

Calendar No. 698

105TH CONGRESS
2D Session

H. R. 4569

AN ACT

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes.

OCTOBER 2, 1998

Read twice and ordered placed on the calendar

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22, 1998

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AN ACT

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes.

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

1 That the following sums are appropriated, out of any
2 money in the Treasury not otherwise appropriated, for the
3 fiscal year ending September 30, 1999, and for other pur-
4 poses, namely:

5 TITLE I—EXPORT AND INVESTMENT

6 ASSISTANCE

7 EXPORT-IMPORT BANK OF THE UNITED STATES

8 The Export-Import Bank of the United States is au-
9 thorized to make such expenditures within the limits of
10 funds and borrowing authority available to such corpora-
11 tion, and in accordance with law, and to make such con-
12 tracts and commitments without regard to fiscal year limi-
13 tations, as provided by section 104 of the Government
14 Corporation Control Act, as may be necessary in carrying
15 out the program for the current fiscal year for such cor-
16 poration: *Provided*, That none of the funds available dur-
17 ing the current fiscal year may be used to make expendi-
18 tures, contracts, or commitments for the export of nuclear
19 equipment, fuel, or technology to any country other than
20 a nuclear-weapon state as defined in Article IX of the
21 Treaty on the Non-Proliferation of Nuclear Weapons eligi-
22 ble to receive economic or military assistance under this
23 Act that has detonated a nuclear explosive after the date
24 of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, \$745,500,000 to remain available until September 30, 2003: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until 2014 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1999 and 2000: *Provided further*, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger

1 motor vehicles and services as authorized by 5 U.S.C.
2 3109, and not to exceed \$20,000 for official reception and
3 representation expenses for members of the Board of Di-
4 rectors, \$50,277,000: *Provided*, That necessary expenses
5 (including special services performed on a contract or fee
6 basis, but not including other personal services) in connec-
7 tion with the collection of moneys owed the Export-Import
8 Bank, repossession or sale of pledged collateral or other
9 assets acquired by the Export-Import Bank in satisfaction
10 of moneys owed the Export-Import Bank, or the investiga-
11 tion or appraisal of any property, or the evaluation of the
12 legal or technical aspects of any transaction for which an
13 application for a loan, guarantee or insurance commitment
14 has been made, shall be considered nonadministrative ex-
15 penses for the purposes of this heading.

16 OVERSEAS PRIVATE INVESTMENT CORPORATION

17 NONCREDIT ACCOUNT

18 The Overseas Private Investment Corporation is au-
19 thorized to make, without regard to fiscal year limitations,
20 as provided by 31 U.S.C. 9104, such expenditures and
21 commitments within the limits of funds available to it and
22 in accordance with law as may be necessary: *Provided*,
23 That the amount available for administrative expenses to
24 carry out the credit and insurance programs (including an
25 amount for official reception and representation expenses
26 which shall not exceed \$35,000) shall not exceed

1 \$33,000,000: *Provided further*, That project-specific trans-
2 action costs, including direct and indirect costs incurred
3 in claims settlements, and other direct costs associated
4 with services provided to specific investors or potential in-
5 vestors pursuant to section 234 of the Foreign Assistance
6 Act of 1961, shall not be considered administrative ex-
7 penses for the purposes of this heading.

8 PROGRAM ACCOUNT

9 For the cost of direct and guaranteed loans,
10 \$50,000,000, as authorized by section 234 of the Foreign
11 Assistance Act of 1961 to be derived by transfer from the
12 Overseas Private Investment Corporation Noncredit Ac-
13 count: *Provided*, That such costs, including the cost of
14 modifying such loans, shall be as defined in section 502
15 of the Congressional Budget Act of 1974: *Provided fur-*
16 *ther*, That such sums shall be available for direct loan obli-
17 gations and loan guaranty commitments incurred or made
18 during fiscal years 1999 and 2000: *Provided further*, That
19 such sums shall remain available through fiscal year 2007
20 for the disbursement of direct and guaranteed loans obli-
21 gated in fiscal year 1999, and through fiscal year 2008
22 for the disbursement of direct and guaranteed loans obli-
23 gated in fiscal year 2000: *Provided further*, That in addi-
24 tion, such sums as may be necessary for administrative
25 expenses to carry out the credit program may be derived
26 from amounts available for administrative expenses to

1 carry out the credit and insurance programs in the Over-
2 seas Private Investment Corporation Noncredit Account
3 and merged with said account.

4 FUNDS APPROPRIATED TO THE PRESIDENT

5 TRADE AND DEVELOPMENT AGENCY

6 For necessary expenses to carry out the provisions
7 of section 661 of the Foreign Assistance Act of 1961,
8 \$41,500,000, to remain available until September 30,
9 2000: *Provided*, That the Trade and Development Agency
10 may receive reimbursements from corporations and other
11 entities for the costs of grants for feasibility studies and
12 other project planning services, to be deposited as an off-
13 setting collection to this account and to be available for
14 obligation until September 30, 2000, for necessary ex-
15 penses under this paragraph: *Provided further*, That such
16 reimbursements shall not cover, or be allocated against,
17 direct or indirect administrative costs of the agency.

18 TITLE II—BILATERAL ECONOMIC ASSISTANCE

19 FUNDS APPROPRIATED TO THE PRESIDENT

20 For expenses necessary to enable the President to
21 carry out the provisions of the Foreign Assistance Act of
22 1961, and for other purposes, to remain available until
23 September 30, 1999, unless otherwise specified herein, as
24 follows:

1 AGENCY FOR INTERNATIONAL DEVELOPMENT

2 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

3 For necessary expenses to carry out the provisions
4 of chapters 1 and 10 of part I of the Foreign Assistance
5 Act of 1961, for child survival, basic education, assistance
6 to combat tropical and other diseases, and related activi-
7 ties, in addition to funds otherwise available for such pur-
8 poses, \$650,000,000, to remain available until expended:
9 *Provided*, That this amount shall be made available for
10 such activities as: (1) immunization programs; (2) oral re-
11 hydration programs; (3) health and nutrition programs,
12 and related education programs, which address the needs
13 of mothers and children; (4) water and sanitation pro-
14 grams; (5) assistance for displaced and orphaned children;
15 (6) programs for the prevention, treatment, and control
16 of, and research on, tuberculosis, HIV/AIDS, polio, ma-
17 laria and other diseases; and (7) up to \$98,000,000 for
18 basic education programs for children: *Provided further*,
19 That none of the funds appropriated under this heading
20 may be made available for nonproject assistance.

21 DEVELOPMENT ASSISTANCE

22 (INCLUDING TRANSFER OF FUNDS)

23 For necessary expenses to carry out the provisions
24 of sections 103 through 106 and chapter 10 of part I of
25 the Foreign Assistance Act of 1961, \$1,174,000,000, to
26 remain available until September 30, 2000: *Provided*,

1 That none of the funds made available in this Act nor
2 any unobligated balances from prior appropriations may
3 be made available to any organization or program which,
4 as determined by the President of the United States, sup-
5 ports or participates in the management of a program of
6 coercive abortion or involuntary sterilization: *Provided fur-*
7 *ther*, That none of the funds made available under this
8 heading may be used to pay for the performance of abor-
9 tion as a method of family planning or to motivate or co-
10 erce any person to practice abortions; and that in order
11 to reduce reliance on abortion in developing nations, funds
12 shall be available only to voluntary family planning
13 projects which offer, either directly or through referral to,
14 or information about access to, a broad range of family
15 planning methods and services; and that any such vol-
16 untary family planning project shall meet the following re-
17 quirements: (1) the project shall not make use of quotas,
18 goals, or other numerical targets, on an individual, local,
19 regional, or national basis, of total number of births, the
20 number of family planning acceptors, acceptors of a par-
21 ticular method of family planning, or any other perform-
22 ance standard (this provision shall not be construed to in-
23 clude the use of quantitative estimates for budgeting and
24 planning purposes); (2) the project shall not include pay-
25 ment of incentives, bribes, gratuities, or any other form

1 of compensation or reward, monetary or nonmonetary, to:
2 (A) an individual in exchange for becoming a family plan-
3 ning acceptor; or (B) program personnel for achieving any
4 numerical goal or quota; (3) the project shall not deny
5 any right or benefit, including the right of access to par-
6 ticipate in any program of general welfare or the right
7 of access to health care, as a consequence of any individ-
8 ual's decision not to accept family planning services; (4)
9 the project shall inform family planning acceptors, in com-
10 prehensible terms, of the nature of the family planning
11 method chosen, its contraindications and potential health
12 risks, and available alternatives; (5) the project shall pro-
13 vide a reasonable range of options of methods of family
14 planning, including natural methods; and (6) the project
15 shall ensure that experimental methods of family planning
16 are administered only in a scientifically controlled study
17 in which participants are advised of potential risks and
18 benefits; and, not later than 30 days after the date on
19 which the Administrator of the United States Agency for
20 International Development determines that there has been
21 a violation of any provision contained in the preceding 6
22 paragraphs, or a violation of any other provision contained
23 in this heading, the Administrator shall submit to the
24 Committee on International Relations and the Committee
25 on Appropriations of the House of Representatives and to

1 the Committee on Foreign Relations and the Committee
2 on Appropriations of the Senate a report containing a de-
3 scription of such violation: *Provided further*, That in
4 awarding grants for natural family planning under section
5 104 of the Foreign Assistance Act of 1961 no applicant
6 shall be discriminated against because of such applicant's
7 religious or conscientious commitment to offer only natu-
8 ral family planning; and, additionally, all such applicants
9 shall comply with the requirements of the previous proviso:
10 *Provided further*, That for purposes of this or any other
11 Act authorizing or appropriating funds for foreign oper-
12 ations, export financing, and related programs, the term
13 "motivate", as it relates to family planning assistance,
14 shall not be construed to prohibit the provision, consistent
15 with local law, of information or counseling about all preg-
16 nancy options: *Provided further*, That nothing in this para-
17 graph shall be construed to alter any existing statutory
18 prohibitions against abortion under section 104 of the
19 Foreign Assistance Act of 1961: *Provided further*, That,
20 notwithstanding section 109 of the Foreign Assistance Act
21 of 1961, of the funds appropriated under this heading in
22 this Act, and of the unobligated balances of funds pre-
23 viously appropriated under this heading, not to exceed
24 \$2,500,000 may be transferred to "International Organi-
25 zations and Programs" for a contribution to the Inter-

1 national Fund for Agricultural Development (IFAD), and
2 that any such transfer of funds shall be subject to the
3 regular notification procedures of the Committees on Ap-
4 propriations: *Provided further*, That none of the funds ap-
5 propriated under this heading may be made available for
6 any activity which is in contravention to the Convention
7 on International Trade in Endangered Species of Flora
8 and Fauna (CITES): *Provided further*, That none of the
9 funds appropriated under this heading may be made avail-
10 able for assistance for the central Government of the Re-
11 public of South Africa, until the Secretary of State reports
12 in writing to the appropriate committees of the Congress
13 on the steps being taken by the United States Government
14 to negotiate the repeal, suspension, or termination of sec-
15 tion 15(c) of South Africa's Medicines and Related Sub-
16 stances Control Amendment Act No. 90 of 1997.

17 PRIVATE AND VOLUNTARY ORGANIZATIONS

18 None of the funds appropriated by this Act for devel-
19 opment assistance may be made available to any United
20 States private and voluntary organization, except any co-
21 operative development organization, which obtains less
22 than 20 percent of its total annual funding for inter-
23 national activities from sources other than the United
24 States Government: *Provided*, That the requirements of
25 the provisions of section 123(g) of the Foreign Assistance
26 Act of 1961 and the provisions on private and voluntary

1 organizations in title II of the Foreign Assistance and Re-
2 lated Programs Appropriations Act, 1985 (as enacted in
3 Public Law 98–473) shall be superseded by the provisions
4 of this section, except that the authority contained in the
5 last sentence of section 123(g) may be exercised by the
6 Administrator with regard to the requirements of this
7 paragraph.

8 Funds appropriated under title II of this Act should
9 be made available to private and voluntary organizations
10 at a level which is at least equivalent to the level provided
11 in fiscal year 1995. Such private and voluntary organiza-
12 tions shall include those which operate on a not-for-profit
13 basis, receive contributions from private sources, receive
14 voluntary support from the public and are deemed to be
15 among the most cost-effective and successful providers of
16 development assistance.

17 INTERNATIONAL DISASTER ASSISTANCE

18 For necessary expenses for international disaster re-
19 lief, rehabilitation, and reconstruction assistance pursuant
20 to section 491 of the Foreign Assistance Act of 1961, as
21 amended, \$150,000,000, to remain available until ex-
22 pended.

23 MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM

24 ACCOUNT

25 For the cost of direct loans and loan guarantees,
26 \$1,500,000, as authorized by section 108 of the Foreign

1 Assistance Act of 1961, as amended: *Provided*, That such
2 costs shall be as defined in section 502 of the Congres-
3 sional Budget Act of 1974: *Provided further*, That guaran-
4 tees of loans made under this heading in support of micro-
5 enterprise activities may guarantee up to 70 percent of
6 the principal amount of any such loans notwithstanding
7 section 108 of the Foreign Assistance Act of 1961. In ad-
8 dition, for administrative expenses to carry out programs
9 under this heading, \$500,000, all of which may be trans-
10 ferred to and merged with the appropriation for Operating
11 Expenses of the Agency for International Development:
12 *Provided further*, That funds made available under this
13 heading shall remain available until September 30, 2000.

14 URBAN AND ENVIRONMENTAL CREDIT PROGRAM

15 ACCOUNT

16 For administrative expenses to carry out guaranteed
17 loan programs, \$5,500,000, all of which may be trans-
18 ferred to and merged with the appropriation for Operating
19 Expenses of the Agency for International Development.

20 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND

21 DISABILITY FUND

22 For payment to the “Foreign Service Retirement and
23 Disability Fund”, as authorized by the Foreign Service
24 Act of 1980, \$44,552,000.

1 OPERATING EXPENSES OF THE AGENCY FOR
2 INTERNATIONAL DEVELOPMENT

3 For necessary expenses to carry out the provisions
4 of section 667, \$460,000,000: *Provided*, That none of the
5 funds appropriated by this Act for programs administered
6 by the Agency for International Development may be used
7 to finance printing costs of any report or study (except
8 feasibility, design, or evaluation reports or studies) in ex-
9 cess of \$25,000 without the approval of the Administrator
10 of the Agency or the Administrator's designee.

11 OPERATING EXPENSES OF THE AGENCY FOR INTER-
12 NATIONAL DEVELOPMENT OFFICE OF INSPECTOR
13 GENERAL

14 For necessary expenses to carry out the provisions
15 of section 667, \$31,500,000, to remain available until Sep-
16 tember 30, 2000, which sum shall be available for the Of-
17 fice of the Inspector General of the Agency for Inter-
18 national Development.

19 OTHER BILATERAL ECONOMIC ASSISTANCE
20 ECONOMIC SUPPORT FUND

21 For necessary expenses to carry out the provisions
22 of chapter 4 of part II, \$2,326,000,000, to remain avail-
23 able until September 30, 2000: *Provided*, That of the
24 funds appropriated under this heading, not to exceed
25 \$1,080,000,000 shall be available only for Israel, which
26 sum shall be available on a grant basis as a cash transfer

1 and shall be disbursed within 30 days of enactment of this
2 Act or by October 31, 1998, whichever is later: *Provided*
3 *further*, That not to exceed \$775,000,000 shall be avail-
4 able only for Egypt, which sum shall be provided on a
5 grant basis, and of which sum cash transfer assistance
6 may be provided, with the understanding that Egypt will
7 undertake significant economic reforms which are addi-
8 tional to those which were undertaken in previous fiscal
9 years: *Provided further*, That in exercising the authority
10 to provide cash transfer assistance for Israel, the Presi-
11 dent shall ensure that the level of such assistance does
12 not cause an adverse impact on the total level of non-
13 military exports from the United States to such country.

14 INTERNATIONAL FUND FOR IRELAND

15 For necessary expenses to carry out the provisions
16 of chapter 4 of part II of the Foreign Assistance Act of
17 1961, \$19,600,000, which shall be available for the United
18 States contribution to the International Fund for Ireland
19 and shall be made available in accordance with the provi-
20 sions of the Anglo-Irish Agreement Support Act of 1986
21 (Public Law 99–415): *Provided*, That such amount shall
22 be expended at the minimum rate necessary to make time-
23 ly payment for projects and activities: *Provided further*,
24 That funds made available under this heading shall re-
25 main available until September 30, 2000.

1 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
2 STATES

3 (a) For necessary expenses to carry out the provisions
4 of the Foreign Assistance Act of 1961 and the Support
5 for East European Democracy (SEED) Act of 1989,
6 \$450,000,000, to remain available until September 30,
7 2000, which shall be available, notwithstanding any other
8 provision of law, for economic assistance and for related
9 programs for Eastern Europe and the Baltic States.

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

15 (c) None of the funds appropriated under this head-
16 ing may be made available for new housing construction
17 or repair or reconstruction of existing housing in Bosnia
18 and Herzegovina unless directly related to the efforts of
19 United States troops to promote peace in said country.

20 (d) With regard to funds appropriated under this
21 heading for the economic revitalization program in Bosnia
22 and Herzegovina, and local currencies generated by such
23 funds (including the conversion of funds appropriated
24 under this heading into currency used by Bosnia and

1 Herzegovina as local currency and local currency returned
2 or repaid under such program)—

3 (1) the Administrator of the Agency for Inter-
4 national Development shall provide written approval
5 for grants and loans prior to the obligation and ex-
6 penditure of funds for such purposes, and prior to
7 the use of funds that have been returned or repaid
8 to any lending facility or grantee; and

9 (2) the provisions of section 532 of this Act
10 shall apply.

11 (e) The President is authorized to withhold funds ap-
12 propriated under this heading made available for economic
13 revitalization programs in Bosnia and Herzegovina, if he
14 determines and certifies to the Committees on Appropria-
15 tions that the Federation of Bosnia and Herzegovina has
16 not complied with article III of annex 1–A of the General
17 Framework Agreement for Peace in Bosnia and
18 Herzegovina concerning the withdrawal of foreign forces,
19 and that intelligence cooperation on training, investiga-
20 tions, and related activities between Iranian officials and
21 Bosnian officials has not been terminated.

22 (f) Not to exceed \$225,000,000 of the funds appro-
23 priated under this heading may be made available for Bos-
24 nia and Herzegovina.

1 (g) Funds appropriated under this heading or in prior
2 appropriations Acts that are or have been made available
3 for an Enterprise Fund may be deposited by such Fund
4 in interest-bearing accounts prior to the Fund's disburse-
5 ment of such funds for program purposes. The Fund may
6 retain for such program purposes any interest earned on
7 such deposits without returning such interest to the Treas-
8 ury of the United States and without further appropria-
9 tion by the Congress. Funds made available for Enterprise
10 Funds shall be expended at the minimum rate necessary
11 to make timely payment for projects and activities.

12 ASSISTANCE FOR THE NEW INDEPENDENT STATES OF
13 THE FORMER SOVIET UNION

14 (a) For necessary expenses to carry out the provisions
15 of chapter 11 of part I of the Foreign Assistance Act of
16 1961 and the FREEDOM Support Act, for assistance for
17 the new independent states of the former Soviet Union
18 and for related programs, \$590,000,000, to remain avail-
19 able until September 30, 2000: *Provided*, That the provi-
20 sions of such chapter shall apply to funds appropriated
21 by this paragraph.

22 (b) Funds appropriated under title II of this Act, in-
23 cluding funds appropriated under this heading, should be
24 made available for assistance for Mongolia at a level which
25 is at least equivalent to the level provided in fiscal year
26 1998: *Provided*, That funds made available for assistance

1 for Mongolia may be made available in accordance with
2 the purposes and utilizing the authorities provided in
3 chapter 11 of part I of the Foreign Assistance Act of
4 1961.

5 (c)(1) Of the funds appropriated under this heading
6 that are allocated for assistance for the Government of
7 Russia, 50 percent shall be withheld from obligation until
8 the President determines and certifies in writing to the
9 Committees on Appropriations that the Government of
10 Russia has terminated implementation of arrangements to
11 provide Iran with technical expertise, training, technology,
12 or equipment necessary to develop a nuclear reactor, relat-
13 ed nuclear research facilities or programs, or ballistic mis-
14 sile capability.

15 (2) Notwithstanding paragraph (1) assistance may be
16 provided for the Government of Russia if the President
17 determines and certifies to the Committees on Appropria-
18 tions that making such funds available: (A) is vital to the
19 national security interest of the United States; and (B)
20 that the Government of Russia is taking meaningful steps
21 to limit major supply contracts and to curtail the transfer
22 of technology and technological expertise related to activi-
23 ties referred to in paragraph (1).

1 (d) Not more than 25 percent of the funds appro-
2 priated under this heading may be made available for as-
3 sistance for any country in the region.

4 (e) Of the funds appropriated under this heading, not
5 less than 33 percent shall be made available for assistance
6 for the Southern Caucasus region: *Provided*, That of the
7 funds made available for the Southern Caucasus region,
8 40 percent should be used for reconstruction and other
9 activities relating to the peaceful resolution of conflicts
10 within the region, especially those in the vicinity of
11 Abkhazia and Nagorno-Karabakh: *Provided further*, That
12 funds made available to parties participating in the Minsk
13 Process under the first proviso of this subsection shall be
14 provided only to those parties which agree to participate
15 in direct or proximity negotiations without preconditions
16 to resolve conflicts in the region: *Provided further*, That
17 if the Secretary of State after May 30, 1999, determines
18 and reports to the relevant committees of Congress that
19 the full amount of funds that may be made available under
20 the first proviso cannot be effectively utilized, the amount
21 provided under the previous proviso may be used for other
22 purposes under this heading.

23 (f) Funds provided under the previous subsection
24 shall be made available for humanitarian assistance for
25 refugees, displaced persons, and needy civilians affected

1 by the conflicts in the Southern Caucasus region, includ-
2 ing those in Abkhazia and Nagorno-Karabakh, notwith-
3 standing any other provision of this or any other Act.

4 (g) section 907 of the FREEDOM Support Act shall
5 not apply to—

6 (1) activities to support democracy or assist-
7 ance under title V of the FREEDOM Support Act
8 and section 1424 of Public Law 104–201;

9 (2) any assistance provided by the Trade and
10 Development Agency under section 661 of the For-
11 eign Assistance Act of 1961 (22 U.S.C. 2421); and

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

15 (h) Funds appropriated under this heading or in
16 prior appropriations Acts that are or have been made
17 available for an Enterprise Fund may be deposited by
18 such Fund in interest-bearing accounts prior to the
19 Fund’s disbursement of such funds for program purposes.
20 The Fund may retain for such program purposes any in-
21 terest earned on such deposits without returning such in-
22 terest to the Treasury of the United States and without
23 further appropriation by the Congress. Funds made avail-
24 able for Enterprise Funds shall be expended at the mini-

1 mum rate necessary to make timely payment for projects
2 and activities.

3 INDEPENDENT AGENCIES

4 INTER-AMERICAN FOUNDATION

5 For expenses necessary to carry out the functions of
6 the Inter-American Foundation in accordance with the
7 provisions of section 401 of the Foreign Assistance Act
8 of 1969, and to make commitments without regard to fis-
9 cal year limitations, as provided by 31 U.S.C. 9104(b)(3),
10 \$20,680,000.

11 AFRICAN DEVELOPMENT FOUNDATION

12 For expenses necessary to carry out title V of the
13 International Security and Development Cooperation Act
14 of 1980, Public Law 96–533, and to make commitments
15 without regard to fiscal year limitations (31 U.S.C.
16 9104(b)(3)), \$13,160,000: *Provided*, That funds made
17 available to grantees may be invested pending expenditure
18 for project purposes when authorized by the President of
19 the Foundation: *Provided further*, That interest earned
20 shall be used only for the purposes for which the grant
21 was made: *Provided further*, That this authority applies
22 to interest earned both prior to and following enactment
23 of this provision: *Provided further*, That notwithstanding
24 section 505(a)(2) of the African Development Foundation
25 Act, in exceptional circumstances the board of directors

1 of the Foundation may waive the \$250,000 limitation con-
2 tained in that section with respect to a project: *Provided*
3 *further*, That the Foundation shall provide a report to the
4 Committees on Appropriations after each time such waiver
5 authority is exercised.

6 PEACE CORPS

7 For expenses necessary to carry out the provisions
8 of the Peace Corps Act (75 Stat. 612), \$230,000,000, in-
9 cluding the purchase of not to exceed five passenger motor
10 vehicles for administrative purposes for use outside of the
11 United States: *Provided*, That none of the funds appro-
12 priated under this heading shall be used to pay for abor-
13 tions: *Provided further*, That funds appropriated under
14 this heading shall remain available until September 30,
15 2000.

16 DEPARTMENT OF STATE

17 INTERNATIONAL NARCOTICS CONTROL

18 For necessary expenses to carry out section 481 of
19 the Foreign Assistance Act of 1961, \$275,000,000: *Pro-*
20 *vided*, That during fiscal year 1999, the Department of
21 State may also use the authority of section 608 of the
22 Act, without regard to its restrictions, to receive excess
23 property from an agency of the United States Government
24 for the purpose of providing it to a foreign country under
25 chapter 8 of part I of that Act subject to the regular noti-
26 fication procedures of the Committees on Appropriations.

1 MIGRATION AND REFUGEE ASSISTANCE

2 For expenses, not otherwise provided for, necessary
3 to enable the Secretary of State to provide, as authorized
4 by law, a contribution to the International Committee of
5 the Red Cross, assistance to refugees, including contribu-
6 tions to the International Organization for Migration and
7 the United Nations High Commissioner for Refugees, and
8 other activities to meet refugee and migration needs; sala-
9 ries and expenses of personnel and dependents as author-
10 ized by the Foreign Service Act of 1980; allowances as
11 authorized by sections 5921 through 5925 of title 5,
12 United States Code; purchase and hire of passenger motor
13 vehicles; and services as authorized by section 3109 of title
14 5, United States Code, \$640,000,000: *Provided*, That not
15 more than \$12,000,000 shall be available for administra-
16 tive expenses.

17 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
18 ASSISTANCE FUND

19 For necessary expenses to carry out the provisions
20 of section 2(c) of the Migration and Refugee Assistance
21 Act of 1962, as amended (22 U.S.C. 260(c)),
22 \$30,000,000, to remain available until expended: *Pro-*
23 *vided*, That the funds made available under this heading
24 are appropriated notwithstanding the provisions contained
25 in section 2(c)(2) of the Migration and Refugee Assistance

1 Act of 1962 which would limit the amount of funds which
2 could be appropriated for this purpose.

3 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
4 RELATED PROGRAMS

5 For necessary expenses for nonproliferation, anti-ter-
6 rorism and related programs and activities, \$152,000,000,
7 to carry out the provisions of chapter 8 of part II of the
8 Foreign Assistance Act of 1961 for anti-terrorism assist-
9 ance, section 504 of the FREEDOM Support Act for the
10 Nonproliferation and Disarmament Fund, section 23 of
11 the Arms Export Control Act or the Foreign Assistance
12 Act of 1961 for demining, the clearance of unexploded
13 ordnance, and related activities, notwithstanding any
14 other provision of law, including activities implemented
15 through nongovernmental and international organizations,
16 section 301 of the Foreign Assistance Act of 1961 for a
17 voluntary contribution to the International Atomic Energy
18 Agency (IAEA), and for a United States contribution to
19 the Comprehensive Nuclear Test Ban Treaty Preparatory
20 Commission: *Provided*, That of this amount not to exceed
21 \$15,000,000, to remain available until expended, may be
22 made available for the Nonproliferation and Disarmament
23 Fund, notwithstanding any other provision of law, to pro-
24 mote bilateral and multilateral activities relating to non-
25 proliferation and disarmament: *Provided further*, That
26 such funds may also be used for such countries other than

1 the new independent states of the former Soviet Union
2 and international organizations when it is in the national
3 security interest of the United States to do so: *Provided*
4 *further*, That such funds shall be subject to the regular
5 notification procedures of the Committees on Appropria-
6 tions: *Provided further*, That funds appropriated under
7 this heading may be made available for the International
8 Atomic Energy Agency only if the Secretary of State de-
9 termines (and so reports to the Congress) that Israel is
10 not being denied its right to participate in the activities
11 of that Agency: *Provided further*, That the Secretary of
12 State shall submit to the appropriate congressional com-
13 mittees an annual report (to be submitted with the annual
14 presentation for appropriations) providing a full and de-
15 tailed accounting of the fiscal year request for the United
16 States contribution to KEDO, the expected operating
17 budget of KEDO, to include unpaid debt, proposed annual
18 costs associated with heavy fuel oil purchases, and the
19 amount of funds pledged by other donor nations and orga-
20 nizations to support KEDO activities on a per country
21 basis, and other related activities.

22 DEPARTMENT OF THE TREASURY

23 DEBT RESTRUCTURING

24 For the cost, as defined in section 502 of the Con-
25 gressional Budget Act of 1974, of modifying direct loans

1 and loan guarantees, as the President may determine, for
2 which funds have been appropriated or otherwise made
3 available for programs within the International Affairs
4 Budget Function 150, including the cost of selling, reduc-
5 ing, or canceling amounts, through debt buybacks and
6 swaps, owed to the United States as a result of
7 concessional loans made to eligible Latin American and
8 Caribbean countries, pursuant to part IV of the Foreign
9 Assistance Act of 1961; of modifying concessional credit
10 agreements with least developed countries, as authorized
11 under section 411 of the Agricultural Trade Development
12 and Assistance Act of 1954, as amended, and concessional
13 loans, guarantees and credit agreements with any country
14 in sub-Saharan Africa, as authorized under section 572
15 of the Foreign Operations, Export Financing, and Related
16 Programs Appropriations Act, 1989 (Public Law 100–
17 461); and of modifying any obligation, or portion of such
18 obligation for Latin American countries to pay for pur-
19 chases of United States agricultural commodities guaran-
20 teed by the Commodity Credit Corporation under export
21 credit guarantee programs authorized pursuant to section
22 5(f) of the Commodity Credit Corporation Charter Act of
23 June 29, 1948, as amended, section 4(b) of the Food for
24 Peace Act of 1966, as amended (Public Law 89–808), or
25 section 202 of the Agricultural Trade Act of 1978, as

1 amended (Public Law 95–501), \$36,000,000, to remain
2 available until expended: *Provided*, That not to exceed
3 \$2,900,000 of such funds may be used for implementation
4 of improvements in the foreign credit reporting system of
5 the United States Government: *Provided further*, That the
6 authority provided by section 572 of Public Law 100–461
7 may be exercised only with respect to countries that are
8 eligible to borrow from the International Development As-
9 sociation, but not from the International Bank for Recon-
10 struction and Development, commonly referred to as
11 “IDA-only” countries.

12 TITLE III—MILITARY ASSISTANCE

13 FUNDS APPROPRIATED TO THE PRESIDENT

14 INTERNATIONAL MILITARY EDUCATION AND TRAINING

15 For necessary expenses to carry out the provisions
16 of section 541 of the Foreign Assistance Act of 1961,
17 \$50,000,000 of which up to \$1,000,000 may remain avail-
18 able until expended: *Provided*, That the civilian personnel
19 for whom military education and training may be provided
20 under this heading may include civilians who are not mem-
21 bers of a government whose participation would contribute
22 to improved civil-military relations, civilian control of the
23 military, or respect for human rights: *Provided further*,
24 That funds appropriated under this heading for grant fi-
25 nanced military education and training for Indonesia and

1 Guatemala may only be available for expanded inter-
2 national military education and training and funds made
3 available for Guatemala may only be provided through the
4 regular notification procedures of the Committees on Ap-
5 propriations: *Provided further*, That none of the funds ap-
6 propriated under this heading may be made available to
7 support grant financed military education and training at
8 the School of the Americas unless the Secretary of De-
9 fense certifies that the instruction and training provided
10 by the School of the Americas is fully consistent with
11 training and doctrine, particularly with respect to the ob-
12 servance of human rights, provided by the Department of
13 Defense to United States military students at Department
14 of Defense institutions whose primary purpose is to train
15 United States military personnel: *Provided further*, That
16 the Secretary of Defense shall submit to the Committees
17 on Appropriations, no later than January 15, 1999, a re-
18 port detailing the training activities of the School of the
19 Americas and a general assessment regarding the per-
20 formance of its graduates during 1997.

21 FOREIGN MILITARY FINANCING PROGRAM

22 For expenses necessary for grants to enable the
23 President to carry out the provisions of section 23 of the
24 Arms Export Control Act, \$3,335,910,000: *Provided*,
25 That of the funds appropriated under this heading, not
26 to exceed \$1,860,000,000 shall be available for grants only

1 for Israel, and not to exceed \$1,300,000,000 shall be made
2 available for grants only for Egypt: *Provided further*, That
3 the funds appropriated by this paragraph for Israel shall
4 be disbursed within 30 days of enactment of this Act or
5 by October 31, 1998, whichever is later: *Provided further*,
6 That to the extent that the Government of Israel requests
7 that funds be used for such purposes, grants made avail-
8 able for Israel by this paragraph shall, as agreed by Israel
9 and the United States, be available for advanced weapons
10 systems, of which not less than \$490,000,000 shall be
11 available for the procurement in Israel of defense articles
12 and defense services, including research and development:
13 *Provided further*, That during fiscal year 1999 the Presi-
14 dent is authorized to, and shall, direct drawdowns of de-
15 fense articles from the stocks of the Department of De-
16 fense, defense services of the Department of Defense, and
17 military education and training of an aggregate value of
18 not less than \$25,000,000 under the authority of this pro-
19 viso for Jordan for the purposes of part II of the Foreign
20 Assistance Act of 1961: *Provided further*, That section
21 506(c) of the Foreign Assistance Act of 1961 shall apply,
22 and section 632(d) of the Foreign Assistance Act of 1961
23 shall not apply, to any such drawdown: *Provided further*,
24 That none of the funds made available under this heading
25 shall be available for any non-NATO country participating

1 in the Partnership for Peace Program except through the
2 regular notification procedures of the Committees on Ap-
3 propriations: *Provided further*, That funds appropriated by
4 this paragraph shall be nonrepayable notwithstanding any
5 requirement in section 23 of the Arms Export Control Act:
6 *Provided further*, That funds made available under this
7 heading shall be obligated upon apportionment in accord-
8 ance with paragraph (5)(C) of title 31, United States
9 Code, section 1501(a).

10 For the cost, as defined in section 502 of the Con-
11 gressional Budget Act of 1974, of direct loans authorized
12 by section 23 of the Arms Export Control Act as follows:
13 cost of direct loans, \$20,000,000: *Provided*, That these
14 funds are available to subsidize gross obligations for the
15 principal amount of direct loans of not to exceed
16 \$167,000,000.

17 None of the funds made available under this heading
18 shall be available to finance the procurement of defense
19 articles, defense services, or design and construction serv-
20 ices that are not sold by the United States Government
21 under the Arms Export Control Act unless the foreign
22 country proposing to make such procurements has first
23 signed an agreement with the United States Government
24 specifying the conditions under which such procurements
25 may be financed with such funds: *Provided*, That all coun-

1 try and funding level increases in allocations shall be sub-
2 mitted through the regular notification procedures of sec-
3 tion 515 of this Act: *Provided further*, That none of the
4 funds appropriated under this heading shall be available
5 for Sudan and Liberia: *Provided further*, That funds made
6 available under this heading may be used, notwithstanding
7 any other provision of law, for demining, the clearance of
8 unexploded ordnance, and related activities and may in-
9 clude activities implemented through nongovernmental
10 and international organizations: *Provided further*, That
11 only those countries for which assistance was justified for
12 the “Foreign Military Sales Financing Program” in the
13 fiscal year 1989 congressional presentation for security as-
14 sistance programs may utilize funds made available under
15 this heading for procurement of defense articles, defense
16 services or design and construction services that are not
17 sold by the United States Government under the Arms
18 Export Control Act: *Provided further*, That, subject to the
19 regular notification procedures of the Committees on Ap-
20 propriations, funds made available under this heading for
21 the cost of direct loans may also be used to supplement
22 the funds available under this heading for grants, and
23 funds made available under this heading for grants may
24 also be used to supplement the funds available under this
25 heading for the cost of direct loans: *Provided further*, That

1 funds appropriated under this heading shall be expended
2 at the minimum rate necessary to make timely payment
3 for defense articles and services: *Provided further*, That
4 not more than \$29,910,000 of the funds appropriated
5 under this heading may be obligated for necessary ex-
6 penses, including the purchase of passenger motor vehicles
7 for replacement only for use outside of the United States,
8 for the general costs of administering military assistance
9 and sales: *Provided further*, That none of the funds under
10 this heading shall be available for Guatemala: *Provided*
11 *further*, That not more than \$340,000,000 of funds real-
12 ized pursuant to section 21(e)(1)(A) of the Arms Export
13 Control Act may be obligated for expenses incurred by the
14 Department of Defense during fiscal year 1999 pursuant
15 to section 43(b) of the Arms Export Control Act, except
16 that this limitation may be exceeded only through the reg-
17 ular notification procedures of the Committees on Appro-
18 priations.

19 PEACEKEEPING OPERATIONS

20 For necessary expenses to carry out the provisions
21 of section 551 of the Foreign Assistance Act of 1961,
22 \$62,250,000: *Provided*, That none of the funds appro-
23 priated under this heading shall be obligated or expended
24 except as provided through the regular notification proce-
25 dures of the Committees on Appropriations.

1 TITLE IV—MULTILATERAL ECONOMIC
2 ASSISTANCE

3 FUNDS APPROPRIATED TO THE PRESIDENT
4 INTERNATIONAL FINANCIAL INSTITUTIONS
5 CONTRIBUTION TO THE INTERNATIONAL BANK FOR
6 RECONSTRUCTION AND DEVELOPMENT

7 For payment to the International Bank for Recon-
8 struction and Development by the Secretary of the Treas-
9 ury, for the United States contribution to the Global Envi-
10 ronment Facility (GEF), \$42,500,000, to remain available
11 until September 30, 2000, which shall be available for con-
12 tributions previously due.

13 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT
14 ASSOCIATION

15 For payment to the International Development Asso-
16 ciation by the Secretary of the Treasury, \$800,000,000,
17 to remain available until expended.

18 CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT
19 BANK

20 For payment to the Inter-American Development
21 Bank by the Secretary of the Treasury, for the United
22 States share of the paid-in share portion of the increase
23 in capital stock, \$25,610,667, and for the United States
24 share of the increase in the resources of the Fund for Spe-
25 cial Operations, \$21,152,000, to remain available until ex-

1 pending, which shall be available for contributions pre-
2 viously due.

3 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

4 The United States Governor of the Inter-American
5 Development Bank may subscribe without fiscal year limi-
6 tation to the callable capital portion of the United States
7 share of such capital stock in an amount not to exceed
8 \$1,503,718,910.

9 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS
10 MULTILATERAL INVESTMENT FUND

11 For payment to the Enterprise for the Americas Mul-
12 tilateral Investment Fund by the Secretary of the Treas-
13 ury, for the United States contribution to the Fund to
14 be administered by the Inter-American Development
15 Bank, \$50,000,000 to remain available until expended,
16 which shall be available for contributions previously due.

17 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

18 For payment to the Asian Development Bank by the
19 Secretary of the Treasury for the United States share of
20 the paid-in portion of the increase in capital stock,
21 \$13,221,596, to remain available until expended.

22 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

23 The United States Governor of the Asian Develop-
24 ment Bank may subscribe without fiscal year limitation
25 to the callable capital portion of the United States share

1 of such capital stock in an amount not to exceed
2 \$647,858,204.

3 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

4 For the United States contribution by the Secretary
5 of the Treasury to the increases in resources of the Asian
6 Development Fund, as authorized by the Asian Develop-
7 ment Bank Act, as amended (Public Law 89-369),
8 \$210,000,000, to remain available until expended, of
9 which \$150,000,000 shall be available for contributions
10 previously due.

11 CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

12 For the United States contribution by the Secretary
13 of the Treasury to the increase in resources of the African
14 Development Fund, \$128,000,000, to remain available
15 until expended, of which \$88,300,000 shall be available
16 for contributions previously due.

17 CONTRIBUTION TO THE EUROPEAN BANK FOR

18 RECONSTRUCTION AND DEVELOPMENT

19 For payment to the European Bank for Reconstrec-
20 tion and Development by the Secretary of the Treasury,
21 \$35,778,717, for the United States share of the paid-in
22 portion of the increase in capital stock, to remain available
23 until expended.

24 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

25 The United States Governor of the European Bank
26 for Reconstruction and Development may subscribe with-

1 out fiscal year limitation to the callable capital portion of
2 the United States share of such capital stock in an amount
3 not to exceed \$123,237,803.

4 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

5 For necessary expenses to carry out the provisions
6 of section 301 of the Foreign Assistance Act of 1961, and
7 of section 2 of the United Nations Environment Program
8 Participation Act of 1973, \$157,250,000: *Provided*, That
9 none of the funds appropriated under this heading may
10 be made available for the United Nations Fund for
11 Science and Technology: *Provided further*, That none of
12 the funds appropriated under this heading may be made
13 available for the United Nations Population Fund
14 (UNFPA): *Provided further*, That none of the funds ap-
15 propriated under this heading may be made available for
16 the Korean Peninsula Energy Development Organization
17 (KEDO) or the International Atomic Energy Agency
18 (IAEA).

19 TITLE V—GENERAL PROVISIONS

20 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

21 SEC. 501. Except for the appropriations entitled
22 “International Disaster Assistance”, and “United States
23 Emergency Refugee and Migration Assistance Fund”, not
24 more than 15 percent of any appropriation item made
25 available by this Act shall be obligated during the last
26 month of availability.

1 PROHIBITION OF BILATERAL FUNDING FOR
2 INTERNATIONAL FINANCIAL INSTITUTIONS

3 SEC. 502. Notwithstanding section 614 of the For-
4 eign Assistance Act of 1961, as amended, none of the
5 funds contained in title II of this Act may be used to carry
6 out the provisions of section 209(d) of the Foreign Assist-
7 ance Act of 1961.

8 LIMITATION ON RESIDENCE EXPENSES

9 SEC. 503. Of the funds appropriated or made avail-
10 able pursuant to this Act, not to exceed \$126,500 shall
11 be for official residence expenses of the Agency for Inter-
12 national Development during the current fiscal year: *Pro-*
13 *vided*, That appropriate steps shall be taken to assure
14 that, to the maximum extent possible, United States-
15 owned foreign currencies are utilized in lieu of dollars.

16 LIMITATION ON EXPENSES

17 SEC. 504. Of the funds appropriated or made avail-
18 able pursuant to this Act, not to exceed \$5,000 shall be
19 for entertainment expenses of the Agency for International
20 Development during the current fiscal year.

21 LIMITATION ON REPRESENTATIONAL ALLOWANCES

22 SEC. 505. Of the funds appropriated or made avail-
23 able pursuant to this Act, not to exceed \$95,000 shall be
24 available for representation allowances for the Agency for
25 International Development during the current fiscal year:
26 *Provided*, That appropriate steps shall be taken to assure

1 that, to the maximum extent possible, United States-
2 owned foreign currencies are utilized in lieu of dollars:
3 *Provided further*, That of the funds made available by this
4 Act for general costs of administering military assistance
5 and sales under the heading “Foreign Military Financing
6 Program”, not to exceed \$2,000 shall be available for en-
7 tertainment expenses and not to exceed \$50,000 shall be
8 available for representation allowances: *Provided further*,
9 That of the funds made available by this Act under the
10 heading “International Military Education and Train-
11 ing”, not to exceed \$50,000 shall be available for enter-
12 tainment allowances: *Provided further*, That of the funds
13 made available by this Act for the Inter-American Foun-
14 dation, not to exceed \$2,000 shall be available for enter-
15 tainment and representation allowances: *Provided further*,
16 That of the funds made available by this Act for the Peace
17 Corps, not to exceed a total of \$4,000 shall be available
18 for entertainment expenses: *Provided further*, That of the
19 funds made available by this Act under the heading
20 “Trade and Development Agency”, not to exceed \$2,000
21 shall be available for representation and entertainment al-
22 lowances.

23 PROHIBITION ON FINANCING NUCLEAR GOODS

24 SEC. 506. None of the funds appropriated or made
25 available (other than funds for “Nonproliferation, Anti-
26 terrorism, Demining and Related Programs”) pursuant to

1 this Act, for carrying out the Foreign Assistance Act of
2 1961, may be used, except for purposes of nuclear safety,
3 to finance the export of nuclear equipment, fuel, or tech-
4 nology.

5 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
6 COUNTRIES

7 SEC. 507. None of the funds appropriated or other-
8 wise made available pursuant to this Act shall be obligated
9 or expended to finance directly any assistance or repara-
10 tions to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or
11 Syria: *Provided*, That for purposes of this section, the pro-
12 hibition on obligations or expenditures shall include direct
13 loans, credits, insurance and guarantees of the Export-Im-
14 port Bank or its agents.

15 MILITARY COUPS

16 SEC. 508. None of the funds appropriated or other-
17 wise made available pursuant to this Act shall be obligated
18 or expended to finance directly any assistance to any coun-
19 try whose duly elected head of government is deposed by
20 military coup or decree: *Provided*, That assistance may be
21 resumed to such country if the President determines and
22 reports to the Committees on Appropriations that subse-
23 quent to the termination of assistance a democratically
24 elected government has taken office.

1 TRANSFERS BETWEEN ACCOUNTS

2 SEC. 509. None of the funds made available by this
3 Act may be obligated under an appropriation account to
4 which they were not appropriated, except for transfers
5 specifically provided for in this Act, unless the President,
6 prior to the exercise of any authority contained in the For-
7 eign Assistance Act of 1961 to transfer funds, consults
8 with and provides a written policy justification to the
9 Committees on Appropriations of the House of Represent-
10 atives and the Senate: *Provided*, That the exercise of such
11 authority shall be subject to the regular notification proce-
12 dures of the Committees on Appropriations.

13 DEOBLIGATION/REOBLIGATION AUTHORITY

14 SEC. 510. (a) Amounts certified pursuant to section
15 1311 of the Supplemental Appropriations Act, 1955, as
16 having been obligated against appropriations heretofore
17 made under the authority of the Foreign Assistance Act
18 of 1961 for the same general purpose as any of the head-
19 ings under title II of this Act are, if deobligated, hereby
20 continued available for the same period as the respective
21 appropriations under such headings or until September
22 30, 1999, whichever is later, and for the same general pur-
23 pose, and for countries within the same region as origi-
24 nally obligated: *Provided*, That the Appropriations Com-
25 mittees of both Houses of the Congress are notified 15
26 days in advance of the reobligation of such funds in ac-

1 cordance with regular notification procedures of the Com-
2 mittees on Appropriations.

3 (b) Obligated balances of funds appropriated to carry
4 out section 23 of the Arms Export Control Act as of the
5 end of the fiscal year immediately preceding the current
6 fiscal year are, if deobligated, hereby continued available
7 during the current fiscal year for the same purpose under
8 any authority applicable to such appropriations under this
9 Act: *Provided*, That the authority of this subsection may
10 not be used in fiscal year 1999.

11 AVAILABILITY OF FUNDS

12 SEC. 511. No part of any appropriation contained in
13 this Act shall remain available for obligation after the ex-
14 piration of the current fiscal year unless expressly so pro-
15 vided in this Act: *Provided*, That funds appropriated for
16 the purposes of chapters 1, 8, and 11 of part I, section
17 667, and chapter 4 of part II of the Foreign Assistance
18 Act of 1961, as amended, and funds provided under the
19 heading “Assistance for Eastern Europe and the Baltic
20 States”, shall remain available until expended if such
21 funds are initially obligated before the expiration of their
22 respective periods of availability contained in this Act:
23 *Provided further*, That, notwithstanding any other provi-
24 sion of this Act, any funds made available for the purposes
25 of chapter 1 of part I and chapter 4 of part II of the
26 Foreign Assistance Act of 1961 which are allocated or ob-

1 ligated for cash disbursements in order to address balance
 2 of payments or economic policy reform objectives, shall re-
 3 main available until expended: *Provided further*, That the
 4 report required by section 653(a) of the Foreign Assist-
 5 ance Act of 1961 shall designate for each country, to the
 6 extent known at the time of submission of such report,
 7 those funds allocated for cash disbursement for balance
 8 of payment and economic policy reform purposes.

9 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

10 SEC. 512. No part of any appropriation contained in
 11 this Act shall be used to furnish assistance to any country
 12 which is in default during a period in excess of one cal-
 13 endar year in payment to the United States of principal
 14 or interest on any loan made to such country by the
 15 United States pursuant to a program for which funds are
 16 appropriated under this Act: *Provided*, That this section
 17 and section 620(q) of the Foreign Assistance Act of 1961
 18 shall not apply to funds made available in this Act or dur-
 19 ing the current fiscal year for Nicaragua, Brazil, the
 20 Democratic Republic of Congo, and Liberia, and for any
 21 narcotics-related assistance for Colombia, Bolivia, and
 22 Peru authorized by the Foreign Assistance Act of 1961
 23 or the Arms Export Control Act.

24 COMMERCE AND TRADE

25 SEC. 513. (a) None of the funds appropriated or
 26 made available pursuant to this Act for direct assistance

1 and none of the funds otherwise made available pursuant
2 to this Act to the Export-Import Bank and the Overseas
3 Private Investment Corporation shall be obligated or ex-
4 pended to finance any loan, any assistance or any other
5 financial commitments for establishing or expanding pro-
6 duction of any commodity for export by any country other
7 than the United States, if the commodity is likely to be
8 in surplus on world markets at the time the resulting pro-
9 ductive capacity is expected to become operative and if the
10 assistance will cause substantial injury to United States
11 producers of the same, similar, or competing commodity:
12 *Provided*, That such prohibition shall not apply to the Ex-
13 port-Import Bank if in the judgment of its Board of Direc-
14 tors the benefits to industry and employment in the
15 United States are likely to outweigh the injury to United
16 States producers of the same, similar, or competing com-
17 modity, and the Chairman of the Board so notifies the
18 Committees on Appropriations.

19 (b) None of the funds appropriated by this or any
20 other Act to carry out chapter 1 of part I of the Foreign
21 Assistance Act of 1961 shall be available for any testing
22 or breeding feasibility study, variety improvement or intro-
23 duction, consultancy, publication, conference, or training
24 in connection with the growth or production in a foreign
25 country of an agricultural commodity for export which

1 would compete with a similar commodity grown or pro-
2 duced in the United States: *Provided*, That this subsection
3 shall not prohibit—

4 (1) activities designed to increase food security
5 in developing countries where such activities will not
6 have a significant impact in the export of agricul-
7 tural commodities of the United States; or

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

10 SURPLUS COMMODITIES

11 SEC. 514. The Secretary of the Treasury shall in-
12 struct the United States Executive Directors of the Inter-
13 national Bank for Reconstruction and Development, the
14 International Development Association, the International
15 Finance Corporation, the Inter-American Development
16 Bank, the International Monetary Fund, the Asian Devel-
17 opment Bank, the Inter-American Investment Corpora-
18 tion, the North American Development Bank, the Euro-
19 pean Bank for Reconstruction and Development, the Afri-
20 can Development Bank, and the African Development
21 Fund to use the voice and vote of the United States to
22 oppose any assistance by these institutions, using funds
23 appropriated or made available pursuant to this Act, for
24 the production or extraction of any commodity or mineral
25 for export, if it is in surplus on world markets and if the

1 assistance will cause substantial injury to United States
 2 producers of the same, similar, or competing commodity.

3 NOTIFICATION REQUIREMENTS

4 SEC. 515. (a) For the purposes of providing the exec-
 5 utive branch with the necessary administrative flexibility,
 6 none of the funds made available under this Act for “Child
 7 Survival and Disease Programs Fund”, “Development as-
 8 sistance”, “International Organizations and Programs”,
 9 “Trade and Development Agency”, “International narcot-
 10 ics control”, “Assistance for Eastern Europe and the Bal-
 11 tic States”, “Assistance for the New Independent States
 12 of the Former Soviet Union”, “Economic Support Fund”,
 13 “Peacekeeping operations”, “Operating expenses of the
 14 Agency for International Development”, “Operating ex-
 15 penses of the Agency for International Development Office
 16 of Inspector General”, “Nonproliferation, anti-terrorism,
 17 demining and related programs”, “Foreign Military Fi-
 18 nancing Program”, “International military education and
 19 training”, “Peace Corps”, “Migration and refugee assist-
 20 ance”, shall be available for obligation for activities, pro-
 21 grams, projects, type of materiel assistance, countries, or
 22 other operations not justified or in excess of the amount
 23 justified to the Appropriations Committees for obligation
 24 under any of these specific headings unless the Appropria-
 25 tions Committees of both Houses of Congress are pre-
 26 viously notified 15 days in advance: *Provided*, That the

1 President shall not enter into any commitment of funds
2 appropriated for the purposes of section 23 of the Arms
3 Export Control Act for the provision of major defense
4 equipment, other than conventional ammunition, or other
5 major defense items defined to be aircraft, ships, missiles,
6 or combat vehicles, not previously justified to Congress or
7 20 percent in excess of the quantities justified to Congress
8 unless the Committees on Appropriations are notified 15
9 days in advance of such commitment: *Provided further*,
10 That this section shall not apply to any reprogramming
11 for an activity, program, or project under chapter 1 of
12 part I of the Foreign Assistance Act of 1961 of less than
13 10 percent of the amount previously justified to the Con-
14 gress for obligation for such activity, program, or project
15 for the current fiscal year: *Provided further*, That the re-
16 quirements of this section or any similar provision of this
17 Act or any other Act, including any prior Act requiring
18 notification in accordance with the regular notification
19 procedures of the Committees on Appropriations, may be
20 waived if failure to do so would pose a substantial risk
21 to human health or welfare: *Provided further*, That in case
22 of any such waiver, notification to the Congress, or the
23 appropriate congressional committees, shall be provided as
24 early as practicable, but in no event later than three days
25 after taking the action to which such notification require-

1 ment was applicable, in the context of the circumstances
2 necessitating such waiver: *Provided further*, That any noti-
3 fication provided pursuant to such a waiver shall contain
4 an explanation of the emergency circumstances.

5 (b) Drawdowns made pursuant to section 506(a)(2)
6 of the Foreign Assistance Act of 1961 shall be subject to
7 the regular notification procedures of the Committees on
8 Appropriations.

9 LIMITATION ON AVAILABILITY OF FUNDS FOR
10 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

11 SEC. 516. Notwithstanding any other provision of law
12 or of this Act, none of the funds provided for “Inter-
13 national Organizations and Programs” shall be available
14 for the United States proportionate share, in accordance
15 with section 307(c) of the Foreign Assistance Act of 1961,
16 for any programs identified in section 307, or for Libya,
17 Iran, or, at the discretion of the President, Communist
18 countries listed in section 620(f) of the Foreign Assist-
19 ance Act of 1961, as amended: *Provided*, That, subject
20 to the regular notification procedures of the Committees
21 on Appropriations, funds appropriated under this Act or
22 any previously enacted Act making appropriations for for-
23 eign operations, export financing, and related programs,
24 which are returned or not made available for organizations
25 and programs because of the implementation of this sec-

tion or any similar provision of law, shall remain available for obligation through September 30, 2000.

NEW INDEPENDENT STATES OF THE FORMER SOVIET
UNION

SEC. 517. (a) ECONOMIC REFORMS.—None of the funds appropriated under the heading “Assistance for the New Independent States of the Former Soviet Union” shall be made available for assistance for the Government of Russia—

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

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

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

(b) None of the funds appropriated under the heading “Assistance for the New Independent States of the Former Soviet Union” shall be made available to any government of the new independent states of the former So-

1 viet Union if that government directs any action in viola-
2 tion of the territorial integrity or national sovereignty of
3 any other new independent state, such as those violations
4 included in the Helsinki Final Act: *Provided*, That such
5 funds may be made available without regard to the restric-
6 tion in this subsection if the President determines that
7 to do so is in the national security interest of the United
8 States: *Provided further*, That the restriction of this sub-
9 section shall not apply to the use of such funds for the
10 provision of assistance for purposes of humanitarian and
11 refugee relief.

12 (c) None of the funds appropriated under the heading
13 “Assistance for the New Independent States of the
14 Former Soviet Union” shall be made available for any
15 state to enhance its military capability: *Provided*, That
16 this restriction shall not apply to demilitarization,
17 demining, or nonproliferation programs.

18 (d) Funds appropriated under the heading “Assist-
19 ance for the New Independent States of the Former Soviet
20 Union” shall be subject to the regular notification proce-
21 dures of the Committees on Appropriations.

22 (e) Funds made available in this Act for assistance
23 to the new independent states of the former Soviet Union
24 shall be subject to the provisions of section 117 (relating

1 to environment and natural resources) of the Foreign As-
2 sistance Act of 1961.

3 (f) In issuing new task orders, entering into con-
4 tracts, or making grants, with funds appropriated under
5 the heading “Assistance for the New Independent States
6 of the Former Soviet Union” in this Act or in prior appro-
7 priations Acts, for projects or activities that have as one
8 of their primary purposes the fostering of private sector
9 development, the Coordinator for United States Assistance
10 to the New Independent States and the implementing
11 agency shall encourage the participation of and give sig-
12 nificant weight to contractors and grantees who propose
13 investing a significant amount of their own resources (in-
14 cluding volunteer services and in-kind contributions) in
15 such projects and activities.

16 PROHIBITION ON FUNDING FOR ABORTIONS AND
17 INVOLUNTARY STERILIZATION

18 SEC. 518. None of the funds made available to carry
19 out part I of the Foreign Assistance Act of 1961, as
20 amended, may be used to pay for the performance of abor-
21 tions as a method of family planning or to motivate or
22 coerce any person to practice abortions. None of the funds
23 made available to carry out part I of the Foreign Assist-
24 ance Act of 1961, as amended, may be used to pay for
25 the performance of involuntary sterilization as a method
26 of family planning or to coerce or provide any financial

1 incentive to any person to undergo sterilizations. None of
2 the funds made available to carry out part I of the Foreign
3 Assistance Act of 1961, as amended, may be used to pay
4 for any biomedical research which relates in whole or in
5 part, to methods of, or the performance of, abortions or
6 involuntary sterilization as a means of family planning.
7 None of the funds made available to carry out part I of
8 the Foreign Assistance Act of 1961, as amended, may be
9 obligated or expended for any country or organization if
10 the President certifies that the use of these funds by any
11 such country or organization would violate any of the
12 above provisions related to abortions and involuntary steri-
13 lizations: *Provided*, That none of the funds made available
14 under this Act may be used to lobby for or against abor-
15 tion.

16 FOREIGN ORGANIZATIONS THAT PERFORM OR PROMOTE
17 ABORTION OVERSEAS; FORCED ABORTION IN THE
18 PEOPLE'S REPUBLIC OF CHINA

19 SEC. 518A. (a) section 104 of the Foreign Assistance
20 Act of 1961 is amended by adding at the end the following
21 new subsection:

22 “(h) RESTRICTIONS ON ASSISTANCE TO FOREIGN
23 ORGANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE
24 ABORTIONS.—

25 “(1) PERFORMANCE OF ABORTIONS.—

1 “(A) Notwithstanding section 614 of this
2 Act or any other provision of law, no funds ap-
3 propriated for population planning activities or
4 other population assistance may be made avail-
5 able for any foreign private, nongovernmental,
6 or multilateral organization until the organiza-
7 tion certifies that it will not, during the period
8 for which the funds are made available, perform
9 abortions in any foreign country, except where
10 the life of the mother would be endangered if
11 the pregnancy were carried to term or in cases
12 of forcible rape or incest.

13 “(B) Subparagraph (A) may not be con-
14 strued to apply to the treatment of injuries or
15 illnesses caused by legal or illegal abortions or
16 to assistance provided directly to the govern-
17 ment of a country.

18 “(2) LOBBYING ACTIVITIES.—

19 “(A) Notwithstanding section 614 of this
20 Act or any other provision of law, no funds ap-
21 propriated for population planning activities or
22 other population assistance may be made avail-
23 able for any foreign private, nongovernmental,
24 or multilateral organization until the organiza-
25 tion certifies that it will not, during the period

1 for which the funds are made available, violate
2 the laws of any foreign country concerning the
3 circumstances under which abortion is per-
4 mitted, regulated, or prohibited, or engage in
5 any activity or effort to alter the laws or gov-
6 ernmental policies of any foreign country con-
7 cerning the circumstances under which abortion
8 is permitted, regulated, or prohibited.

9 “(B) Subparagraph (A) shall not apply to
10 activities in opposition to coercive abortion or
11 involuntary sterilization.

12 “(3) APPLICATION TO FOREIGN ORGANIZA-
13 TIONS.—The prohibitions of this subsection apply to
14 funds made available to a foreign organization either
15 directly or as a subcontractor or subgrantee, and the
16 certifications required by paragraphs (1) and (2)
17 apply to activities in which the organization engages
18 either directly or through a subcontractor or sub-
19 grantee.

20 “(4) DEFINITION.—As used in this section, the
21 term ‘activity or effort to alter the laws or govern-
22 mental policies of any foreign country concerning the
23 circumstances under which abortion is permitted,
24 regulated, or prohibited’ includes not only overt lob-
25 bying for such changes, but also such other activities

1 as sponsoring, rather than merely attending, con-
2 ferences and workshops on the alleged defects in the
3 abortion laws, as well the drafting and distribution
4 of materials or public statements calling attention to
5 such alleged defects.”.

6 (b) section 301 of the Foreign Assistance Act of 1961
7 is amended by adding at the end the following new sub-
8 section:

9 “(i) LIMITATION RELATING TO FORCED ABORTIONS
10 IN THE PEOPLE’S REPUBLIC OF CHINA.—Notwithstand-
11 ing section 614 of this Act or any other provision of law,
12 no funds may be made available for the United Nations
13 Population Fund (UNFPA) in any fiscal year unless the
14 President certifies that—

15 “(1) UNFPA has terminated all activities in
16 the People’s Republic of China, and the United
17 States has received assurances that UNFPA will
18 conduct no such activities during the fiscal year for
19 which the funds are to be made available; or

20 “(2) during the 12 months preceding such cer-
21 tification there have been no abortions as the result
22 of coercion associated with the family planning poli-
23 cies of the national government or other govern-
24 mental entities within the People’s Republic of
25 China. As used in this section, the term ‘coercion’

1 includes physical duress or abuse, destruction or
 2 confiscation of property, loss of means of livelihood,
 3 or severe psychological pressure.”.

4 (c) The President may waive the provisions of section
 5 104(h)(1) of the Foreign Assistance Act of 1961, as
 6 amended, pertaining to population assistance to foreign
 7 organizations that perform abortions in foreign countries,
 8 for any fiscal year: *Provided*, That if the President exer-
 9 cises the waiver provided by this subsection for any fiscal
 10 year, not to exceed \$356,000,000 may be made available
 11 for population planning activities or other population as-
 12 sistance for such fiscal year: *Provided further*, That the
 13 limitation in the previous proviso includes all funds for
 14 programs and activities designed to control fertility or to
 15 reduce or delay childbirths or pregnancies, irrespective of
 16 the heading under which such funds are made available.

17 EXCESS DEFENSE ARTICLES FOR CENTRAL EUROPEAN
 18 COUNTRIES

19 SEC. 519. section 105 of Public Law 104–164 (110
 20 Stat. 1427) is amended by striking “1996 and 1997” and
 21 inserting “1999 and 2000”.

22 SPECIAL NOTIFICATION REQUIREMENTS

23 SEC. 520. None of the funds appropriated by this Act
 24 shall be obligated or expended for Colombia, Honduras,
 25 Haiti, Liberia, Pakistan, Panama, Peru, Serbia, Sudan,
 26 or the Democratic Republic of Congo except as provided

1 through the regular notification procedures of the Com-
2 mittees on Appropriations.

3 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

4 SEC. 521. For the purpose of this Act, “program,
5 project, and activity” shall be defined at the appropria-
6 tions Act account level and shall include all appropriations
7 and authorizations Acts earmarks, ceilings, and limita-
8 tions with the exception that for the following accounts:
9 Economic Support Fund and Foreign Military Financing
10 Program, “program, project, and activity” shall also be
11 considered to include country, regional, and central pro-
12 gram level funding within each such account; for the devel-
13 opment assistance accounts of the Agency for Inter-
14 national Development “program, project, and activity”
15 shall also be considered to include central program level
16 funding, either as: (1) justified to the Congress; or (2)
17 allocated by the executive branch in accordance with a re-
18 port, to be provided to the Committees on Appropriations
19 within 30 days of enactment of this Act, as required by
20 section 653(a) of the Foreign Assistance Act of 1961.

21 CHILD SURVIVAL, AIDS, AND OTHER ACTIVITIES

22 SEC. 522. Up to \$10,000,000 of the funds made
23 available by this Act for assistance for family planning,
24 health, child survival, basic education, and AIDS, may be
25 used to reimburse United States Government agencies,
26 agencies of State governments, institutions of higher

1 learning, and private and voluntary organizations for the
2 full cost of individuals (including for the personal services
3 of such individuals) detailed or assigned to, or contracted
4 by, as the case may be, the Agency for International De-
5 velopment for the purpose of carrying out family planning
6 activities, child survival, and basic education activities,
7 and activities relating to research on, and the treatment
8 and control of acquired immune deficiency syndrome in
9 developing countries: *Provided*, That funds appropriated
10 by this Act that are made available for child survival and
11 disease programs activities may be made available not-
12 withstanding any provision of law that restricts assistance
13 to foreign countries: *Provided further*, That funds appro-
14 priated under title II of this Act may be made available
15 pursuant to section 301 of the Foreign Assistance Act of
16 1961 if a primary purpose of the assistance is for child
17 survival and related programs: *Provided further*, That
18 funds appropriated by this Act that are made available
19 for family planning activities may be made available not-
20 withstanding section 512 of this Act and section 620(q)
21 of the Foreign Assistance Act of 1961.

22 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN
23 COUNTRIES

24 SEC. 523. None of the funds appropriated or other-
25 wise made available pursuant to this Act shall be obligated
26 to finance indirectly any assistance or reparations to

1 Cuba, Iraq, Libya, Iran, Syria, North Korea, or the Peo-
2 ple's Republic of China, unless the President of the United
3 States certifies that the withholding of these funds is con-
4 trary to the national interest of the United States.

5 RECIPROCAL LEASING

6 SEC. 524. section 61(a) of the Arms Export Control
7 Act is amended by striking out "1998" and inserting in
8 lieu thereof "1999".

9 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

10 SEC. 525. Prior to providing excess Department of
11 Defense articles in accordance with section 516(a) of the
12 Foreign Assistance Act of 1961, the Department of De-
13 fense shall notify the Committees on Appropriations to the
14 same extent and under the same conditions as are other
15 committees pursuant to subsection (c) of that section: *Pro-*
16 *vided*, That before issuing a letter of offer to sell excess
17 defense articles under the Arms Export Control Act, the
18 Department of Defense shall notify the Committees on
19 Appropriations in accordance with the regular notification
20 procedures of such Committees: *Provided further*, That
21 such Committees shall also be informed of the original ac-
22 quisition cost of such defense articles.

23 AUTHORIZATION REQUIREMENT

24 SEC. 526. Funds appropriated by this Act may be
25 obligated and expended notwithstanding section 10 of

1 Public Law 91–672 and section 15 of the State Depart-
2 ment Basic Authorities Act of 1956.

3 DEMOCRACY IN CHINA

4 SEC. 527. Notwithstanding any other provision of law
5 that restricts assistance to foreign countries, funds appro-
6 priated by this Act for “Economic Support Fund” may
7 be made available to provide general support for non-
8 governmental organizations located outside the People’s
9 Republic of China that have as their primary purpose fos-
10 tering democracy in that country, and for activities of non-
11 governmental organizations located outside the People’s
12 Republic of China to foster democracy in that country:
13 *Provided*, That none of the funds made available for activi-
14 ties to foster democracy in the People’s Republic of China
15 may be made available for assistance to the government
16 of that country.

17 COMMERCIAL LEASING OF DEFENSE ARTICLES

18 SEC. 528. Notwithstanding any other provision of
19 law, and subject to the regular notification procedures of
20 the Committees on Appropriations, the authority of sec-
21 tion 23(a) of the Arms Export Control Act may be used
22 to provide financing to Israel, Egypt and NATO and
23 major non-NATO allies for the procurement by leasing
24 (including leasing with an option to purchase) of defense
25 articles from United States commercial suppliers, not in-
26 cluding Major Defense Equipment (other than helicopters

1 and other types of aircraft having possible civilian applica-
2 tion), if the President determines that there are compel-
3 ling foreign policy or national security reasons for those
4 defense articles being provided by commercial lease rather
5 than by government-to-government sale under such Act.

6 COMPETITIVE INSURANCE

7 SEC. 529. All Agency for International Development
8 contracts and solicitations, and subcontracts entered into
9 under such contracts, shall include a clause requiring that
10 United States insurance companies have a fair oppor-
11 tunity to bid for insurance when such insurance is nec-
12 essary or appropriate.

13 STINGERS IN THE PERSIAN GULF REGION

14 SEC. 530. Except as provided in section 581 of the
15 Foreign Operations, Export Financing, and Related Pro-
16 grams Appropriations Act, 1990, the United States may
17 not sell or otherwise make available any Stingers to any
18 country bordering the Persian Gulf under the Arms Ex-
19 port Control Act or chapter 2 of part II of the Foreign
20 Assistance Act of 1961.

21 DEBT-FOR-DEVELOPMENT

22 SEC. 531. In order to enhance the continued partici-
23 pation of nongovernmental organizations in economic as-
24 sistance activities under the Foreign Assistance Act of
25 1961, including endowments, debt-for-development and
26 debt-for-nature exchanges, a nongovernmental organiza-

tion which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapter 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

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

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

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

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

1 (C) establish by agreement with that govern-
2 ment the responsibilities of the Agency for Inter-
3 national Development and that government to mon-
4 itor and account for deposits into and disbursements
5 from the separate account.

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

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

14 (i) project and sector assistance activities;
15 or

16 (ii) debt and deficit financing; or

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

19 (3) PROGRAMMING ACCOUNTABILITY.—The Agency
20 for International Development shall take all necessary
21 steps to ensure that the equivalent of the local currencies
22 disbursed pursuant to subsection (a)(2)(A) from the sepa-
23 rate account established pursuant to subsection (a)(1) are
24 used for the purposes agreed upon pursuant to subsection
25 (a)(2).

1 (4) TERMINATION OF ASSISTANCE PROGRAMS.—

2 Upon termination of assistance to a country under chapter
3 1 or 10 of part I or chapter 4 of part II (as the case
4 may be), any unencumbered balances of funds which re-
5 main in a separate account established pursuant to sub-
6 section (a) shall be disposed of for such purposes as may
7 be agreed to by the government of that country and the
8 United States Government.

9 (5) CONFORMING AMENDMENTS.—The provisions of
10 this subsection shall supersede the tenth and eleventh pro-
11 visos contained under the heading “Sub-Saharan Africa,
12 Development Assistance” as included in the Foreign Oper-
13 ations, Export Financing, and Related Programs Appro-
14 priations Act, 1989 and sections 531(d) and 609 of the
15 Foreign Assistance Act of 1961.

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

1 (b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—

2 (1) If assistance is made available to the government of
3 a foreign country, under chapter 1 or 10 of part I or chap-
4 ter 4 of part II of the Foreign Assistance Act of 1961,
5 as cash transfer assistance or as nonproject sector assist-
6 ance, that country shall be required to maintain such
7 funds in a separate account and not commingle them with
8 any other funds.

9 (2) APPLICABILITY OF OTHER PROVISIONS OF
10 LAW.—Such funds may be obligated and expended not-
11 withstanding provisions of law which are inconsistent with
12 the nature of this assistance including provisions which
13 are referenced in the Joint Explanatory Statement of the
14 Committee of Conference accompanying House Joint Res-
15 olution 648 (H. Report No. 98–1159).

16 (3) NOTIFICATION.—At least 15 days prior to obli-
17 gating any such cash transfer or nonproject sector assist-
18 ance, the President shall submit a notification through the
19 regular notification procedures of the Committees on Ap-
20 propriations, which shall include a detailed description of
21 how the funds proposed to be made available will be used,
22 with a discussion of the United States interests that will
23 be served by the assistance (including, as appropriate, a
24 description of the economic policy reforms that will be pro-
25 moted by such assistance).

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

5 COMPENSATION FOR UNITED STATES EXECUTIVE
 6 DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

7 SEC. 533. (a) No funds appropriated by this Act may
 8 be made as payment to any international financial institu-
 9 tion while the United States Executive Director to such
 10 institution is compensated by the institution at a rate
 11 which, together with whatever compensation such Director
 12 receives from the United States, is in excess of the rate
 13 provided for an individual occupying a position at level IV
 14 of the Executive Schedule under section 5315 of title 5,
 15 United States Code, or while any alternate United States
 16 Director to such institution is compensated by the institu-
 17 tion at a rate in excess of the rate provided for an individ-
 18 ual occupying a position at level V of the Executive Sched-
 19 ule under section 5316 of title 5, United States Code.

20 (b) For purposes of this section, “international finan-
 21 cial institutions” are: the International Bank for Recon-
 22 struction and Development, the Inter-American Develop-
 23 ment Bank, the Asian Development Bank, the Asian De-
 24 velopment Fund, the African Development Bank, the Afri-
 25 can Development Fund, the International Monetary Fund,

1 the North American Development Bank, and the Euro-
2 pean Bank for Reconstruction and Development.

3 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST
4 IRAQ

5 SEC. 534. None of the funds appropriated or other-
6 wise made available pursuant to this Act to carry out the
7 Foreign Assistance Act of 1961 (including title IV of
8 chapter 2 of part I, relating to the Overseas Private In-
9 vestment Corporation) or the Arms Export Control Act
10 may be used to provide assistance to any country that is
11 not in compliance with the United Nations Security Coun-
12 cil sanctions against Iraq unless the President determines
13 and so certifies to the Congress that—

14 (1) such assistance is in the national interest of
15 the United States;

16 (2) such assistance will directly benefit the
17 needy people in that country; or

18 (3) the assistance to be provided will be human-
19 itarian assistance for foreign nationals who have fled
20 Iraq and Kuwait.

21 COMPETITIVE PRICING FOR SALES OF DEFENSE

22 ARTICLES

23 SEC. 535. Direct costs associated with meeting a for-
24 eign customer's additional or unique requirements will
25 continue to be allowable under contracts under section
26 22(d) of the Arms Export Control Act. Loadings applica-

1 ble to such direct costs shall be permitted at the same
2 rates applicable to procurement of like items purchased
3 by the Department of Defense for its own use.

4 AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-
5 ICAN FOUNDATION AND THE AFRICAN DEVELOP-
6 MENT FOUNDATION

7 SEC. 536. Unless expressly provided to the contrary,
8 provisions of this or any other Act, including provisions
9 contained in prior Acts authorizing or making appropria-
10 tions for foreign operations, export financing, and related
11 programs, shall not be construed to prohibit activities au-
12 thorized by or conducted under the Peace Corps Act, the
13 Inter-American Foundation Act, or the African Develop-
14 ment Foundation Act. The appropriate agency shall
15 promptly report to the Committees on Appropriations
16 whenever it is conducting activities or is proposing to con-
17 duct activities in a country for which assistance is prohib-
18 ited.

19 IMPACT ON JOBS IN THE UNITED STATES

20 SEC. 537. None of the funds appropriated by this Act
21 may be obligated or expended to provide—

22 (1) any financial incentive to a business enter-
23 prise currently located in the United States for the
24 purpose of inducing such an enterprise to relocate
25 outside the United States if such incentive or in-
26 ducement is likely to reduce the number of employ-

1 ees of such business enterprise in the United States
2 because United States production is being replaced
3 by such enterprise outside the United States;

4 (2) assistance for the purpose of establishing or
5 developing in a foreign country any export process-
6 ing zone or designated area in which the tax, tariff,
7 labor, environment, and safety laws of that country
8 do not apply, in part or in whole, to activities car-
9 ried out within that zone or area, unless the Presi-
10 dent determines and certifies that such assistance is
11 not likely to cause a loss of jobs within the United
12 States; or

13 (3) assistance for any project or activity that
14 contributes to the violation of internationally recog-
15 nized workers rights, as defined in section 502(a)(4)
16 of the Trade Act of 1974, of workers in the recipient
17 country, including any designated zone or area in
18 that country: *Provided*, That in recognition that the
19 application of this subsection should be commensu-
20 rate with the level of development of the recipient
21 country and sector, the provisions of this subsection
22 shall not preclude assistance for the informal sector
23 in such country, micro and small-scale enterprise,
24 and smallholder agriculture.

SPECIAL AUTHORITIES

1

2 SEC. 538. (a) Funds appropriated in titles I and II
3 of this Act that are made available for Afghanistan, Leb-
4 anon, Montenegro, and for victims of war, displaced chil-
5 dren, displaced Burmese, humanitarian assistance for Ro-
6 mania, and humanitarian assistance for the peoples of
7 Bosnia and Herzegovina, Croatia, and Kosova, may be
8 made available notwithstanding any other provision of law.

9 (b) Funds appropriated by this Act to carry out the
10 provisions of sections 103 through 106 of the Foreign As-
11 sistance Act of 1961 may be used, notwithstanding any
12 other provision of law, for the purpose of supporting bio-
13 diversity conservation activities: *Provided*, That such as-
14 sistance shall be subject to sections 116, 502B, and 620A
15 of the Foreign Assistance Act of 1961.

16 (c) The Agency for International Development may
17 employ personal services contractors, notwithstanding any
18 other provision of law, for the purpose of administering
19 programs for the West Bank and Gaza.

20 (d)(1) WAIVER.—The President may waive the provi-
21 sions of section 1003 of Public Law 100–204 if the Presi-
22 dent determines and certifies in writing to the Speaker
23 of the House of Representatives and the President pro
24 tempore of the Senate that it is important to the national
25 security interests of the United States.

7 SEC. 539. It is the sense of the Congress that—

(2) the decision by the Arab League in 1997 to
reinststate the boycott against Israel was deeply trou-
bling and disappointing;

20 (4) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

1 (B) take into consideration the participa-
2 tion of any recipient country in the primary
3 boycott of Israel and the secondary and tertiary
4 boycotts of American firms that have commer-
5 cial relations with Israel when determining
6 whether to sell weapons to said country;

7 (C) report to Congress on the specific
8 steps being taken by the President to bring
9 about a public renunciation of the Arab primary
10 boycott of Israel and the secondary and tertiary
11 boycotts of American firms that have commer-
12 cial relations with Israel and to expand the
13 process of normalizing ties between Arab
14 League countries and Israel; and

15 (D) encourage the allies and trading part-
16 ners of the United States to enact laws prohib-
17 iting businesses from complying with the boy-
18 cott and penalizing businesses that do comply.

19 ANTI-NARCOTICS ACTIVITIES

20 SEC. 540. (a) Of the funds appropriated by this Act
21 for “Economic Support Fund”, assistance may be pro-
22 vided to strengthen the administration of justice in coun-
23 tries in Latin America and the Caribbean and in other
24 regions consistent with the provisions of section 534(b) of
25 the Foreign Assistance Act of 1961, except that programs

1 to enhance protection of participants in judicial cases may
2 be conducted notwithstanding section 660 of that Act.

3 (b) Funds made available pursuant to this section
4 may be made available notwithstanding section 534(c) and
5 the second and third sentences of section 534(e) of the
6 Foreign Assistance Act of 1961.

7 ELIGIBILITY FOR ASSISTANCE

8 SEC. 541. (a) ASSISTANCE THROUGH NONGOVERN-
9 MENTAL ORGANIZATIONS.—Restrictions contained in this
10 or any other Act with respect to assistance for a country
11 shall not be construed to restrict assistance in support of
12 programs of nongovernmental organizations from funds
13 appropriated by this Act to carry out the provisions of
14 chapters 1, 10, and 11 of part I, and chapter 4 of part
15 II, of the Foreign Assistance Act of 1961: *Provided*, That
16 the President shall take into consideration, in any case
17 in which a restriction on assistance would be applicable
18 but for this subsection, whether assistance in support of
19 programs of nongovernmental organizations is in the na-
20 tional interest of the United States: *Provided further*, That
21 before using the authority of this subsection to furnish as-
22 sistance in support of programs of nongovernmental orga-
23 nizations, the President shall notify the Committees on
24 Appropriations under the regular notification procedures
25 of those committees, including a description of the pro-
26 gram to be assisted, the assistance to be provided, and

1 the reasons for furnishing such assistance: *Provided fur-*
2 *ther*, That nothing in this subsection shall be construed
3 to alter any existing statutory prohibitions against abor-
4 tion or involuntary sterilizations contained in this or any
5 other Act.

6 (b) PUBLIC LAW 480.—During fiscal year 1999, re-
7 strictions contained in this or any other Act with respect
8 to assistance for a country shall not be construed to re-
9 strict assistance under the Agricultural Trade Develop-
10 ment and Assistance Act of 1954: *Provided*, That none
11 of the funds appropriated to carry out title I of such Act
12 and made available pursuant to this subsection may be
13 obligated or expended except as provided through the reg-
14 ular notification procedures of the Committees on Appro-
15 priations.

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

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

21 (2) with respect to section 116 of the Foreign
22 Assistance Act of 1961 or any comparable provision
23 of law prohibiting assistance to countries that violate
24 internationally recognized human rights.

EARMARKS

1
2 SEC. 542. (a) Funds appropriated by this Act which
3 are earmarked may be reprogrammed for other programs
4 within the same account notwithstanding the earmark if
5 compliance with the earmark is made impossible by oper-
6 ation of any provision of this or any other Act or, with
7 respect to a country with which the United States has an
8 agreement providing the United States with base rights
9 or base access in that country, if the President determines
10 that the recipient for which funds are earmarked has sig-
11 nificantly reduced its military or economic cooperation
12 with the United States since enactment of the Foreign Op-
13 erations, Export Financing, and Related Programs Appro-
14 priations Act, 1991; however, before exercising the author-
15 ity of this subsection with regard to a base rights or base
16 access country which has significantly reduced its military
17 or economic cooperation with the United States, the Presi-
18 dent shall consult with, and shall provide a written policy
19 justification to the Committees on Appropriations: *Pro-*
20 *vided*, That any such reprogramming shall be subject to
21 the regular notification procedures of the Committees on
22 Appropriations: *Provided further*, That assistance that is
23 reprogrammed pursuant to this subsection shall be made
24 available under the same terms and conditions as origi-
25 nally provided.

1 (b) In addition to the authority contained in sub-
2 section (a), the original period of availability of funds ap-
3 propriated by this Act and administered by the Agency
4 for International Development that are earmarked for par-
5 ticular programs or activities by this or any other Act shall
6 be extended for an additional fiscal year if the Adminis-
7 trator of such agency determines and reports promptly to
8 the Committees on Appropriations that the termination of
9 assistance to a country or a significant change in cir-
10 cumstances makes it unlikely that such earmarked funds
11 can be obligated during the original period of availability:
12 *Provided*, That such earmarked funds that are continued
13 available for an additional fiscal year shall be obligated
14 only for the purpose of such earmark.

15 CEILINGS AND EARMARKS

16 SEC. 543. Ceilings and earmarks contained in this
17 Act shall not be applicable to funds or authorities appro-
18 priated or otherwise made available by any subsequent Act
19 unless such Act specifically so directs.

20 PROHIBITION ON PUBLICITY OR PROPAGANDA

21 SEC. 544. No part of any appropriation contained in
22 this Act shall be used for publicity or propaganda purposes
23 within the United States not authorized before the date
24 of enactment of this Act by the Congress: *Provided*, That
25 not to exceed \$950,000 may be made available to carry
26 out the provisions of section 316 of Public Law 96-533.

1 PURCHASE OF AMERICAN-MADE EQUIPMENT AND
2 PRODUCTS

3 SEC. 545. (a) To the maximum extent possible, as-
4 sistance provided under this Act should make full use of
5 American resources, including commodities, products, and
6 services.

7 (b) It is the Sense of the Congress that, to the great-
8 est extent practicable, all equipment and products pur-
9 chased with funds made available in this Act should be
10 American-made.

11 (c) In providing financial assistance to, or entering
12 into any contract with, any entity using funds made avail-
13 able in this Act, the head of each Federal agency, to the
14 greatest extent practicable, shall provide to such entity a
15 notice describing the statement made in subsection (b) by
16 the Congress.

17 PROHIBITION OF PAYMENTS TO UNITED NATIONS
18 MEMBERS

19 SEC. 546. None of the funds appropriated or made
20 available pursuant to this Act for carrying out the Foreign
21 Assistance Act of 1961, may be used to pay in whole or
22 in part any assessments, arrearages, or dues of any mem-
23 ber of the United Nations.

24 CONSULTING SERVICES

25 SEC. 547. The expenditure of any appropriation
26 under this Act for any consulting service through procure-

1 ment contract, pursuant to section 3109 of title 5, United
2 States Code, shall be limited to those contracts where such
3 expenditures are a matter of public record and available
4 for public inspection, except where otherwise provided
5 under existing law, or under existing Executive order pur-
6 suant to existing law.

7 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

8 SEC. 548. None of the funds appropriated or made
9 available pursuant to this Act shall be available to a pri-
10 vate voluntary organization which fails to provide upon
11 timely request any document, file, or record necessary to
12 the auditing requirements of the Agency for International
13 Development.

14 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-
15 MENTS THAT EXPORT LETHAL MILITARY EQUIP-
16 MENT TO COUNTRIES SUPPORTING INTERNATIONAL
17 TERRORISM

18 SEC. 549. (a) None of the funds appropriated or oth-
19 erwise made available by this Act may be available to any
20 foreign government which provides lethal military equip-
21 ment to a country the government of which the Secretary
22 of State has determined is a terrorist government for pur-
23 poses of section 40(d) of the Arms Export Control Act
24 or any other comparable provision of law. The prohibition
25 under this section with respect to a foreign government
26 shall terminate 12 months after that government ceases

1 to provide such military equipment. This section applies
2 with respect to lethal military equipment provided under
3 a contract entered into after October 1, 1997.

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

8 (c) Whenever the waiver of subsection (b) is exer-
9 cised, the President shall submit to the appropriate con-
10 gressional committees a report with respect to the furnish-
11 ing of such assistance. Any such report shall include a de-
12 tailed explanation of the assistance estimated to be pro-
13 vided, including the estimated dollar amount of such as-
14 sistance, and an explanation of how the assistance fur-
15 thers United States national interests.

16 WITHHOLDING OF ASSISTANCE FOR PARKING FINES
17 OWED BY FOREIGN COUNTRIES

18 SEC. 550. (a) IN GENERAL.—Of the funds made
19 available for a foreign country under part I of the Foreign
20 Assistance Act of 1961, an amount equivalent to 110 per-
21 cent of the total unpaid fully adjudicated parking fines
22 and penalties owed to the District of Columbia by such
23 country as of the date of enactment of this Act shall be
24 withheld from obligation for such country until the Sec-
25 retary of State certifies and reports in writing to the ap-
26 propriate congressional committees that such fines and

1 penalties are fully paid to the government of the District
2 of Columbia.

3 (b) DEFINITION.—For purposes of this section, the
4 term “appropriate congressional committees” means the
5 Committee on Foreign Relations and the Committee on
6 Appropriations of the Senate and the Committee on Inter-
7 national Relations and the Committee on Appropriations
8 of the House of Representatives.

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

11 SEC. 551. None of the funds appropriated by this Act
12 may be obligated for assistance for the Palestine Libera-
13 tion Organization for the West Bank and Gaza unless the
14 President has exercised the authority under section 604(a)
15 of the Middle East Peace Facilitation Act of 1995 (title
16 VI of Public Law 104–107) or any other legislation to sus-
17 pend or make inapplicable section 307 of the Foreign As-
18 sistance Act of 1961 and that suspension is still in effect:
19 *Provided*, That if the President fails to make the certifi-
20 cation under section 604(b)(2) of the Middle East Peace
21 Facilitation Act of 1995 or to suspend the prohibition
22 under other legislation, funds appropriated by this Act
23 may not be obligated for assistance for the Palestine Lib-
24 eration Organization for the West Bank and Gaza.

1 WAR CRIMES TRIBUNALS DRAWDOWN

2 SEC. 552. If the President determines that doing so
3 will contribute to a just resolution of charges regarding
4 genocide or other violations of international humanitarian
5 law, the President may direct a drawdown pursuant to sec-
6 tion 552(c) of the Foreign Assistance Act of 1961, as
7 amended, of up to \$25,000,000 of commodities and serv-
8 ices for the United Nations War Crimes Tribunal estab-
9 lished with regard to the former Yugoslavia by the United
10 Nations Security Council or such other tribunals or com-
11 missions as the Council may establish to deal with such
12 violations, without regard to the ceiling limitation con-
13 tained in paragraph (2) thereof: *Provided*, That the deter-
14 mination required under this section shall be in lieu of
15 any determinations otherwise required under section
16 552(c): *Provided further*, That 60 days after the date of
17 enactment of this Act, and every 180 days thereafter, the
18 Secretary of State shall submit a report to the Committees
19 on Appropriations describing the steps the United States
20 Government is taking to collect information regarding alle-
21 gations of genocide or other violations of international law
22 in the former Yugoslavia and to furnish that information
23 to the United Nations War Crimes Tribunal for the former
24 Yugoslavia.

1 LANDMINES

2 SEC. 553. Notwithstanding any other provision of
3 law, demining equipment available to the Agency for Inter-
4 national Development and the Department of State and
5 used in support of the clearance of landmines and
6 unexploded ordnance for humanitarian purposes may be
7 disposed of on a grant basis in foreign countries, subject
8 to such terms and conditions as the President may pre-
9 scribe.

10 RESTRICTIONS CONCERNING THE PALESTINIAN

11 AUTHORITY

12 SEC. 554. None of the funds appropriated by this Act
13 may be obligated or expended to create in any part of Je-
14 rusalem a new office of any department or agency of the
15 United States Government for the purpose of conducting
16 official United States Government business with the Pal-
17 estinian Authority over Gaza and Jericho or any successor
18 Palestinian governing entity provided for in the Israel-
19 PLO Declaration of Principles: *Provided*, That this re-
20 striction shall not apply to the acquisition of additional
21 space for the existing Consulate General in Jerusalem:
22 *Provided further*, That meetings between officers and em-
23 ployees of the United States and officials of the Palestin-
24 ian Authority, or any successor Palestinian governing en-
25 tity provided for in the Israel-PLO Declaration of Prin-
26 ciples, for the purpose of conducting official United States

1 Government business with such authority should continue
 2 to take place in locations other than Jerusalem. As has
 3 been true in the past, officers and employees of the United
 4 States Government may continue to meet in Jerusalem on
 5 other subjects with Palestinians (including those who now
 6 occupy positions in the Palestinian Authority), have social
 7 contacts, and have incidental discussions.

8 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

9 SEC. 555. None of the funds appropriated or other-
 10 wise made available by this Act under the heading “Inter-
 11 national Military Education and Training” or “Foreign
 12 Military Financing Program” for Informational Program
 13 activities may be obligated or expended to pay for—

14 (1) alcoholic beverages;

15 (2) food (other than food provided at a military
 16 installation) not provided in conjunction with Infor-
 17 mational Program trips where students do not stay
 18 at a military installation; or

19 (3) entertainment expenses for activities that
 20 are substantially of a recreational character, includ-
 21 ing entrance fees at sporting events and amusement
 22 parks.

23 EQUITABLE ALLOCATION OF FUNDS

24 SEC. 556. Not more than 18 percent of the funds
 25 appropriated by this Act to carry out the provisions of sec-
 26 tions 103 through 106 and chapter 4 of part II of the

1 Foreign Assistance Act of 1961, that are made available
2 for Latin America and the Caribbean region may be made
3 available, through bilateral and Latin America and the
4 Caribbean regional programs, to provide assistance for
5 any country in such region.

6 SPECIAL DEBT RELIEF FOR THE POOREST

7 SEC. 557. (a) AUTHORITY TO REDUCE DEBT.—The
8 President may reduce amounts owed to the United States
9 (or any agency of the United States) by an eligible country
10 as a result of—

11 (1) guarantees issued under sections 221 and
12 222 of the Foreign Assistance Act of 1961;

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

15 (3) any obligation or portion of such obligation
16 for a Latin American country, to pay for purchases
17 of United States agricultural commodities guaran-
18 teed by the Commodity Credit Corporation under ex-
19 port credit guarantee programs authorized pursuant
20 to section 5(f) of the Commodity Credit Corporation
21 Charter Act of June 29, 1948, as amended, section
22 4(b) of the Food for Peace Act of 1966, as amended
23 (Public Law 89–808), or section 202 of the Agricul-
24 tural Trade Act of 1978, as amended (Public Law
25 95–501).

26 (b) LIMITATIONS.—

1 (1) The authority provided by subsection (a)
2 may be exercised only to implement multilateral offi-
3 cial debt relief ad referendum agreements, commonly
4 referred to as “Paris Club Agreed Minutes”.

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

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

16 (c) CONDITIONS.—The authority provided by sub-
17 section (a) may be exercised only with respect to a country
18 whose government—

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

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

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

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

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

8 (d) AVAILABILITY OF FUNDS.—The authority pro-
9 vided by subsection (a) may be used only with regard to
10 funds appropriated by this Act under the heading “Debt
11 restructuring”.

12 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
13 duction of debt pursuant to subsection (a) shall not be
14 considered assistance for purposes of any provision of law
15 limiting assistance to a country. The authority provided
16 by subsection (a) may be exercised notwithstanding sec-
17 tion 620(r) of the Foreign Assistance Act of 1961.

18 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES
19 SEC. 558. (a) LOANS ELIGIBLE FOR SALE, REDUC-
20 TION, OR CANCELLATION.—

21 (1) AUTHORITY TO SELL, REDUCE, OR CANCEL
22 CERTAIN LOANS.—Notwithstanding any other provi-
23 sion of law, the President may, in accordance with
24 this section, sell to any eligible purchaser any
25 concessional loan or portion thereof made before
26 January 1, 1995, pursuant to the Foreign Assist-

1 ance Act of 1961, to the government of any eligible
2 country as defined in section 702(6) of that Act or
3 on receipt of payment from an eligible purchaser, re-
4 duce or cancel such loan or portion thereof, only for
5 the purpose of facilitating—

6 (A) debt-for-equity swaps, debt-for-develop-
7 ment swaps, or debt-for-nature swaps; or

8 (B) a debt buyback by an eligible country
9 of its own qualified debt, only if the eligible
10 country uses an additional amount of the local
11 currency of the eligible country, equal to not
12 less than 40 percent of the price paid for such
13 debt by such eligible country, or the difference
14 between the price paid for such debt and the
15 face value of such debt, to support activities
16 that link conservation and sustainable use of
17 natural resources with local community develop-
18 ment, and child survival and other child devel-
19 opment, in a manner consistent with sections
20 707 through 710 of the Foreign Assistance Act
21 of 1961, if the sale, reduction, or cancellation
22 would not contravene any term or condition of
23 any prior agreement relating to such loan.

24 (2) TERMS AND CONDITIONS.—Notwithstanding
25 any other provision of law, the President shall, in ac-

1 cordance with this section, establish the terms and
2 conditions under which loans may be sold, reduced,
3 or canceled pursuant to this section.

4 (3) ADMINISTRATION.—The Facility, as defined
5 in section 702(8) of the Foreign Assistance Act of
6 1961, shall notify the administrator of the agency
7 primarily responsible for administering part I of the
8 Foreign Assistance Act of 1961 of purchasers that
9 the President has determined to be eligible, and
10 shall direct such agency to carry out the sale, reduc-
11 tion, or cancellation of a loan pursuant to this sec-
12 tion. Such agency shall make an adjustment in its
13 accounts to reflect the sale, reduction, or cancella-
14 tion.

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

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

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

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

13 (e) AVAILABILITY OF FUNDS.—The authority pro-
 14 vided by subsection (a) may be used only with regard to
 15 funds appropriated by this Act under the heading “Debt
 16 restructuring”.

17 SANCTIONS AGAINST COUNTRIES HARBORING WAR
 18 CRIMINALS

19 SEC. 559. (a) BILATERAL ASSISTANCE.—The Presi-
 20 dent is authorized to withhold funds appropriated by this
 21 Act under the Foreign Assistance Act of 1961 or the Arms
 22 Export Control Act for any country described in sub-
 23 section (c).

24 (b) MULTILATERAL ASSISTANCE.—The Secretary of
 25 the Treasury should instruct the United States executive
 26 directors of the international financial institutions to work

1 in opposition to, and vote against, any extension by such
2 institutions of financing or financial or technical assist-
3 ance to any country described in subsection (c).

4 (c) SANCTIONED COUNTRIES.—A country described
5 in this subsection is a country the government of which
6 knowingly grants sanctuary to persons in its territory for
7 the purpose of evading prosecution, where such persons—

8 (1) have been indicted by the International
9 Criminal Tribunal for Rwanda, or any other inter-
10 national tribunal with similar standing under inter-
11 national law; or

12 (2) have been indicted for war crimes or crimes
13 against humanity committed during the period be-
14 ginning March 23, 1933 and ending on May 8, 1945
15 under the direction of, or in association with—

16 (A) the Nazi government of Germany;

17 (B) any government in any area occupied
18 by the military forces of the Nazi government
19 of Germany;

20 (C) any government which was established
21 with the assistance or cooperation of the Nazi
22 government; or

23 (D) any government which was an ally of
24 the Nazi government of Germany.

LIMITATION ON ASSISTANCE FOR HAITI

SEC. 560. (a) LIMITATION.—Funds appropriated by this Act may be made available for assistance for the Government of Haiti only if the President reports to the Committee on Appropriations and the Committee on International Relations of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate that the Government of Haiti—

(1) has completed privatization of (or placed under long-term private management or concession) three major public entities including the completion of all required incorporating documents, the transfer of assets, and the eviction of unauthorized occupants of the land or facility;

(2) is cooperating with the United States in halting illegal emigration from Haiti;

(3) is conducting thorough investigations of extrajudicial and political killings and has made substantial progress in bringing to justice a person or persons responsible for one or more extrajudicial or political killings in Haiti, and is cooperating with United States authorities and with United States-funded technical advisors to the Haitian National Police in such investigations;

1 (4) has taken action to remove from the Hai-
2 tian National Police, national palace and residential
3 guard, ministerial guard, and any other public secu-
4 rity entity or unit of Haiti those individuals who are
5 credibly alleged to have engaged in or conspired to
6 conceal gross violations of internationally recognized
7 human rights or credibly alleged to have engaged in
8 or conspired to engage in narcotics trafficking; and

9 (5) is implementing the maritime counter-nar-
10 cotics agreements signed in October 1997.

11 (b) AVAILABILITY OF ELECTORAL ASSISTANCE.—
12 Funds appropriated by this Act may be made available
13 to support elections in Haiti only if the President reports
14 to the Congress that the Government of Haiti:

15 (1) has achieved a transparent settlement of the
16 contested April 1997 elections; and

17 (2) has made concrete progress on the constitu-
18 tion of a credible and competent provisional electoral
19 council with the agreement of a broad spectrum of
20 diverse political parties.

21 (c) EXCEPTIONS.—The limitations in subsections (a)
22 and (b) shall not apply to the provision of—

23 (1) counter-narcotics assistance, support for the
24 Haitian National Police’s Special Investigations Unit
25 and anti-corruption programs, the International

1 Criminal Investigative Assistance Program, and as-
2 sistance in support of Haitian customs and maritime
3 officials;

4 (2) food assistance management and support;

5 (3) assistance for urgent humanitarian needs,
6 such as medical and other supplies and services in
7 support of community health services, schools, and
8 orphanages; and

9 (4) not more than \$3,000,000 for the develop-
10 ment and support of political parties.

11 (d) WAIVER.—At any time after 150 days from the
12 date of enactment of this Act, the Secretary of State may
13 waive the requirements contained in subsection (a)(1) if
14 she reports to the Committees specified in subsection (a)
15 that the Government of Haiti has satisfied the require-
16 ments of subsection (a)(1) with regard to one major public
17 entity.

18 (e) REPORTS.—The Secretary of State shall provide
19 to the Committees specified in subsection (a) on a quar-
20 terly basis—

21 (1) in consultation with the Secretary of De-
22 fense and the Administrator of the Drug Enforce-
23 ment Administration, a report on the status and
24 number of United States personnel deployed in and
25 around Haiti on Department of Defense, Drug En-

1 enforcement Administration, and United Nations mis-
2 sions, including displays by functional or operational
3 assignment for such personnel and the cost to the
4 United States of these operations; and

5 (2) the monthly reports, prepared during the
6 previous quarter, of the Organization of American
7 States/United Nations International Civilian Mission
8 to Haiti (MICIVIH).

9 REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN
10 REPORT OF SECRETARY OF STATE

11 SEC. 561. (a) FOREIGN AID REPORTING REQUIRE-
12 MENT.—In addition to the voting practices of a foreign
13 country, the report required to be submitted to Congress
14 under section 406(a) of the Foreign Relations Authoriza-
15 tion Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a),
16 shall include a side-by-side comparison of individual coun-
17 tries’ overall support for the United States at the United
18 Nations and the amount of United States assistance pro-
19 vided to such country in fiscal year 1998.

20 (b) UNITED STATES ASSISTANCE.—For purposes of
21 this section, the term “United States assistance” has the
22 meaning given the term in section 481(e)(4) of the For-
23 eign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

1 RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO
2 UNITED NATIONS AGENCIES

3 SEC. 562. (a) PROHIBITION ON VOLUNTARY CON-
4 TRIBUTIONS FOR THE UNITED NATIONS.—None of the
5 funds appropriated by this Act may be made available to
6 pay any voluntary contribution of the United States to the
7 United Nations (including the United Nations Develop-
8 ment Program) if the United Nations implements or im-
9 poses any taxation on any United States persons.

10 (b) CERTIFICATION REQUIRED FOR DISBURSEMENT
11 OF FUNDS.—None of the funds appropriated by this Act
12 may be made available to pay any voluntary contribution
13 of the United States to the United Nations (including the
14 United Nations Development Program) unless the Presi-
15 dent certifies to the Congress 15 days in advance of such
16 payment that the United Nations is not engaged in any
17 effort to implement or impose any taxation on United
18 States persons in order to raise revenue for the United
19 Nations or any of its specialized agencies.

20 (c) DEFINITIONS.—As used in this section the term
21 “United States person” refers to—

22 (1) a natural person who is a citizen or national
23 of the United States; or

24 (2) a corporation, partnership, or other legal
25 entity organized under the United States or any

1 State, territory, possession, or district of the United
2 States.

3 LIMITATION ON ASSISTANCE TO THE PALESTINIAN

4 AUTHORITY

5 SEC. 563. (a) PROHIBITION OF FUNDS.—None of the
6 funds appropriated by this Act to carry out the provisions
7 of chapter 4 of part II of the Foreign Assistance Act of
8 1961 may be obligated or expended with respect to provid-
9 ing funds to the Palestinian Authority.

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

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

20 LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF

21 CROATIA

22 SEC. 564. None of the funds appropriated by title II
23 of this Act may be made available to the Government of
24 Croatia to relocate the remains of Croatian Ustashe sol-
25 diers, at the site of the World War II concentration camp
26 at Jasenovac, Croatia.

21 LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO
22 EAST TIMOR

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1 state that the United States expects that the items will
 2 not be used in East Timor: *Provided*, That nothing in this
 3 section shall be construed to limit Indonesia's inherent
 4 right to legitimate national self-defense as recognized
 5 under the United Nations Charter and international law.

6 RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING
 7 SANCTUARY TO INDICTED WAR CRIMINALS

8 SEC. 567. (a) BILATERAL ASSISTANCE.—None of the
 9 funds made available by this or any prior Act making ap-
 10 propriations for foreign operations, export financing and
 11 related programs, may be provided for any country, entity
 12 or canton described in subsection (d).

13 (b) MULTILATERAL ASSISTANCE.—

14 (1) PROHIBITION.—The Secretary of the Treas-
 15 ury shall instruct the United States executive direc-
 16 tors of the international financial institutions to
 17 work in opposition to, and vote against, any exten-
 18 sion by such institutions of any financial or technical
 19 assistance or grants of any kind to any country or
 20 entity described in subsection (d).

21 (2) NOTIFICATION.—Not less than 15 days be-
 22 fore any vote in an international financial institution
 23 regarding the extension of financial or technical as-
 24 sistance or grants to any country or entity described
 25 in subsection (d), the Secretary of the Treasury, in
 26 consultation with the Secretary of State, shall pro-

1 vide to the Committee on Appropriations and the
2 Committee on Foreign Relations of the Senate and
3 the Committee on Appropriations and the Commit-
4 tee on Banking and Financial Services of the House
5 of Representatives a written justification for the pro-
6 posed assistance, including an explanation of the
7 United States position regarding any such vote, as
8 well as a description of the location of the proposed
9 assistance by municipality, its purpose, and its in-
10 tended beneficiaries.

11 (3) DEFINITION.—The term “international fi-
12 nancial institution” includes the International Mone-
13 tary Fund, the International Bank for Reconstruc-
14 tion and Development, the International Develop-
15 ment Association, the International Finance Cor-
16 poration, the Multilateral Investment Guaranty
17 Agency, and the European Bank for Reconstruction
18 and Development.

19 (c) EXCEPTIONS.—

20 (1) IN GENERAL.—Subject to paragraph (2),
21 subsections (a) and (b) shall not apply to the provi-
22 sion of—

23 (A) humanitarian assistance;

24 (B) democratization assistance;

1 (C) assistance for cross border physical in-
2 frastructure projects involving activities in both
3 a sanctioned country, entity, or canton and a
4 nonsanctioned contiguous country, entity, or
5 canton, if the project is primarily located in and
6 primarily benefits the nonsanctioned country,
7 entity, or canton and if the portion of the
8 project located in the sanctioned country, en-
9 tity, or canton is necessary only to complete the
10 project;

11 (D) small-scale assistance projects or ac-
12 tivities requested by United States Armed
13 Forces that promote good relations between
14 such forces and the officials and citizens of the
15 areas in the United States SFOR sector of Bos-
16 nia;

17 (E) implementation of the Breko Arbitral
18 Decision;

19 (F) lending by the international financial
20 institutions to a country or entity to support
21 common monetary and fiscal policies at the na-
22 tional level as contemplated by the Dayton
23 Agreement; or

1 (G) direct lending to a non-sanctioned en-
2 tity, or lending passed on by the national gov-
3 ernment to a non-sanctioned entity.

4 (2) FURTHER LIMITATIONS.—Notwithstanding
5 paragraph (1)—

6 (A) no assistance may be made available
7 by this Act, or any prior Act making appropria-
8 tions for foreign operations, export financing
9 and related programs, in any country, entity, or
10 canton described in subsection (d), for a pro-
11 gram, project, or activity in which a publicly in-
12 dicted war criminal is known to have any finan-
13 cial or material interest; and

14 (B) no assistance (other than emergency
15 foods or medical assistance or demining assist-
16 ance) may be made available by this Act, or any
17 prior Act making appropriations for foreign op-
18 erations, export financing and related programs
19 for any program, project, or activity in a com-
20 munity within any country, entity or canton de-
21 scribed in subsection (d) if competent authori-
22 ties within that community are not complying
23 with the provisions of Article IX and Annex 4,
24 Article II, paragraph 8 of the Dayton Agree-
25 ment relating to war crimes and the Tribunal.

1 (d) SANCTIONED COUNTRY, ENTITY, OR CANTON.—

2 A sanctioned country, entity, or canton described in this
3 section is one whose competent authorities have failed, as
4 determined by the Secretary of State, to take necessary
5 and significant steps to apprehend and transfer to the Tri-
6 bunal all persons who have been publicly indicted by the
7 Tribunal.

8 (e) WAIVER.—

9 (1) IN GENERAL.—The Secretary of State may
10 waive the application of subsection (a) or subsection
11 (b) with respect to specified bilateral programs or
12 international financial institution projects or pro-
13 grams in a sanctioned country, entity, or canton
14 upon providing a written determination to the Com-
15 mittee on Appropriations and the Committee on
16 Foreign Relations of the Senate and the Committee
17 on Appropriations and the Committee on Inter-
18 national Relations of the House of Representatives
19 that such assistance directly supports the implemen-
20 tation of the Dayton Agreement and its Annexes,
21 which include the obligation to apprehend and trans-
22 fer indicted war criminals to the Tribunal.

23 (2) REPORT.—Not later than 15 days after the
24 date of any written determination under paragraph
25 (e)(1), the Secretary of State shall submit a report

1 to the Committee on Appropriations and the Com-
2 mittee on Foreign Relations of the Senate and the
3 Committee on Appropriations and the Committee on
4 International Relations of the House of Representa-
5 tives regarding the status of efforts to secure the
6 voluntary surrender or apprehension and transfer of
7 persons indicted by the Tribunal, in accordance with
8 the Dayton Agreement, and outlining obstacles to
9 achieving this goal.

10 (3) ASSISTANCE PROGRAMS AND PROJECTS AF-
11 FECTED.—Any waiver made pursuant to this sub-
12 section shall be effective only with respect to a speci-
13 fied bilateral program or multilateral assistance
14 project or program identified in the determination of
15 the Secretary of State to Congress.

16 (f) TERMINATION OF SANCTIONS.—The sanctions
17 imposed pursuant to subsections (a) and (b) with respect
18 to a country or entity shall cease to apply only if the Sec-
19 retary of State determines and certifies to Congress that
20 the authorities of that country, entity, or canton have ap-
21 prehended and transferred to the Tribunal all persons who
22 have been publicly indicted by the Tribunal.

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

1 (1) COUNTRY.—The term “country” means
2 Bosnia-Herzegovina, Croatia, Serbia, and Montene-
3 gro.

4 (2) ENTITY.—The term “entity” refers to the
5 Federation of Bosnia and Herzegovina and the
6 Republika Srpska.

7 (3) CANTON.—The term “canton” means the
8 administrative units in Bosnia and Herzegovina.

9 (4) DAYTON AGREEMENT.—The term “Dayton
10 Agreement” means the General Framework Agree-
11 ment for Peace in Bosnia and Herzegovina, together
12 with annexes relating thereto, done at Dayton, No-
13 vember 10 through 16, 1995.

14 (5) TRIBUNAL.—The term “Tribunal” means
15 the International Criminal Tribunal for the Former
16 Yugoslavia.

17 (h) ROLE OF HUMAN RIGHTS ORGANIZATIONS AND
18 GOVERNMENT AGENCIES.—In carrying out this section,
19 the Secretary of State, the Administrator of the Agency
20 for International Development, and the executive directors
21 of the international financial institutions shall consult with
22 representatives of human rights organizations and all gov-
23 ernment agencies with relevant information to help pre-
24 vent publicly indicted war criminals from benefitting from

1 any financial or technical assistance or grants provided to
2 any country or entity described in subsection (d).

3 ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING
4 OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

5 SEC. 568. (a) VALUE OF ADDITIONS TO STOCK-
6 PILES.—Section 514(b)(2)(A) of the Foreign Assistance
7 Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by
8 inserting before the period at the end the following: “and
9 \$340,000,000 for fiscal year 1999”.

10 (b) REQUIREMENTS RELATING TO THE REPUBLIC OF
11 KOREA AND THAILAND.—Section 514(b)(2)(B) of such
12 Act (22 U.S.C. 2321h(b)(2)(B)) is amended by adding at
13 the end the following: “Of the amount specified in sub-
14 paragraph (A) for fiscal year 1999, not more than
15 \$320,000,000 may be made available for stockpiles in the
16 Republic of Korea and not more than \$20,000,000 may
17 be made available for stockpiles in Thailand.”.

18 REQUIREMENTS FOR THE REPORTING TO CONGRESS OF
19 THE COSTS TO THE FEDERAL GOVERNMENT ASSOCI-
20 ATED WITH THE PROPOSED AGREEMENT TO REDUCE
21 GREENHOUSE GAS EMISSIONS

22 SEC. 569. The President shall provide to the Con-
23 gress a detailed account of all Federal agency obligations
24 and expenditures for climate change programs and activi-
25 ties, domestic and international, for fiscal year 1998,
26 planned obligations for such activities in fiscal year 1999,

1 and any plan for programs thereafter in the context of
2 negotiations to amend the Framework Convention on Cli-
3 mate Change (FCCC) to be provided to the appropriate
4 congressional committees no later than November 15,
5 1998.

6 WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING
7 UNITED NATIONS SANCTIONS AGAINST LIBYA

8 SEC. 570. (a) WITHHOLDING OF ASSISTANCE.—Ex-
9 cept as provided in subsection (b), whenever the President
10 determines and certifies to Congress that the government
11 of any country is violating any sanction against Libya im-
12 posed pursuant to United Nations Security Council Reso-
13 lution 731, 748, or 883, then not less than 5 percent of
14 the funds allocated for the country under section 653(a)
15 of the Foreign Assistance Act of 1961 out of appropria-
16 tions in this Act shall be withheld from obligation and ex-
17 penditure for that country.

18 (b) EXCEPTION.—The requirement to withhold funds
19 under subsection (a) shall not apply to funds appropriated
20 in this Act for allocation under section 653(a) of the For-
21 eign Assistance Act of 1961 for development assistance
22 or for humanitarian assistance.

23 (c) WAIVER.—Funds may be provided for a country
24 without regard to subsection (a) if the President deter-
25 mines that to do so is in the national security interest of
26 the United States.

AID TO THE GOVERNMENT OF THE DEMOCRATIC
REPUBLIC OF CONGO

SEC. 571. None of the funds appropriated by this Act may be provided for assistance for the central Government of the Democratic Republic of Congo until such time as the President reports in writing to the Congress that the central Government of the Democratic Republic of Congo is cooperating fully with investigators from the United Nations in accounting for human rights violations committed in the Democratic Republic of Congo or adjacent countries.

ASSISTANCE FOR THE MIDDLE EAST

SEC. 572. Of the funds appropriated by this Act under the headings “Economic Support Fund”, “Foreign Military Financing”, “International Military Education and Training”, “Peacekeeping Operations”, for refugees resettling in Israel under the heading “Migration and Refugee Assistance”, and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading “Nonproliferation, Anti-Terrorism, Demining, and Related Programs”, not more than a total of \$5,402,850,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and

1 Middle East Multilateral Working Groups: *Provided*, That
2 any funds that were appropriated under such headings in
3 prior fiscal years and that were at the time of enactment
4 of this Act obligated or allocated for other recipients may
5 not during fiscal year 1999 be made available for activities
6 that, if funded under this Act, would be required to count
7 against this ceiling: *Provided further*, That funds may be
8 made available notwithstanding the requirements of this
9 section if the President determines and certifies to the
10 Committees on Appropriations that it is important to the
11 national security interest of the United States to do so
12 and any such additional funds shall only be provided
13 through the regular notification procedures of the Com-
14 mittees on Appropriations.

15 ENTERPRISE FUND RESTRICTIONS

16 SEC. 573. Prior to the distribution of any assets re-
17 sulting from any liquidation, dissolution, or winding up
18 of an Enterprise Fund, in whole or in part, the President
19 shall submit to the Committees on Appropriations, in ac-
20 cordance with the regular notification procedures of the
21 Committees on Appropriations, a plan for the distribution
22 of the assets of the Enterprise Fund.

23 CAMBODIA

24 SEC. 574. (a) None of the funds appropriated in this
25 Act may be made available for assistance for the Govern-
26 ment of Cambodia: *Provided*, That the restrictions under

1 this heading shall not apply to humanitarian, demining or
2 election-related programs or activities: *Provided further*,
3 That the provision of such assistance shall be made avail-
4 able subject to the regular notification procedures of the
5 Committees on Appropriations.

6 (b) The Secretary of the Treasury should instruct the
7 United States executive directors of the international fi-
8 nancial institutions to use the voice and vote of the United
9 States to oppose loans to the Government of Cambodia,
10 except loans to support basic human needs.

11 EXPORT FINANCING TRANSFER AUTHORITIES

12 SEC. 575. Not to exceed 5 percent of any appropria-
13 tion other than for administrative expenses made available
14 for fiscal year 1999 for programs under title I of this Act
15 may be transferred between such appropriations for use
16 for any of the purposes, programs and activities for which
17 the funds in such receiving account may be used, but no
18 such appropriation, except as otherwise specifically pro-
19 vided, shall be increased by more than 25 percent by any
20 such transfer: *Provided*, That the exercise of such author-
21 ity shall be subject to the regular notification procedures
22 of the Committees on Appropriations.

23 AUTHORIZATION FOR POPULATION PLANNING

24 SEC. 576. Not to exceed \$385,000,000 of the funds
25 appropriated in title II of this Act may be available for

1 population planning activities or other population assist-
2 ance.

3 REPORT ON FOREIGN MILITARY TRAINING

4 SEC. 577. The Secretary of Defense and the Sec-
5 retary of State shall jointly provide to the Congress by
6 January 31, 1999, a report on all overseas military train-
7 ing provided to foreign military personnel under programs
8 administered by the Department of Defense and the De-
9 partment of State during fiscal years 1998 and 1999, in-
10 cluding those proposed for fiscal year 1999. This report
11 shall include, for each such military training activity, the
12 foreign policy justification and purpose for the training ac-
13 tivity, the cost of the training activity, the number of for-
14 eign students trained and their units of operation, and the
15 location of the training. In addition, this report shall also
16 include, with respect to United States personnel, the oper-
17 ational benefits to United States forces derived from each
18 such training activity and the United States military units
19 involved in each such training activity. This report may
20 include a classified annex if deemed necessary and appro-
21 priate.

22 KOREAN PENINSULA ENERGY DEVELOPMENT

23 ORGANIZATION

24 SEC. 578. Notwithstanding sections 614 and 451 of
25 the Foreign Assistance Act of 1961, as amended, or any
26 other provision of law, none of the funds appropriated by

1 this Act may be used for a voluntary contribution to, or
 2 assistance for, the Korean Peninsula Energy Development
 3 Organization.

4 TITLE VI

5 FUNDS APPROPRIATED TO THE PRESIDENT

6 INTERNATIONAL MONETARY PROGRAMS

7 LOANS TO THE INTERNATIONAL MONETARY FUND

8 For loans to the International Monetary Fund under
 9 section 17 of the Bretton Woods Agreements Act pursuant
 10 to the New Arrangements to Borrow, the dollar equivalent
 11 of 2,462,000,000 Special Drawing Rights, to remain avail-
 12 able until expended. In addition, the amounts appro-
 13 priated by title III of the Foreign Aid and Related Agen-
 14 cies Appropriations Act, 1963 (Public Law 87–872) and
 15 section 1101(b) of the Supplemental Appropriations Act,
 16 1984 (Public Law 98–181) may also be used under section
 17 17 of the Bretton Woods Agreements Act pursuant to the
 18 New Arrangements to Borrow.

19 GENERAL PROVISIONS—THIS TITLE

20 CONDITIONS FOR THE USE OF APPROPRIATED FUNDS

21 SEC. 601. (a) CONDITION FOR THE USE OF APPRO-
 22 PRIATED FUNDS FOR QUOTA INCREASE.—None of the
 23 funds appropriated after July 15, 1998, under the heading
 24 “United States Quota in the International Monetary
 25 Fund” may be obligated or made available to the Inter-
 26 national Monetary Fund until 15 days after the Secretary

1 of the Treasury and the Chairman of the Board of Gov-
2 ernors of the Federal Reserve System jointly provide writ-
3 ten notification to the appropriate committees that the
4 major shareholders of the International Monetary Fund
5 have publicly agreed to, and will act to implement in the
6 Fund policies providing that for conditions in standby
7 agreements or other arrangements regarding the use of
8 Fund resources include requirements that the recipient
9 country—

10 (1) liberalize restrictions on trade in goods and
11 services and on investment, at a minimum consistent
12 with the terms of all international trade agreements
13 of which the borrowing country is a signatory;

14 (2) eliminate the pervasive practice or policy of
15 government directed lending on non-commercial
16 terms or provision of market distorting subsidies to
17 favored industries, enterprises, parties, or institu-
18 tions; and

19 (3) guarantee nondiscriminatory treatment in
20 insolvency proceedings between domestic and foreign
21 creditors, and for debtors and other concerned per-
22 sons.

23 (b) CONDITION FOR THE USE OF APPROPRIATED
24 FUNDS FOR LOANS TO THE IMF.—

1 (1) IN GENERAL.—None of the funds appro-
2 priated in this title under the heading “Loans to the
3 International Monetary Fund” may be obligated or
4 made available to the International Monetary Fund
5 unless—

6 (A) there is in effect a written certifi-
7 cation, made by the Secretary of the Treasury,
8 to the appropriate committees that the Inter-
9 national Monetary Fund has met the require-
10 ments of paragraph (2); and

11 (B) the Congress has enacted legislation
12 approving the certification.

13 (2) REQUIREMENTS.—The requirements of this
14 paragraph are that the International Monetary Fund
15 has in effect policies that are designed to ensure the
16 following:

17 (A) Within 3 months after any meeting of
18 the Executive Board of the International Mone-
19 tary Fund at which a Letter of Intent, a Policy
20 Framework Paper, an Article IV economic re-
21 view consultation with a member country, or a
22 change in a general policy of the International
23 Monetary Fund is discussed, a full written sum-
24 mary of the meeting shall be made available for

1 public inspection, with the following information
2 redacted:

3 (i) Information which, if released,
4 would adversely affect the national security
5 of a country, and which is of the type that
6 would be classified by United States Gov-
7 ernment.

8 (ii) Market-sensitive information.

9 (iii) Proprietary information.

10 (B) Within 3 months after the Executive
11 Board of the International Monetary Fund at
12 which a Letter of Intent or a Policy Framework
13 Paper is discussed, a copy of the Letter of In-
14 tent or Policy Framework Paper shall be made
15 available for public inspection with the following
16 information redacted:

17 (i) Information which, if released,
18 would adversely affect the national security
19 of a country, and which is of the type that
20 would be classified by United States Gov-
21 ernment.

22 (ii) Market-sensitive information.

23 (iii) Proprietary information.

24 (C) Interest charges on loans to member
25 countries shall be based on the International

1 Monetary Fund's market-determined cost of fi-
2 nancing, adjusted weekly, and loans from any
3 facility established to address circumstances of
4 exceptional balance of payments difficulties and
5 impaired access to capital due to a sudden loss
6 of market confidence should carry a substantial
7 surcharge that serves to provide an incentive
8 for early repayment and encourage private mar-
9 ket refinancing, and that reflects risk.

10 REPORTS ON FINANCIAL STABILIZATION PROGRAMS LED
11 BY THE INTERNATIONAL MONETARY FUND IN CON-
12 NECTION WITH FINANCING FROM THE EXCHANGE
13 STABILIZATION FUND

14 SEC. 602. (a) IN GENERAL.—The Secretary of the
15 Treasury shall submit to the appropriate committees 2 re-
16 ports on the implementation of financial stabilization pro-
17 grams led by the International Monetary Fund in any
18 country in connection with which the United States has
19 made a commitment to provide or has provided financing
20 from the stabilization fund established under section 5302
21 of title 31, United States Code. A report shall include the
22 following with respect to each such country:

23 (1) The extent that the country has made
24 progress in making conglomerate business practices
25 more transparent through the application of inter-
26 nationally accepted accounting practices, independ-

1 ent external audits, full disclosure, and provision of
2 consolidated statements.

3 (2) The success of measures undertaken by the
4 United States Government and the International
5 Monetary Fund to ensure that the country will not
6 provide Government-subsidized support or tax privi-
7 leges to bail out individual corporations, particularly
8 in the semiconductor, steel, plywood, paper, and
9 glassware industries.

10 (3) Whether International Monetary Fund in-
11 volvement in labor market flexibility measures has
12 had a negative effect on worker rights in the coun-
13 try, and the nature of any such negative effects.

14 (b) TIMING OF REPORTS.—The first report required
15 by subsection (a) shall be due by December 1, 1998, and
16 the second such report shall be due by May 1, 1999.

17 (c) NOTIFICATION OF IMPENDING DISBURSE-
18 MENTS.—Not later than 36 hours before the disbursement
19 to a country with respect to which a report is required
20 by subsection (a) of any resources from the stabilization
21 fund referred to in subsection (a) in connection with the
22 implementation of a financial stabilization program de-
23 scribed in subsection (a), the Secretary of the Treasury
24 shall notify the appropriate committees of the impending
25 disbursement.

1 ADVISORY COMMISSION

2 SEC. 603. (a) IN GENERAL.—The Secretary of the
3 Treasury shall establish an International Financial Insti-
4 tution Advisory Commission (in this section referred to as
5 the “Commission”).

6 (b) MEMBERSHIP.—The Commission shall include—

7 (1) six individuals appointed by the Congress,
8 including at least two former Secretaries of the
9 Treasury, one of whom shall serve as the chairman
10 of the Commission; and

11 (2) not to exceed two members as designated by
12 the Secretary.

13 (c) RECOMMENDATIONS.—Within 180 days after the
14 appointment of Commission members, the Commission
15 shall submit to the appropriate committees a report that
16 contains the recommendations of the Commission regard-
17 ing the future role and responsibilities of the International
18 Monetary Fund and the International Bank for Recon-
19 struction and Development, including changes to the pol-
20 icy goals set forth for the International Monetary Fund
21 and the International Bank for Reconstruction and Devel-
22 opment in the Bretton Woods Agreements Act and the
23 International Financial Institutions Act.

24 (d) INTERNATIONAL ADVISORY COMMITTEE.—The
25 Secretary of the Treasury shall instruct the United States

1 Executive Director at the International Monetary Fund to
 2 use the voice and vote of the United States to seek the
 3 establishment of a permanent advisory committee to the
 4 Interim Committee of the Board of Governors of the Inter-
 5 national Monetary Fund, that is to consist of elected mem-
 6 bers of the national legislatures of the member countries
 7 directly represented by appointed members of the Execu-
 8 tive Board of the International Monetary Fund.

9 DEFINITIONS

10 SEC. 604. For purposes of sections 601 through 603
 11 of this chapter, the term “appropriate committees” means
 12 the Committees on Appropriations, Foreign Relations, and
 13 Banking, Housing, and Urban Affairs of the Senate and
 14 the Committees on Appropriations and Banking and Fi-
 15 nancial Services of the House of Representatives.

16 PARTICIPATION IN QUOTA INCREASE

17 SEC. 605. (a) IN GENERAL.—The Bretton Woods
 18 Agreements Act (22 U.S.C. 286–286mm) is amended by
 19 adding at the end the following:

20 **“SEC. 61. QUOTA INCREASE.**

21 “(a) IN GENERAL.—The United States Governor of
 22 the Fund may consent to an increase in the quota of the
 23 United States in the Fund equivalent to 10,622,500,000
 24 Special Drawing Rights.

25 “(b) SUBJECT TO APPROPRIATIONS.—The authority
 26 provided by subsection (a) shall be effective only to such

1 extent or in such amounts as are provided in advance in
 2 appropriations Acts.”.

3 (b) EFFECTIVENESS SUBJECT TO CERTIFICATION.—

4 The amendment made by subsection (a) shall not take ef-
 5 fect until the Secretary of the Treasury certifies to the
 6 Committee on Banking and Financial Services of the
 7 House of Representatives and the Committee on Foreign
 8 Relations of the Senate that the investors and banks have
 9 made a significant contribution in conjunction with a fi-
 10 nancing package that, in the context of an international
 11 financial crisis, might include taxpayer supported official
 12 financing.

13 NEW ARRANGEMENTS TO BORROW

14 SEC. 606. section 17 of the Bretton Woods Agree-
 15 ments Act (22 U.S.C. 286e–2 et seq.) is amended—

16 (1) in subsection (a)—

17 (A) by striking “and February 24, 1983”
 18 and inserting “February 24, 1983, and Janu-
 19 ary 27, 1997”; and

20 (B) by striking “4,250,000,000” and in-
 21 serting “6,712,000,000”;

22 (2) in subsection (b), by striking
 23 “4,250,000,000” and inserting “6,712,000,000”;
 24 and

25 (3) in subsection (d)—

1 (A) by inserting “or the Decision of Janu-
 2 ary 27, 1997,” after “February 24, 1983,”;
 3 and

4 (B) by inserting “or the New Arrange-
 5 ments to Borrow, as applicable” before the pe-
 6 riod at the end.

7 ADVOCACY OF POLICIES TO ENHANCE THE GENERAL EF-
 8 FECTIVENESS OF THE INTERNATIONAL MONETARY
 9 FUND

10 SEC. 607. (a) IN GENERAL.—Title XV of the Inter-
 11 national Financial Institutions Act (22 U.S.C. 262o–262o-
 12 1) is amended by adding at the end the following:

13 **“SEC. 1503. ADVOCACY OF POLICIES TO ENHANCE THE**
 14 **GENERAL EFFECTIVENESS OF THE INTER-**
 15 **NATIONAL MONETARY FUND.**

16 “(a) IN GENERAL.—The Secretary of the Treasury
 17 shall instruct the United States Executive Director of the
 18 International Monetary Fund to use aggressively the voice
 19 and vote of the Executive Director to do the following:

20 “(1) Vigorously promote policies to increase the
 21 effectiveness of the International Monetary Fund in
 22 structuring programs and assistance so as to pro-
 23 mote policies and actions that will contribute to ex-
 24 change rate stability and avoid competitive devalu-
 25 ations that will further destabilize the international
 26 financial and trading systems.

1 “(2) Vigorously promote policies to increase the
2 effectiveness of the International Monetary Fund in
3 promoting market-oriented reform, trade liberaliza-
4 tion, economic growth, democratic governance, and
5 social stability through—

6 “(A) appropriate liberalization of pricing,
7 trade, investment, and exchange rate regimes of
8 countries to open countries to the competitive
9 forces of the global economy;

10 “(B) opening domestic markets to fair and
11 open internal competition among domestic en-
12 terprises by eliminating inappropriate favor-
13 itism for small or large businesses, eliminating
14 elite monopolies, creating and effectively imple-
15 menting anti-trust and anti-monopoly laws to
16 protect free competition, and establishing fair
17 and accessible legal procedures for dispute set-
18 tlement among domestic enterprises;

19 “(C) privatizing industry in a fair and eq-
20 uitable manner that provides economic opportu-
21 nities to a broad spectrum of the population,
22 eliminating government and elite monopolies,
23 closing loss-making enterprises, and reducing
24 government control over the factors of produc-
25 tion;

1 “(D) economic deregulation by eliminating
2 inefficient and overly burdensome regulations
3 and strengthening the legal framework support-
4 ing private contract and intellectual property
5 rights;

6 “(E) establishing or strengthening key ele-
7 ments of a social safety net to cushion the ef-
8 fects on workers of unemployment and disloca-
9 tion; and

10 “(F) encouraging the opening of markets
11 for agricultural commodities and products by
12 requiring recipient countries to make efforts to
13 reduce trade barriers.

14 “(3) Vigorously promote policies to increase the
15 effectiveness of the International Monetary Fund, in
16 concert with appropriate international authorities
17 and other international financial institutions (as de-
18 fined in section 1701(c)(2)), in strengthening finan-
19 cial systems in developing countries, and encourag-
20 ing the adoption of sound banking principles and
21 practices, including the development of laws and reg-
22 ulations that will help to ensure that domestic finan-
23 cial institutions meet strong standards regarding
24 capital reserves, regulatory oversight, and trans-
25 parency.

1 “(4) Vigorously promote policies to increase the
2 effectiveness of the International Monetary Fund, in
3 concert with appropriate international authorities
4 and other international financial institutions (as de-
5 fined in section 1701(c)(2)), in facilitating the devel-
6 opment and implementation of internationally ac-
7 ceptable domestic bankruptcy laws and regulations
8 in developing countries, including the provision of
9 technical assistance as appropriate.

10 “(5) Vigorously promote policies that aim at
11 appropriate burden-sharing by the private sector so
12 that investors and creditors bear more fully the con-
13 sequences of their decisions, and accordingly advo-
14 cate policies which include—

15 “(A) strengthening crisis prevention and
16 early warning signals through improved and
17 more effective surveillance of the national eco-
18 nomic policies and financial market develop-
19 ment of countries (including monitoring of the
20 structure and volume of capital flows to identify
21 problematic imbalances in the inflow of short
22 and medium term investment capital, poten-
23 tially destabilizing inflows of offshore lending
24 and foreign investment, or problems with the
25 maturity profiles of capital to provide warnings

1 of imminent economic instability), and fuller
2 disclosure of such information to market par-
3 ticipants;

4 “(B) accelerating work on strengthening fi-
5 nancial systems in emerging market economies
6 so as to reduce the risk of financial crises;

7 “(C) consideration of provisions in debt
8 contracts that would foster dialogue and con-
9 sultation between a sovereign debtor and its
10 private creditors, and among those creditors;

11 “(D) consideration of extending the scope
12 of the International Monetary Fund’s policy on
13 lending to members in arrears and of other
14 policies so as to foster the dialogue and con-
15 sultation referred to in subparagraph (C);

16 “(E) intensified consideration of mecha-
17 nisms to facilitate orderly workout mechanisms
18 for countries experiencing debt or liquidity cri-
19 ses;

20 “(F) consideration of establishing ad hoc
21 or formal linkages between the provision of offi-
22 cial financing to countries experiencing a finan-
23 cial crisis and the willingness of market partici-
24 pants to meaningfully participate in any sta-

1 bilization effort led by the International Mone-
2 tary Fund;

3 “(G) using the International Monetary
4 Fund to facilitate discussions between debtors
5 and private creditors to help ensure that finan-
6 cial difficulties are resolved without inappropri-
7 ate resort to public resources; and

8 “(H) the International Monetary Fund ac-
9 companying the provision of funding to coun-
10 tries experiencing a financial crisis resulting
11 from imprudent borrowing with efforts to
12 achieve a significant contribution by the private
13 creditors, investors, and banks which had ex-
14 tended such credits.

15 “(6) Vigorously promote policies that would
16 make the International Monetary Fund a more ef-
17 fective mechanism, in concert with appropriate inter-
18 national authorities and other international financial
19 institutions (as defined in section 1701(c)(2)), for
20 promoting good governance principles within recipi-
21 ent countries by fostering structural reforms, includ-
22 ing procurement reform, that reduce opportunities
23 for corruption and bribery, and drug-related money
24 laundering.

1 “(7) Vigorously promote the design of Inter-
2 national Monetary Fund programs and assistance so
3 that governments that draw on the International
4 Monetary Fund channel public funds away from un-
5 productive purposes, including large ‘show case’
6 projects and excessive military spending, and toward
7 investment in human and physical capital as well as
8 social programs to protect the neediest and promote
9 social equity.

10 “(8) Work with the International Monetary
11 Fund to foster economic prescriptions that are ap-
12 propriate to the individual economic circumstances
13 of each recipient country, recognizing that inappro-
14 priate stabilization programs may only serve to fur-
15 ther destabilize the economy and create unnecessary
16 economic, social, and political dislocation.

17 “(9) Structure International Monetary Fund
18 programs and assistance so that the maintenance
19 and improvement of core labor standards are rou-
20 tinely incorporated as an integral goal in the policy
21 dialogue with recipient countries, so that—

22 “(A) recipient governments commit to af-
23 fording workers the right to exercise inter-
24 nationally recognized core worker rights, includ-
25 ing the right of free association and collective

1 bargaining through unions of their own choos-
2 ing;

3 “(B) measures designed to facilitate labor
4 market flexibility are consistent with such core
5 worker rights; and

6 “(C) the staff of the International Mone-
7 tary Fund surveys the labor market policies and
8 practices of recipient countries and recommends
9 policy initiatives that will help to ensure the
10 maintenance or improvement of core labor
11 standards.

12 “(10) Vigorously promote International Mone-
13 tary Fund programs and assistance that are struc-
14 tured to the maximum extent feasible to discourage
15 practices which may promote ethnic or social strife
16 in a recipient country.

17 “(11) Vigorously promote recognition by the
18 International Monetary Fund that macroeconomic
19 developments and policies can affect and be affected
20 by environmental conditions and policies, and urge
21 the International Monetary Fund to encourage mem-
22 ber countries to pursue macroeconomic stability
23 while promoting environmental protection.

24 “(12) Facilitate greater International Monetary
25 Fund transparency, including by enhancing acces-

1 sibility of the International Monetary Fund and its
2 staff, fostering a more open release policy toward
3 working papers, past evaluations, and other Inter-
4 national Monetary Fund documents, seeking to pub-
5 lish all Letters of Intent to the International Mone-
6 tary Fund and Policy Framework Papers, and estab-
7 lishing a more open release policy regarding Article
8 IV consultations.

9 “(13) Facilitate greater International Monetary
10 Fund accountability and enhance International Mon-
11 etary Fund self-evaluation by vigorously promoting
12 review of the effectiveness of the Office of Internal
13 Audit and Inspection and the Executive Board’s ex-
14 ternal evaluation pilot program and, if necessary, the
15 establishment of an operations evaluation depart-
16 ment modeled on the experience of the International
17 Bank for Reconstruction and Development, guided
18 by such key principles as usefulness, credibility,
19 transparency, and independence.

20 “(14) Vigorously promote coordination with the
21 International Bank for Reconstruction and Develop-
22 ment and other international financial institutions
23 (as defined in section 1701(c)(2)) in promoting
24 structural reforms which facilitate the provision of
25 credit to small businesses, including microenterprise

1 lending, especially in the world's poorest, heavily in-
2 debted countries.

3 “(b) COORDINATION WITH OTHER EXECUTIVE DE-
4 PARTMENTS.—To the extent that it would assist in achiev-
5 ing the goals described in subsection (a), the Secretary
6 of the Treasury shall pursue the goals in coordination with
7 the Secretary of State, the Secretary of Labor, the Sec-
8 retary of Commerce, the Administrator of the Environ-
9 mental Protection Agency, the Administrator of the Agen-
10 cy for International Development, and the United States
11 Trade Representative.”.

12 (b) ADVISORY COMMITTEE ON IMF POLICY.—Sec-
13 tion 1701 of such Act (22 U.S.C. 262p–5) is amended
14 by adding at the end the following:

15 “(e) ADVISORY COMMITTEE ON IMF POLICY.—

16 “(1) IN GENERAL.—The Secretary of the
17 Treasury shall establish an International Monetary
18 Fund Advisory Committee (in this subsection re-
19 ferred to as the ‘Advisory Committee’).

20 “(2) MEMBERSHIP.—The Advisory Committee
21 shall consist of nine members appointed by the Sec-
22 retary of the Treasury, after appropriate consulta-
23 tions with the relevant organizations, as follows:

24 “(A) one member shall be a former Sec-
25 retary or Deputy Secretary of the Treasury,

1 who shall serve as the chairman of the Advisory
2 Committee.

3 “(B) two members shall be representatives
4 from organized labor.

5 “(C) two members shall be representatives
6 from banking and financial services.

7 “(D) two members shall be representatives
8 from industry and agriculture.

9 “(E) two members shall be representatives
10 from nongovernmental environmental and
11 human rights organizations.

12 “(3) DUTIES.—Not less frequently than every 6
13 months, the Advisory Committee shall meet with the
14 Secretary of the Treasury or the Deputy Secretary
15 of the Treasury to review, and provide advice on, the
16 extent to which individual country International
17 Monetary Fund programs meet the policy goals set
18 forth in this Act regarding the International Mone-
19 tary Fund.

20 “(4) INAPPLICABILITY OF TERMINATION PROVI-
21 SION OF THE FEDERAL ADVISORY COMMITTEE
22 ACT.—Section 14(a)(2) of the Federal Advisory
23 Committee Act shall not apply to the Advisory Com-
24 mittee.”.

1 SENSE OF THE CONGRESS ON THE ROLE OF JAPAN IN
 2 RESTORING REGIONAL AND GLOBAL ECONOMIC GROWTH

3 SEC. 608. It is the sense of the Congress that Japan
 4 should assume a greater regional leadership role, which
 5 would coincide with Japan's goal of promoting strong do-
 6 mestic demand-led growth and avoiding a significant in-
 7 crease in its external surplus with the United States and
 8 the countries of the Asia-Pacific region.

9 SEMIANNUAL REPORTS ON FINANCIAL STABILIZATION
 10 PROGRAMS LED BY THE INTERNATIONAL MONETARY
 11 FUND IN CONNECTION WITH FINANCING FROM THE
 12 EXCHANGE STABILIZATION FUND

13 SEC. 609. Title XVII of the International Financial
 14 Institutions Act (22 U.S.C. 262r-262r-2) is amended by
 15 adding at the end the following:

16 **“SEC. 1704. REPORTS ON FINANCIAL STABILIZATION PRO-**
 17 **GRAMS LED BY THE INTERNATIONAL MONE-**
 18 **TARY FUND IN CONNECTION WITH FINANC-**
 19 **ING FROM THE EXCHANGE STABILIZATION**
 20 **FUND.**

21 “(a) IN GENERAL.—The Secretary of the Treasury,
 22 in consultation with the Secretary of Commerce and other
 23 appropriate Federal agencies, shall prepare reports on the
 24 implementation of financial stabilization programs (and
 25 any material terms and conditions thereof) led by the
 26 International Monetary Fund in countries in connection

1 with which the United States has made a commitment to
2 provide, or has provided financing from the stabilization
3 fund established under section 5302 of title 31, United
4 States Code. The reports shall include the following:

5 “(1) A description of the condition of the econo-
6 mies of countries requiring the financial stabilization
7 programs, including the monetary, fiscal, and ex-
8 change rate policies of the countries.

9 “(2) A description of the degree to which the
10 countries requiring the financial stabilization pro-
11 grams have fully implemented financial sector re-
12 structuring and reform measures required by the
13 International Monetary Fund, including—

14 “(A) ensuring full respect for the commer-
15 cial orientation of commercial bank lending;

16 “(B) ensuring that governments will not
17 intervene in bank management and lending de-
18 cisions (except in regard to prudential super-
19 vision);

20 “(C) the enactment and implementation of
21 appropriate financial reform legislation;

22 “(D) strengthening the domestic financial
23 system and improving transparency and super-
24 vision; and

1 “(E) the opening of domestic capital mar-
2 kets.

3 “(3) A description of the degree to which the
4 countries requiring the financial stabilization pro-
5 grams have fully implemented reforms required by
6 the International Monetary Fund that are directed
7 at corporate governance and corporate structure, in-
8 cluding—

9 “(A) making nontransparent conglomerate
10 practices more transparent through the applica-
11 tion of internationally accepted accounting
12 practices, independent external audits, full dis-
13 closure, and provision of consolidated state-
14 ments; and

15 “(B) ensuring that no government sub-
16 sidized support or tax privileges will be provided
17 to bail out individual corporations, particularly
18 in the semiconductor, steel, and paper indus-
19 tries.

20 “(4) A description of the implementation of re-
21 form measures required by the International Mone-
22 tary Fund to deregulate and privatize economic ac-
23 tivity by ending domestic monopolies, undertaking
24 trade liberalization, and opening up restricted areas

1 of the economy to foreign investment and competi-
2 tion.

3 “(5) A detailed description of the trade policies
4 of the countries, including any unfair trade practices
5 or adverse effects of the trade policies on the United
6 States.

7 “(6) A description of the extent to which the fi-
8 nancial stabilization programs have resulted in ap-
9 propriate burden-sharing among private sector credi-
10 tors, including rescheduling of outstanding loans by
11 lengthening maturities, agreements on debt reduc-
12 tion, and the extension of new credit.

13 “(7) A description of the extent to which the
14 economic adjustment policies of the International
15 Monetary Fund and the policies of the government
16 of the country adequately balance the need for finan-
17 cial stabilization, economic growth, environmental
18 protection, social stability, and equity for all ele-
19 ments of the society.

20 “(8) Whether International Monetary Fund in-
21 volvement in labor market flexibility measures has
22 had a negative effect on core worker rights, particu-
23 larly the rights of free association and collective bar-
24 gaining.

1 “(9) A description of any pattern of abuses of
2 core worker rights in recipient countries.

3 “(10) The amount, rate of interest, and dis-
4 bursement and repayment schedules of any funds
5 disbursed from the stabilization fund established
6 under section 5302 of title 31, United States Code,
7 in the form of loans, credits, guarantees, or swaps,
8 in support of the financial stabilization programs.

9 “(11) The amount, rate of interest, and dis-
10 bursement and repayment schedules of any funds
11 disbursed by the International Monetary Fund to
12 the countries in support of the financial stabilization
13 programs.

14 “(b) TIMING.—Not later than October 1, 1998, and
15 semiannually thereafter, the Secretary of the Treasury
16 shall submit to the Committees on Banking and Financial
17 Services and International Relations of the House of Rep-
18 resentatives and the Committees on Foreign Relations,
19 and Banking, Housing, and Urban Affairs of the Senate
20 a report on the matters described in subsection (a).”.

21 REPORTS ON REFORMING THE ARCHITECTURE OF THE
22 INTERNATIONAL FINANCIAL SYSTEM

23 SEC. 610. (a) FINDINGS.—The Congress finds that,
24 in order to ensure that the International Monetary Fund
25 does not become the global lender of last resort to private
26 sector corporations and financial institutions, and in order

1 to help prevent future threats to the international finan-
2 cial system, the Secretary of the Treasury and the Chair-
3 man of the Board of Governors of the Federal Reserve
4 System, working with their counterparts in other countries
5 and with international organizations as appropriate,
6 should—

7 (1) seek to establish a broad set of international
8 transparency principles on accounting and disclosure
9 policies and practices covering, in particular, private
10 sector financial organizations;

11 (2) promote improvements in the provision by
12 both borrowers and lenders of timely and com-
13 prehensive aggregate information on cross-border fi-
14 nancial stocks and flows;

15 (3) seek an international accord establishing
16 uniform minimum standards with respect to robust
17 banking and supervisory systems, which individual
18 countries should be required to meet as a condition
19 for the establishment of subsidiaries, branches, or
20 other offices of banking institutions from their coun-
21 tries in the jurisdictions of the countries participat-
22 ing in the accord;

23 (4) immediately initiate with appropriate rep-
24 resentatives of the countries that are members of the
25 International Monetary Fund discussions aimed at

1 securing national treatment for United States inves-
2 tors in such countries; and

3 (5) seek to establish internationally acceptable
4 bankruptcy standards and should work particularly
5 to have International Monetary Fund recipient coun-
6 tries adopt such standards.

7 (b) REPORTS.—

8 (1) IN GENERAL.—The Secretary of the Treas-
9 ury shall prepare 3 reports on progress made toward
10 achieving the objectives outlined in subsection (a),
11 which shall describe the steps taken by the United
12 States, other members of the world community, and
13 the international financial institutions to strengthen
14 safeguards in the global financial system, including
15 measures to promote more efficient functioning of
16 global markets, by—

17 (A) helping to develop effective legal and
18 regulatory frameworks, including appropriate
19 bankruptcy and foreclosure mechanisms;

20 (B) increasing transparency and disclosure
21 by both the private and public sectors;

22 (C) strengthening prudential standards,
23 both globally and in individual economies;

24 (D) improving domestic policy manage-
25 ment;

1 (E) strengthening the role of the inter-
 2 national financial institutions in financial crisis
 3 prevention and management; and

4 (F) ensuring appropriate burden-sharing
 5 by the private sector, particularly commercial
 6 banks and financial institutions, in the resolu-
 7 tion of crises.

8 (2) TIMING.—The Secretary of the Treasury
 9 shall submit to the Committees on Banking and Fi-
 10 nancial Services and International Relations of the
 11 House of Representatives and the Committees on
 12 Foreign Relations and Banking, Housing, and
 13 Urban Affairs of the Senate 2 interim reports on the
 14 matters described in paragraph (1), the first of
 15 which is due by October 1, 1998, and the second of
 16 which is due on April 1, 1999, and a final report on
 17 such matters, which is due on October 1, 1999.

18 ANNUAL REPORT AND TESTIMONY ON THE STATE OF
 19 THE INTERNATIONAL FINANCIAL SYSTEM, IMF RE-
 20 FORM, AND COMPLIANCE WITH IMF AGREEMENTS

21 SEC. 611. Title XVII of the International Financial
 22 Institutions Act (22 U.S.C. 262r-262r-2) is further
 23 amended by adding at the end the following:

1 **“SEC. 1705. ANNUAL REPORT AND TESTIMONY ON THE**
2 **STATE OF THE INTERNATIONAL FINANCIAL**
3 **SYSTEM, IMF REFORM, AND COMPLIANCE**
4 **WITH IMF AGREEMENTS.**

5 “(a) **REPORTS.**—Not later than October 1 of each
6 year, the Secretary of the Treasury shall submit to the
7 Committee on Banking and Financial Services of the
8 House of Representatives and the Committee on Foreign
9 Relations of the Senate a written report on the progress
10 (if any) made by the United States Executive Director at
11 the International Monetary Fund in influencing the Inter-
12 national Monetary Fund to adopt the policies and reform
13 its internal procedures in the manner described in section
14 1503.

15 “(b) **TESTIMONY.**—After submitting the report re-
16 quired by subsection (a) but not later than October 31
17 of each year, the Secretary of the Treasury shall appear
18 before the Committee on Banking and Financial Services
19 of the House of Representatives and the Committee on
20 Foreign Relations of the Senate and present testimony
21 on—

22 “(1) any progress made in reforming the Inter-
23 national Monetary Fund;

24 “(2) the status of efforts to reform the inter-
25 national financial system; and

1 “(3) the compliance of countries which have re-
2 ceived assistance from the International Monetary
3 Fund with agreements made as a condition of receiv-
4 ing the assistance.”.

5 AUDITS OF THE INTERNATIONAL MONETARY FUND

6 SEC. 612. Title XVII of the International Financial
7 Institutions Act (22 U.S.C. 262r-262r-2) is further
8 amended by adding at the end the following:

9 **“SEC. 1706. AUDITS OF THE INTERNATIONAL MONETARY**
10 **FUND.**

11 “(a) ACCESS TO MATERIALS.—Not later than 30
12 days after the date of the enactment of this section, the
13 Secretary of the Treasury shall certify to the Committee
14 on Banking and Financial Services of the House of Rep-
15 resentatives and the Committee on Foreign Relations of
16 the Senate that the Secretary has instructed the United
17 States Executive Director at the International Monetary
18 Fund to facilitate timely access by the General Accounting
19 Office to information and documents of the International
20 Monetary Fund needed by the Office to perform financial
21 reviews of the International Monetary Fund that will fa-
22 cilitate the conduct of United States policy with respect
23 to the Fund.

24 “(b) REPORTS.—Not later than June 30, 1999, and
25 annually thereafter, the Comptroller General of the United
26 States shall prepare and submit to the committees speci-

1 fied in subsection (a) a report on the financial operations
2 of the Fund during the preceding year, which shall in-
3 clude—

4 “(1) the current financial condition of the
5 International Monetary Fund;

6 “(2) the amount, rate of interest, disbursement
7 schedule, and repayment schedule for any loans that
8 were initiated or outstanding during the preceding
9 calendar year, and with respect to disbursement
10 schedules, the report shall identify and discuss in de-
11 tail any conditions required to be fulfilled by a bor-
12 rower country before a disbursement is made;

13 “(3) a detailed description of whether the trade
14 policies of borrower countries permit free and open
15 trade by the United States and other foreign coun-
16 tries in the borrower countries;

17 “(4) a detailed description of the export policies
18 of borrower countries and whether the policies may
19 result in increased export of their products, goods,
20 or services to the United States which may have sig-
21 nificant adverse effects on, or result in unfair trade
22 practices against or affecting United States compa-
23 nies, farmers, or communities;

24 “(5) a detailed description of any conditions of
25 International Monetary Fund loans which have not

1 been met by borrower countries, including a discus-
2 sion of the reasons why such conditions were not
3 met, and the actions taken by the International
4 Monetary Fund due to the borrower country's non-
5 compliance;

6 “(6) an identification of any borrower country
7 and loan on which any loan terms or conditions were
8 renegotiated in the preceding calendar year, includ-
9 ing a discussion of the reasons for the renegotiation
10 and any new loan terms and conditions; and

11 “(7) a specification of the total number of loans
12 made by the International Monetary Fund from its
13 inception through the end of the period covered by
14 the report, the number and percentage (by number)
15 of such loans that are in default or arrears, and the
16 identity of the countries in default or arrears, and
17 the number of such loans that are outstanding as of
18 the end of period covered by the report and the ag-
19 gregate amount of the outstanding loans and the av-
20 erage yield (weighted by loan principal) of the his-
21 torical and outstanding loan portfolios of the Inter-
22 national Monetary Fund.”.

23 SHORT TITLE

24 SEC. 613. Sections 605 through 613 of this title may
25 be cited as the “International Monetary Fund Reform and
26 Authorization Act of 1998”.

1 TITLE VII—ADDITIONAL GENERAL PROVISIONS

2 NATIONAL COMMISSION ON TERRORISM

3 SEC. 701. (a) ESTABLISHMENT OF NATIONAL COM-
4 MISSION ON TERRORISM.—

5 (1) ESTABLISHMENT.—There is established a
6 national commission on terrorism to review counter-
7 terrorism policies regarding the prevention and pun-
8 ishment of international acts of terrorism directed at
9 the United States. The commission shall be known
10 as “The National Commission on Terrorism”.

11 (2) COMPOSITION.—The commission shall be
12 composed of 15 members appointed as follows:

13 (A) Five members shall be appointed by
14 the President from among officers or employees
15 of the executive branch, private citizens of the
16 United States, or both. Not more than three
17 members selected by the President shall be
18 members of the same political party.

19 (B) Five members shall be appointed by
20 the Majority Leader of the Senate, in consulta-
21 tion with the Minority Leader of the Senate,
22 from among members of the Senate, private
23 citizens of the United States, or both. Not more
24 than three of the members selected by the Ma-
25 jority Leader shall be members of the same po-

1 litical party and three members shall be mem-
2 bers of the Senate.

3 (C) Five members shall be appointed by
4 the Speaker of the House of Representatives, in
5 consultation with the Minority Leader of the
6 House of Representatives, from among mem-
7 bers of the House of Representatives, private
8 citizens of the United States, or both. Not more
9 than three of the members selected by the
10 Speaker shall be members of the same political
11 party and three members shall be members of
12 the House of Representatives.

13 (D) The appointments of the members of
14 the commission should be made no later than 3
15 months after the date of the enactment of this
16 Act.

17 (3) QUALIFICATIONS.—The members should
18 have a knowledge and expertise in matters to be
19 studied by the commission.

20 (4) CHAIRMAN.—The chairman of the commis-
21 sion shall be elected by the members of the commis-
22 sion.

23 (b) DUTIES.—

1 (1) IN GENERAL.—The commission shall con-
2 sider issues relating to international terrorism di-
3 rected at the United States as follows:

4 (A) Review the laws, regulations, policies,
5 directives, and practices relating to
6 counterterrorism in the prevention and punish-
7 ment of international terrorism directed to-
8 wards the United States.

9 (B) Assess the extent to which laws, regu-
10 lations, policies, directives, and practices relat-
11 ing to counterterrorism have been effective in
12 preventing or punishing international terrorism
13 directed towards the United States. At a mini-
14 mum, the assessment should include a review of
15 the following:

16 (i) Evidence that terrorist organiza-
17 tions have established an infrastructure in
18 the western hemisphere for the support
19 and conduct of terrorist activities.

20 (ii) Executive branch efforts to coordi-
21 nate counterterrorism activities among
22 Federal, State, and local agencies and with
23 other nations to determine the effective-
24 ness of such coordination efforts.

1 (iii) Executive branch efforts to pre-
2 vent the use of nuclear, biological, and
3 chemical weapons by terrorists.

4 (C) Recommend changes to
5 counterterrorism policy in preventing and pun-
6 ishing international terrorism directed toward
7 the United States.

8 (2) REPORT.—Not later than 6 months after
9 the date on which the Commission first meets, the
10 Commission shall submit to the President and the
11 Congress a final report of the findings and conclu-
12 sions of the commission, together with any rec-
13 ommendations.

14 (c) ADMINISTRATIVE MATTERS.—

15 (1) MEETINGS.—

16 (A) The commission shall hold its first
17 meeting on a date designated by the Speaker of
18 the House which is not later than 30 days after
19 the date on which all members have been ap-
20 pointed.

21 (B) After the first meeting, the commis-
22 sion shall meet upon the call of the chairman.

23 (C) A majority of the members of the com-
24 mission shall constitute a quorum, but a lesser
25 number may hold meetings.

1 (2) AUTHORITY OF INDIVIDUALS TO ACT FOR
2 COMMISSION.—Any member or agent of the commis-
3 sion may, if authorized by the commission, take any
4 action which the commission is authorized to take
5 under this section.

6 (3) POWERS.—

7 (A) The commission may hold such hear-
8 ings, sit and act at such times and places, take
9 such testimony, and receive such evidence as
10 the commission considers advisable to carry out
11 its duties.

12 (B) The commission may secure directly
13 from any agency of the Federal Government
14 such information as the commission considers
15 necessary to carry out its duties. Upon the re-
16 quest of the chairman of the commission, the
17 head of a department or agency shall furnish
18 the requested information expeditiously to the
19 commission.

20 (C) The commission may use the United
21 States mails in the same manner and under the
22 same conditions as other departments and
23 agencies of the Federal Government.

24 (4) PAY AND EXPENSES OF COMMISSION MEM-
25 BERS.—

1 (A) Subject to appropriations, each mem-
2 ber of the commission who is not an employee
3 of the government shall be paid at a rate not
4 to exceed the daily equivalent of the annual rate
5 of basic pay prescribed for level IV of the Exec-
6 utive Schedule under section 5315 of title 5,
7 United States Code, for each day (including
8 travel time) during which such member is en-
9 gaged in performing the duties of the commis-
10 sion.

11 (B) Members and personnel for the com-
12 mission may travel on aircraft, vehicles, or
13 other conveyances of the Armed Forces of the
14 United States when travel is necessary in the
15 performance of a duty of the commission except
16 when the cost of commercial transportation is
17 less expensive.

18 (C) The members of the commission may
19 be allowed travel expenses, including per diem
20 in lieu of subsistence, at rates authorized for
21 employees of agencies under subchapter I of
22 chapter 57 of title 5, United States Code, while
23 away from their homes or regular places of
24 business in the performance of services for the
25 commission.

1 (D)(i) A member of the commission who is
2 an annuitant otherwise covered by section 8344
3 of 8468 of title 5, United States Code, by rea-
4 son of membership on the commission shall not
5 be subject to the provisions of such section with
6 respect to membership on the commission.

7 (ii) A member of the commission who is a
8 member or former member of a uniformed serv-
9 ice shall not be subject to the provisions of sub-
10 sections (b) and (c) of section 5532 of such title
11 with respect to membership on the commission.

12 (5) STAFF AND ADMINISTRATIVE SUPPORT.—

13 (A) The chairman of the commission may,
14 without regard to civil service laws and regula-
15 tions, appoint and terminate an executive direc-
16 tor and up to three additional staff members as
17 necessary to enable the commission to perform
18 its duties. The chairman of the commission may
19 fix the compensation of the executive director
20 and other personnel without regard to the pro-
21 visions of chapter 51, and subchapter III of
22 chapter 53, of title 5, United States Code, re-
23 lating to classification of positions and General
24 Schedule pay rates, except that the rate of pay

1 may not exceed the maximum rate of pay for
2 GS–15 under the General Schedule.

3 (B) Upon the request of the chairman of
4 the commission, the head of any department or
5 agency of the Federal Government may detail,
6 without reimbursement, any personnel of the
7 department or agency to the commission to as-
8 sist in carrying out its duties. The detail of an
9 employee shall be without interruption or loss of
10 civil service status or privilege.

11 (d) TERMINATION OF COMMISSION.—The commis-
12 sion shall terminate 30 days after the date on which the
13 commission submits a final report.

14 (e) FUNDING.—There are authorized to be appro-
15 priated such sums as may be necessary to carry out the
16 provisions of this section.

17 AMENDMENTS TO THE FOREIGN ASSISTANCE ACT OF 1961

18 SEC. 702. (a) REPEAL OF CONTINGENCIES PROVI-
19 SION.—

20 (1) IN GENERAL.—Chapter 5 of part I of the
21 Foreign Assistance Act of 1961 (22 U.S.C. 2261) is
22 hereby repealed.

23 (2) CONFORMING AMENDMENTS.—(A) Section
24 634A(a) of such Act (22 U.S.C. 2394–1(a)) is
25 amended in the first sentence by striking “, chapter
26 5 of part I,”.

1 (B) Section 653(a) of such Act (22 U.S.C.
2 2413(a)) is amended by striking “451 or”.

3 (b) SPECIAL AUTHORITIES PROVISION.—Section
4 614(a)(4)(C) of the Foreign Assistance Act of 1961 (22
5 U.S.C. 2364(a)(4)(C)) is amended by striking
6 “\$50,000,000” and inserting “\$35,000,000”.

7 Titles I through V, the appropriations paragraphs of
8 title VI, and sections 601 through 604, of this Act may
9 be cited as the “Foreign Operations, Export Financing,
10 and Related Programs Appropriations Act, 1999”.

 Passed the House of Representatives September 17,
1998.

Attest:

ROBIN H. CARLE,
Clerk.