure for the nec-
11 essary expenses of winding up programs related to such
12 termination notwithstanding any provision of law restrict-
13 ing the expenditure of funds. In order to ensure the effec-
14 tiveness of such assistance, such expenses for orderly ter-
15 mination of programs may include the obligation and ex-
16 penditure of funds to complete the training or studies out-
17 side their countries of origin of students whose course of
18 study or training program began before assistance was
19 terminated.

20 “(b) LIABILITY TO CONTRACTORS.—For the purpose
21 of making an equitable settlement of termination claims
22 under extraordinary contractual relief standards, the
23 President is authorized to adopt as a contract or other
24 obligation of the United States Government, and assume
25 (in whole or in part) any liabilities arising thereunder, any
26 contract with a United States or third-country contractor

1 that had been funded with assistance under such Acts
2 prior to the termination of assistance.

3 “(c) **TERMINATION EXPENSES.**—Amounts certified
4 as having been obligated for assistance subsequently ter-
5 minated by the President, or pursuant to any provision
6 of law, shall continue to remain available and may be re-
7 obligated to meet any necessary expenses arising from the
8 termination of such assistance.

9 “(d) **GUARANTY PROGRAMS.**—Provisions of this or
10 any other Act requiring the termination of assistance
11 under this or any other Act shall not be construed to re-
12 quire the termination of guarantee commitments that were
13 entered into prior to the effective date of the termination
14 of assistance.

15 “(e) **RELATION TO OTHER PROVISIONS.**—Unless spe-
16 cifically made inapplicable by another provision of law, the
17 provisions of this section shall be applicable to the termi-
18 nation of assistance pursuant to any provision of law.”.

19 **SEC. 804. ADMINISTRATION OF JUSTICE.**

20 Section 534 of the Foreign Assistance Act of 1961
21 (22 U.S.C. 2346c) is amended—

22 (1) in subsection (a), by striking “in order to
23 strengthen the administration of justice in countries
24 in Latin America and the Caribbean” and inserting

1 “in order to support or strengthen the administra-
2 tion of justice”; and

3 (2) in subsection (e), by striking the last sen-
4 tence.

5 **SEC. 805. CHANGE FROM SEMIANNUAL TO ANNUAL RE-**
6 **PORTING OF ENVIRONMENTAL IMPACTS OF**
7 **MDB ASSISTANCE PROPOSALS.**

8 Section 1303(c) of the International Financial Insti-
9 tutions Act (22 U.S.C. 262m-3(c)) is amended by striking
10 “and December 31”.

11 **SEC. 806. SENSE OF THE SENATE ON ENVIRONMENTAL**
12 **CONTAMINATION AND HEALTH EFFECTS**
13 **EMANATING FROM THE FORMER UNITED**
14 **STATES MILITARY FACILITIES IN THE PHIL-**
15 **IPPINES.**

16 It is the sense of the Senate that—

17 (1) the Secretary of State, in cooperation with
18 the Secretary of Defense, should work with the Gov-
19 ernment of the Philippines and with appropriate
20 nongovernmental organizations in the United States
21 and the Philippines to fully identify and share all
22 relevant information concerning environmental con-
23 tamination and health effects emanating from
24 United States military facilities following the depar-

1 ture of United States military forces from the Phil-
2 ippines in 1992; and

3 (2) the United States should work with the
4 Government of the Philippines to help ameliorate the
5 environmental contamination and health effects ema-
6 nating from United States military facilities fol-
7 lowing the departure of United States military forces
8 from the Philippines in 1992.

9 **SEC. 807. REPEAL OF OBSOLETE PROVISIONS.**

10 (a) 1992 JOBS THROUGH EXPORTS ACT.—Title III
11 of the Jobs Through Exports Act of 1992 is repealed.

12 (b) 1988 OPIC ACT.—The Overseas Private Invest-
13 ment Corporation Amendments Act of 1988 (as enacted
14 by reference by section 555 of the Foreign Operations, Ex-
15 port Financing, and Related Programs Appropriations
16 Act, 1989) is repealed.

17 (c) 1988 INTERNATIONAL NARCOTICS CONTROL
18 ACT.—The International Narcotics Control Act of 1988
19 is repealed.

20 (d) 1988 FOREIGN OPERATIONS APPROPRIATIONS
21 ACT.—Section 537(h)(2) of the Foreign Operations, Ex-
22 port Financing, and Related Programs Appropriations
23 Act, 1988, as included in Public Law 100–202, is re-
24 pealed.

1 (e) NARCOTICS CONTROL TRADE ACT.—Sections
2 802(e) and 804 of the Narcotics Control Trade Act (which
3 is title VIII of the Trade Act of 1974) are repealed.

4 (f) 1987 FOREIGN ASSISTANCE APPROPRIATIONS
5 ACT.—Section 539(g)(2) of the Foreign Assistance and
6 Related Programs Appropriations Act, 1987, as included
7 in Public Law 99–591, is repealed.

8 (g) 1986 DRUG ACT.—The International Narcotics
9 Control Act of 1986 (which is title II of the Anti-Drug
10 Abuse Act of 1986) is repealed.

11 (h) 1986 ASSISTANCE ACT.—The Special Foreign
12 Assistance Act of 1986 is repealed except for section 1
13 and section 204.

14 (i) 1985 ASSISTANCE ACT.—The International Secu-
15 rity and Development Cooperation Act of 1985 is repealed
16 except for section 1, section 131, section 132, section 504,
17 section 505, part B of title V (other than section 558 and
18 section 559), section 906, section 1302, section 1303, and
19 section 1304.

20 (j) 1985 JORDAN SUPPLEMENTAL ACT.—The Jor-
21 dan Supplemental Economic Assistance Authorization Act
22 of 1985 is repealed.

23 (k) 1985 AFRICAN FAMINE ACT.—The African Fam-
24 ine Relief and Recovery Act of 1985 is repealed.

1 (l) 1983 ASSISTANCE ACT.—The International Secu-
2 rity and Development Assistance Authorization Act of
3 1983 is repealed.

4 (m) 1983 LEBANON ASSISTANCE ACT.—The Leb-
5 anon Emergency Assistance Act of 1983 is repealed.

6 (n) 1981 ASSISTANCE ACT.—The International Secu-
7 rity and Development Cooperation Act of 1981 is repealed
8 except for section 1, section 709, section 714.

9 (o) 1981 OPIC AMENDMENTS ACT.—The OPIC
10 Amendments Act of 1981 is repealed.

11 (p) 1980 ASSISTANCE ACT.—The International Secu-
12 rity and Development Cooperation Act of 1980 is repealed
13 except for section 1, section 110, section 316, and title
14 V.

15 (q) 1979 DEVELOPMENT ASSISTANCE ACT.—The
16 International Development Cooperation Act of 1979 is re-
17 pealed.

18 (r) 1979 SECURITY ASSISTANCE ACT.—The Inter-
19 national Security Assistance Act of 1979 is repealed.

20 (s) 1979 SPECIAL SECURITY ASSISTANCE ACT.—The
21 Special International Security Assistance Act of 1979 is
22 repealed.

23 (t) 1978 DEVELOPMENT ASSISTANCE ACT.—The
24 International Development and Food Assistance Act of

1 1978 is repealed, except for section 1 and section
2 603(a)(2).

3 (u) 1978 SECURITY ASSISTANCE ACT.—The Inter-
4 national Security Assistance Act of 1978 is repealed.

5 (v) 1977 DEVELOPMENT ASSISTANCE ACT.—The
6 International Development and Food Assistance Act of
7 1977 is repealed except for section 1, section 132(b), and
8 section 133.

9 (w) 1977 SECURITY ASSISTANCE ACT.—The Inter-
10 national Security Assistance Act of 1977 is repealed.

11 (x) 1976 SECURITY ASSISTANCE ACT.—The Inter-
12 national Security Assistance and Arms Export Control Act
13 is repealed except for section 1, section 201(b), section
14 212(b), section 601, and section 608.

15 (y) 1975 DEVELOPMENT ASSISTANCE ACT.—The
16 International Development and Food Assistance Act of
17 1975 is repealed.

18 (z) 1974 ASSISTANCE ACT.—The Foreign Assistance
19 Act of 1974 is repealed.

20 (aa) 1973 EMERGENCY ASSISTANCE ACT.—The
21 Emergency Security Assistance Act of 1973 is repealed.

22 (bb) 1973 ASSISTANCE ACT.—The Foreign Assist-
23 ance Act of 1973 is repealed, except for section 1 and sec-
24 tion 36.

1 (cc) 1971 ASSISTANCE ACT.—The Foreign Assist-
2 ance Act of 1971 is repealed.

3 (dd) 1971 SPECIAL ASSISTANCE ACT.—The Special
4 Foreign Assistance Act of 1971 is repealed.

5 (ee) 1971 FMS ACT.—The Act entitled “An Act to
6 amend the Foreign Military Sales Act, and for other pur-
7 poses”, approved January 12, 1971 (Public Law 91–672),
8 is repealed, except for section 1 and section 10.

9 (ff) 1969 ASSISTANCE ACT.—The Foreign Assistance
10 Act of 1969 is repealed except for the first section and
11 part IV.

12 (gg) 1968 ASSISTANCE ACT.—The Foreign Assist-
13 ance Act of 1968 is repealed.

14 (hh) 1964 ASSISTANCE ACT.—The Foreign Assist-
15 ance Act of 1964 is repealed.

16 (ii) LATIN AMERICAN DEVELOPMENT ACT.—The
17 Latin American Development Act is repealed.

18 (jj) 1959 MUTUAL SECURITY ACT.—The Mutual Se-
19 curity Act of 1959 is repealed.

20 (kk) 1954 MUTUAL SECURITY ACT.—Section 402
21 and section 417 of the Mutual Security Act of 1954 are
22 repealed. Act is repealed.

23 (ll) SAVINGS PROVISION.—Except as otherwise pro-
24 vided in this Act, the repeal by this Act of any provision

- 1 of law that amended or repealed another provision of law
- 2 does not affect in any way that amendment or repeal.