Ms. SLAUGHTER. Mr. Chairman, had the Kaptur amendment been made in order, I would have supported it. The Kaptur amendment would have required that no less than $125 million of the bill’s funds be provided to Ukraine. The bill caps funding to Ukraine at $125 million, 90 percent of which goes to humanitarian aid and non-governmental assistance programs. This represents a $44 million reduction in funding from last year. While I support measures to ensure funding for Ukraine, I also have serious concerns about recent events in Ukraine that have impeded steps toward a fully democratic society.

I have been a strong supporter of Ukraine throughout my tenure in Congress. In past years, I have taken a leading role in supporting increased funding for Ukraine. These efforts, along with those of my colleagues, have made Ukraine the third-largest recipient of U.S. aid. But, evidence of political corruption, suppression of the media and instability in the Ukrainian government have called this aid into question.

In April, the Communist-dominated Ukrainian parliament voted to dismiss Prime Minister Viktor Yushchenko and his government. The ouster of Prime Minister Yushchenko and his cabinet, widely viewed as the most successful government since Ukraine gained independence in 1991, is likely to slow down reforms at this most crucial time. This vote comes in the midst of the ongoing political crisis sparked by revelations on secretly recorded tapes implicating the involvement of President Leonid Kuchma and high government officials in the case of murdered journalist Heorhiy Gongadze. Most recently, another journalist, Ihor Oleksandrov, who sought to expose corruption and organized crime was brutally murdered by four men with clubs.

The State Department Annual Human Rights Country Report on Ukraine cites a mixed human rights record and notes the failure to curb institutional corruption and abuse in the Ukrainian government. One starting example of government corruption that has come to my attention is the case of U.S. investment fund, New Century Holdings. This investment company has been repeatedly thwarted in its efforts to develop a hotel it owns along with the City of Kiev. Despite owning a controlling interest in the hotel, New Century Holdings has been prevented access to the hotel, as local police have taken over the building for themselves. New Century Holdings has appealed to the Mayor and other local officials to no avail, and the Ukrainian government has been unable or unwilling to help. Meanwhile, the hotel remains undeveloped and the company’s investment in Ukraine remains unrealized.

I value the strong relationship between the United States and Ukraine. However, Ukraine will never be a full partner of the United States, unless it fully embraces democracy and human rights. Ukraine has made significant progress in the ten years since it became independent, but pervasive corruption, lack of media freedoms, and the conduct of the investi-