

of followers. The furthest he ever ventured into statewide politics was once, in 1976, when came down to Jackson to endorse Jimmy Carter for president. That occasion was also his rare (maybe only) exposure to sharp questioning by the state press of Mississippi in a full-fledged news conference. I recall that it was quite an unsettling experience for him.

Jamie probably overstayed his time in Congress when his failing health made him no longer productive. Yet, with his passing last week at age 85, everyone in this state must be grateful that he served them so long and so well. It's unthinkable we'll ever see another like him.

WELFARE REFORM

Mr. PELL. Mr. President, yesterday the Senate concluded several weeks of debate on welfare reform legislation. The changes that were incorporated in the legislation are profound, marking a great departure from the system that has been in place for 60 years. As one who has served my State of Rhode Island and this Nation as a U.S. Senator from 35 of those 60 years, I did not take lightly the vote that I cast yesterday. I thought long and hard about the desire for change, for reform, and for a better welfare system, and I share all of those goals.

As I look at the bill, I remain concerned. It does not provide nearly enough of what I think is necessary for quality welfare reform. And it does not sufficiently protect our children or provide adults with the tools they need to move off of welfare and into work.

But the final bill was also a drastic improvement over the House welfare legislation, and, with the addition of the Dole-Daschle compromise, moves us more in the direction that I think is best for our Nation. So while it was with some reluctance, I decided to cast my vote in favor of the legislation that was before us yesterday. I did so with the understanding that the American people want and demand action, and are seeking a new way of accomplishing what the existing system has not been able to accomplish. I am willing to try a new way, but acknowledge freely that without the minimal protections put into place by the Dole-Daschle agreement with respect to child care and other important provisions, I would not have voted "yea."

I cannot help but hope that the conference committee will see fit to incorporate more of the provisions contained in the Work First proposal introduced by Senator DASCHLE, which I cosponsored. I still support and strongly prefer its provisions—its emphasis on transitioning welfare recipients to work, its understanding that providing child care is a linchpin of successful reform, and its premise that—despite very real abuses of the current system by some welfare recipients—most people want to get off welfare and work at a job that provides a living wage. But I realize that the conference committee is more likely to move this bill in a direction that I cannot support, by being more punitive to parents and, in

the process, harming children who have not chosen their parents or their circumstances.

Mr. President, it would be my intention, should the bill return from the conference committee stripped of these moderating provisions, or including any of the more draconian provisions we defeated during the Senate debate, to cast my vote against the conference report. I hope that this will not be necessary and that we will be able to pass a conference report that really does move the Nation in the direction that we all want to see—toward workable reform that moves this generation off of dependency while ensuring that the next generation does not suffer for its parents' failures or misfortunes.

TRIBUTE TO AMERICAN LEGION AUXILIARY, UNIT 230, PIKE-HUSKA POST

Mr. PRESSLER. Mr. President, today I pay tribute to certain members of the American Legion Auxiliary, Unit 230, Pike-Huska Post in Aurora, SD. Governor William Janklow designated the first day of the recent South Dakota State Fair as "Victory Day Golden Anniversary Celebration" in honor of South Dakota veterans who served in the Second World War. Ten special women in the American Legion Auxiliary in Aurora provided South Dakota World War II veterans attending the celebration with tokens of their appreciation and gratitude in memory of our veterans' dedicated service.

Mr. President, I had the opportunity to join my fellow South Dakotans at the State fair in expressing appreciation to the outstanding men and women who served their country during the Second World War. I am proud of the contributions made by South Dakotans during the war years. More than 2,200 South Dakota National Guardsmen served on active duty. More than 41,000 South Dakotans were called into military service through the draft and 23,192 South Dakotans enlisted. More than 1,500 South Dakotans stood face to face against Hitler's war machine and gave their lives to turn back Nazi aggression. At home, South Dakotans dug deep into their pockets to keep American troops armed, fed, and clothed. During eight national fundraising campaigns, South Dakota consistently ranked first or second in the per capita sale of series "E" war bonds. In fact, South Dakotans raised \$111.5 million from the sale of series "E" war bonds to help the war effort.

Mr. President, as a war veteran myself, having served in the United States Army as a lieutenant in Vietnam, I extend my sincere respect, admiration, and appreciation for the dedicated service and selfless sacrifice of South Dakota's Second World War veterans. I especially appreciate the 10 members of the American Legion Auxiliary in Aurora, SD, who provided on behalf of themselves and all South Dakotans, a small token of our boundless gratitude

for those courageous veterans who answered the call to duty more than 50 years ago.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about "another go," as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds \$4.9 trillion.

To be exact, as of the close of business yesterday, September 19, the total Federal debt—down to the penny—stood at \$4,965,954,997,403.59, of which, on a per capita basis, every man, woman, and child in America owes \$18,850.85.

Mr. President, back to our pop quiz, how many million in a trillion: There are a million million in a trillion.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1996

The PRESIDING OFFICER. The clerk will report H.R. 1868.

The assistant legislative clerk read as follows.

A bill (H.R. 1868) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1996, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1996, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-

weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date 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, **[\$786,551,000]** **\$795,000,000** to remain available until September 30, 1997: *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 2010 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1996 and 1997: *Provided further*, That up to \$100,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: *Provided further*, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants 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 motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$20,000 for official reception and representation expenses for members of the Board of Directors, **[\$45,228,000]** **\$46,000,000**: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: *Provided further*, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1996.

OVERSEAS PRIVATE INVESTMENT CORPORATION NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: *Provided*, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed **[\$35,000]** **\$20,000**) shall not exceed **[\$26,500,000]** **\$26,000,000**: *Provided further*, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, **[\$69,500,000]** **\$79,000,000**, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Noncredit account: *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 be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1996 and 1997: *Provided further*, That such sums shall remain available through fiscal year 2003 for the disbursement of direct and guaranteed loans obligated in fiscal year 1996, and through fiscal year 2004 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, **\$40,000,000**: *Provided*, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1997, for necessary expenses under this paragraph: *Provided further*, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

[For payment to the International Finance Corporation by the Secretary of the Treasury, **\$67,550,000**, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: *Provided*, That of the amount appropriated under this heading not more than **\$5,269,000** may be expended for the purchase of such stock in fiscal year 1996.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

[For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, **\$70,000,000** to remain available until expended.]

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1996, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILDREN AND DISEASE PROGRAMS FUND

[For necessary expenses to carry out the provisions of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, for child survival, assistance to combat tropical and other diseases, and related assistance activities, **\$592,660,000**, to remain available until September 30, 1997: *Provided*, That this amount shall be made available for such ac-

tivities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, polio, malaria and other diseases, (7) basic education programs, and (8) a contribution on a grant basis to the United Nations Children's Fund (UNICEF): *Provided further*, That funds appropriated under this heading shall be in addition to amounts otherwise available for such purposes.

DEVELOPMENT ASSISTANCE FUND

ECONOMIC ASSISTANCE

(INCLUDING TRANSFERS OF FUNDS)

[For necessary expenses to carry out the provisions of sections 103 through 106, of the Foreign Assistance Act of 1961, **\$655,000,000**: *For necessary expenses to carry out the provisions of sections 103 through 106, chapter 10 of part I, and chapter 4 of part II of the Foreign Assistance Act of 1961, and the provisions of title V of the International Security and Development Cooperation Act of 1980 (Public Law 96-533) and provisions of section 401 of the Foreign Assistance Act of 1969, \$2,117,099,331, to remain available until September 30, 1997: *Provided*, That funds made available under this heading for each of (1) sections 103 through 106, (2) section 104(b), (3) chapter 10 of part I, (4) chapter 4 of part II (exclusive of assistance for Israel and Egypt) of the Foreign Assistance Act of 1961, (5) title V of Public Law 96-533, (6) section 401 of the Foreign Assistance Act of 1969, and (7) for "Debt Restructuring", shall be the same proportion to the total amount appropriated under this heading as the proportion of funds appropriated to carry out each of such provisions was to the total amount appropriated for them in title II of Public Law 103-306, exclusive of assistance to Israel and Egypt: *Provided further*, That the use of any authority to waive the requirements of the previous proviso shall be subject to the regular notification requirements of the Committees on Appropriations: *Provided further*, That of the funds appropriated or otherwise available by this Act for population planning assistance administered by the Agency for International Development, not less than **\$350,000,000** shall be made available for the central Office of Population of the Agency for International Development in fiscal year 1996, which sum shall be made available to that office: *Provided further*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export*

financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options including abortion: *Provided further*, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: *Provided further*, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading [and under the heading "Development Fund for Africa"], not to exceed a total of \$15,000,000 may be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds made available under this heading may be transferred to the Government of Zaire.

DEVELOPMENT FUND FOR AFRICA

[For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, \$528,000,000, to remain available until September 30, 1997: *Provided*, That none of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire: *Provided further*, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Community shall be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.]

CYPRUS

Of the funds appropriated under the heading "Economic Assistance", not less than \$15,000,000 shall be made available for Cyprus to be used only for scholarships, bicultural projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

BURMA

*Of the funds appropriated under the heading "Economic Assistance", not less than \$2,000,000 shall be made available to strengthen democracy and support humanitarian activities in Burma: *Provided*, That of this amount, not less than \$200,000 shall be used to support newspapers, publications and media activities promoting democracy inside Burma: *Provided further*, That funds made available under this heading may be made available to organizations and Burmese student groups to expand indigenous participation in the political process, transportation, communications, publications, administration, and medical supplies and humanitarian services: *Provided further*, That funds made available under this heading may be made available to support activities in Burma, along the Burma-Thailand border, and to support activities designated by this Act outside Burma: *Provided further*, That funds made available under this heading may be made available notwithstanding any other provision of law: *Provided further*, That provision of such funds shall be made available subject to the regular notification procedures of the Appropriations Committees.*

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other

than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section, *except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph.*

[Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.]

INTERNATIONAL DISASTER ASSISTANCE

[For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$200,000,000 to remain available until expended.]

DEBT RESTRUCTURING

[For] *Of the funds made available under the heading "Economic Assistance", for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, [owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961, \$7,000,000] \$15,000,000, to remain available until expended.*

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

[For] *Of the funds made available under the heading "Economic Assistance", for the subsidy cost of direct loans and loan guarantees, \$1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, \$500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That funds made available under this heading shall remain available until September 30, 1997.*

HOUSING GUARANTY PROGRAM ACCOUNT

[For administrative expenses to carry out guaranteed loan programs, \$7,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development.]

*Of the funds made available under the heading "Economic Assistance", for the subsidy cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, \$8,000,000: *Provided*,*

*That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections: *Provided further*, That the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject to the availability of qualified applicants for such guarantees: *Provided further*, That for administrative expenses to carry out guaranteed loan programs, \$7,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for Eastern Europe and programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961: *Provided further*, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committees on Appropriations.*

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$175,000,000 to remain available until expended.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$43,914,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, [\$465,750,000] \$490,000,000: *Provided*, That of this amount not more than \$1,475,000 may be made available to pay for printing costs: *Provided further*, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of \$25,000 without the approval of the Administrator of that Agency or the Administrator's designee].

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, [\$35,200,000] \$30,200,000, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

MIDDLE EAST FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, [\$2,300,000,000] \$2,015,000,000, to remain available until September 30, 1997: *Provided*, That any funds appropriated under this heading that are made available for Israel shall be made available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided*, That of the funds appropriated under this heading, not less than \$1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That not less than \$815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided,

with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than \$200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: Provided further, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: Provided further, That none of the funds appropriated under this heading shall be made available for Zaire].

INTERNATIONAL FUND FOR IRELAND

[For necessary expenses to carry out the provisions of part I of the Foreign Assistance Act of 1961, up to \$19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 1997.]

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, [\$324,000,000] \$335,000,000, to remain available until September 30, 1997, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

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

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, [\$580,000,000] \$705,000,000, to remain available until September 30, 1997: Provided, That the provisions of 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

(b) None of the funds appropriated under this heading shall be transferred to 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; and

(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 ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in Principle Six of the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States: Provided further, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization, defense conversion or non-proliferation programs.

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.

(i) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations [previously functioning in the new independent states].

[(j) The ratio of private sector investment (including volunteer contributions in cash or time) to United States government assistance in projects referred to in subsection (i) shall be no less than a ratio of 1 to 1.]

(k) Of the funds appropriated under this heading, not less than \$15,000,000 should be available only for a family planning program for the new independent states of the former Soviet Union comparable to the family planning program currently administered by the Agency for International Development in the Central Asian Republics and focusing on population assistance which provides an alternative to abortion.

(l) Notwithstanding any other provision of law or this Act, of the funds appropriated under this heading, not less than \$85,000,000 shall be made available for programs and activities for Armenia, of which \$35,000,000 shall be available for food, \$40,000,000 shall be available for fuel, and \$10,000,000 shall be available for medical supplies and services.

(m) Of the funds made available by this or any other Act, not less than \$30,000,000 shall be made available for programs and activities for Georgia.

(n) Of the funds appropriated under this heading, not less than \$225,000,000 shall be made available for Ukraine: Provided, That of these funds made available, not less than \$3,000,000 shall be made available to assist in establishing a commodities exchange board: Provided further, That not less than \$5,000,000 shall be made available to support improvements in the delivery of social services: Provided further, That not less than \$20,000,000 shall be available to support the development of small and medium enterprises: Provided further, That not less than \$2,000,000 shall be provided to support strengthening in independent broadcast and print media: Provided further, That not less than \$5,000,000 shall be available for a pilot project to screen, diagnose, and treat Chernobyl victims suffering from breast cancer: Provided further, That not less than \$5,000,000 shall be available to support a joint United States-Ukraine geographic survey to determine levels of contamination caused by the Chernobyl reactor: Provided further, That not less than \$2,000,000 shall be available to conduct an assessment of the energy distribution grid with recommendations on improvements necessary to provide comprehensive industrial, commercial and residential access to power: Provided further, That not less than \$5,000,000 shall be made available for a pilot project to establish a management and market economics training partnership between a Ukrainian university and a United States university with demonstrated experience in Eastern Europe or the New Independent States and an ability to plan and direct a multi-faceted program including business management, manufacturing management, market economics, and public administration training.

(o) Of the funds made available for Ukraine, under this Act or any other Act, not less than \$50,000,000 shall be made available to improve nuclear energy self-sufficiency and improve safety at nuclear reactors: Provided, That of this amount, not less than \$30,000,000 shall be made available to provide technical assistance, training and equipment to develop institutions and procedures to license, purchase, transfer and use nuclear fuel assemblies consistent with International Atomic Energy Agency standards: Provided further, That of this amount, not less than \$20,000,000 shall be provided for the purchase, installation and training for safety parameter display systems or safety control systems at all nuclear operational nuclear reactors, but on a priority basis at the Chernobyl facility.

(p) Notwithstanding any other provision of law or of this Act, of the funds made available under this heading, within 30 days of enactment of this Act, not less than \$4,500,000 shall be transferred to the Federal Bureau of Investigation to establish Legal Attaché offices and related programs in Ukraine, Kazakhstan, and Estonia: Provided, That these funds shall support both in country and regional law enforcement liaison and investigation activities.

(q) Notwithstanding any other provision of law or of this Act, of the funds made available under this heading, within 30 days of enactment of this Act not less than \$12,600,000 shall be transferred to the Federal Bureau of Investigation for international training and cooperation in Central Europe and the New Independent States: Provided, That these funds may support training conducted at the International Law Enforcement Academy in Hungary, in country training sessions in Central Europe, the Baltics, and the New Independent States, and efforts to establish national law enforcement institutes.

(r) Of the funds made available under this heading, not less than \$20,000,000 shall be available for hospital partnership programs.

(s) Of the funds made available under this heading, not less than \$45,000,000 shall be provided to the Western NIS Enterprise Fund.

(t) No funds may be made available under this heading, until the Department of State Office of the Coordinator for United States Assistance to the New Independent States submits a report to

the Committees on Appropriations providing a country by country development strategy including the type of activities planned to carry out the strategy requirements.

(u) No funds may be made available under this heading for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated all planning and implementation of arrangements to provide Iran with technical expertise, training, technology or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(v) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Funds disbursement of such funds. The Fund may retain for program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by Congress.

(w) Of the funds made available under this heading, not less than \$15,000,000 shall be made available to support establishing a Trans-Caucasus Enterprise Fund.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, \$11,500,000.

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, \$20,000,000.]

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), [\$210,000,000] \$200,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 1997.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, [\$113,000,000] \$150,000,000: *Provided*, That during fiscal year 1996, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That of the funds appropriated under this heading, not less than \$1,800,000 shall be available to establish and maintain a Federal Bureau of Investigation Legal Attaché office in Cairo, Egypt: *Provided further*, That not less than \$5,000,000 shall be made available to the Federal Bureau of Investigation and the Secret Service to establish and maintain offices in the Triborder area of Argentina, Brazil and Paraguay.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to

provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; salaries and expenses of personnel assigned to the bureau charged with carrying out the Migrations and Refugee Assistance Act; allowances as authorized by sections 5921 through 5925 of title 5, United States Code, purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$671,000,000: *Provided*, That not more than \$12,000,000 shall be available for administrative expenses: *Provided*, That, one of the funds appropriated under this heading shall be available for salaries and expenses of personnel assigned to the bureau charged with carrying out the Migration and Refugee Assistance Act: *Provided further*, That not less than \$80,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

REFUGEE RESETTLEMENT ASSISTANCE

For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, \$5,000,000.]

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), \$50,000,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, [\$17,000,000] \$15,000,000.

NONPROLIFERATION AND DISARMAMENT FUND

For necessary expenses for a "Non-proliferation and Disarmament Fund", \$20,000,000, to remain available until expended, to promote bilateral and multilateral activities: *Provided*, That such funds may be used pursuant to the authorities contained in section 504 of the FREEDOM Support Act: *Provided further*, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That funds appropriated under this heading may be made available notwithstanding any other provision of law: *Provided further*, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, [\$39,000,000] \$19,000,000: *Provided*, That up to \$100,000 of the funds ap-

propriated under this heading may be made available for grant financed military education and training for any high income country on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: *Provided further*, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military, and may also include individuals who are not members of a government: *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire and Guatemala: *Provided further*, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded military education and training.]

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, [\$3,211,279,000] \$3,207,500,000: *Provided*, That funds appropriated by this paragraph that are made available for Israel and Egypt shall be made available only as grants: *Provided further*, That the funds appropriated by this paragraph that are made available for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not to exceed \$475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided*, That of the funds appropriated by this paragraph not less than \$1,800,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be available for grants only for Egypt: *Provided further*, That the funds appropriated by this paragraph for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1995, whichever is later: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced fighter aircraft programs or for other advanced weapons systems, as follows: (1) up to \$150,000,000 shall be available for research and development in the United States; and (2) not less than \$475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: *Provided further*, That, for the purpose only of providing support for the Warsaw Initiative Program, of the funds appropriated by this Act under the headings "Assistance for Eastern Europe and the Baltic States" and "Assistance for the New Independent States of the Former Soviet Union", up to a total of \$20,000,000 may be transferred, notwithstanding any other provision of law, to the funds appropriated under this paragraph: *Provided further*, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace

Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, \$64,400,000; *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed \$544,000,000; *Provided further*, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities; *Provided further*, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed *the following*: \$224,000,000 only for Greece and [shall not exceed] \$320,000,000 only for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds; *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act; *Provided further*, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a); *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Peru, Liberia, and Guatemala; *Provided further*, That none of the funds appropriated or otherwise made available for use under this heading may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used by such country primarily for counternarcotics activities; *Provided further*, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining activities, and may include activities implemented through nongovernmental and international organizations; *Provided further*, That not more than \$100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt; *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act; *Provided further*, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans; *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make

timely payment for defense articles and services; *Provided further*, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency; *Provided further*, That not more than [\$24,000,000] \$22,500,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales; *Provided further*, That not more than \$355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1996 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, [\$68,300,000] \$72,033,000; *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL FINANCIAL INSTITUTIONS CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock for the General Capital Increase, [\$23,009,000] \$28,189,963, to remain available until expended.

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), [\$30,000,000] \$50,000,000, to remain available until September 30, 1997.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed [\$743,900,000] \$911,475,013.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, [\$575,000,000] \$775,000,000, for the United States contribution to the tenth replenishment, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, \$67,550,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended; *Provided*, That of the amount appropriated under this heading not more than \$5,269,000 may be expended for the purchase of such stock in fiscal year 1996.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treas-

ury, for the United States share of the paid-in share portion of the increase in capital stock, [\$25,950,000] \$25,952,110, and for the United States share of the increase in the resources of the Fund for Special Operations, \$20,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [\$1,523,000,000] \$1,523,767,142.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, \$70,000,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, [\$13,200,000] \$13,221,596, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [\$647,000,000] \$647,858,204.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), [\$100,000,000] \$110,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, [\$69,180,000] \$70,000,000, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended; *Provided*, That of the amount appropriated under this heading not more than \$54,600,000 may be expended for the purchase of such stock in fiscal year 1996.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed [\$161,400,000] \$163,333,333.

[NORTH AMERICAN DEVELOPMENT BANK

[For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, \$56,250,000, to remain available until expended.

[LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

[The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed \$318,750,000.]

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, **[\$155,000,000] \$260,000,000**: *Provided*, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That any reduction in the amounts made available under this heading for each of the United Nations Development Program, the United Nations Children's Fund, the United Nations Environment Program, and the International Atomic Energy Agency, from the amounts made available under this heading for such organizations for fiscal year 1995, shall not exceed the percentage by which the total amount appropriated under this heading is reduced from the total amount appropriated under this heading for fiscal year 1995: *Provided further*, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: *Provided further*, That not more than **[\$25,000,000] \$35,000,000** of the funds appropriated under this heading may be made available to the UNFPA: *Provided further*, That not more than one-half of this amount may be provided to UNFPA before March 1, 1996, and that no later than February 15, 1996, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1996: *Provided further*, That any amount UNFPA plans to spend in the People's Republic of China in 1996 above \$7,000,000, shall be deducted from the amount of funds provided to UNFPA after March 1, 1996 pursuant to the previous provisos: *Provided further*, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds: *Provided further*, That up to \$13,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) for administrative expenses and heavy fuel oil costs associated with the Framework Agreement: *Provided further*, That additional funds may be made available to KEDO subject to the regular notification procedures of the Committees on Appropriations].

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed \$126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year:

Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, [not to exceed \$5,000] *no funds* shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed \$95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", [not to exceed \$2,000] *no funds* shall be available for entertainment expenses and not to exceed \$50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, *no funds shall be available for entertainment and not to exceed \$2,000 shall be available for [entertainment and] representation allowances*: *Provided further*, That of the funds made available by this Act for the Peace Corps, [not to exceed a total of \$4,000] *no funds* shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", *no funds shall be available for entertainment and not to exceed \$2,000 shall be available for representation [and entertainment] allowances*.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfers specifically referred to in this Act.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1996, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) *Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 1996.*

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapters 1, 8 and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of

principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the *Chairman of the Board so notifies the Committees on Appropriations*.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

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

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary admin-

istrative flexibility, none of the funds made available under this Act for [“Child Survival and Disease Programs Fund”, “Development Assistance Fund”, “Development Fund for Africa”,] “*Economic Assistance*”, “International organizations and programs”, “Trade and Development Agency”, “International narcotics control”, “Assistance for Eastern Europe and the Baltic States”, “Assistance for the New Independent States of the Former Soviet Union”, [“Economic Support Fund”,] “Peacekeeping operations”, “Operating expenses of the Agency for International Development”, “Operating expenses of the Agency for International Development Office of Inspector General”, “Nonproliferation and Disarmament Fund”, “Anti-terrorism assistance”, “Foreign Military Financing Program”, “International military education and training”, [“Inter-American Foundation”, “African Development Foundation”,] “Peace Corps”, “*Middle East Fund*” or “Migration and refugee assistance”, [or “United States Emergency Refugee and Migration Assistance Fund”,] shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than [20] 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act or any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

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

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for “International Organizations and Programs” shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran,

or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided*, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1997.

ECONOMIC [SUPPORT FUND] ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for [the Economic Support Fund] *economic assistance* which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION [CONCERNING ABORTIONS] ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: *Provided*, That in determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, nongovernmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance: *Provided further*, That none of the funds made available under this Act may be used to lobby for or against abortion.

REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports

required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Dominican Republic, Guatemala, Haiti, [Indonesia,] Liberia, Nicaragua, Pakistan, Peru, [Russia,] Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations: *Provided*, That this section shall not apply to funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961 that are made available for [Indonesia and] Nicaragua.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

FAMILY PLANNING, CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to \$8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national security interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out "1995" and inserting in lieu thereof "1996".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by this Act may be obligated and expended [subject to] notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 527. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution designated in subsection (b), and the Administrator of the Agency for International Development shall instruct the United States Executive Director of the International Fund for Agriculture Development, to use the voice and vote of the United States to oppose any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Fund, and the European Bank for Reconstruction and Development.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527A. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on

Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to [Israel and] Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 528A. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

[SEC. 529. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.]

DEBT-FOR-DEVELOPMENT

SEC. 530. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization 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 may be used for the purpose for which the assistance was provided to that organization.

LOCATION OF STOCKPILES

[SEC. 531. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "a total of \$200,000,000 for stockpiles in Israel for fiscal years 1994 and 1995, up to \$40,000,000 may be made available for stockpiles in the Republic of Korea, and up to \$10,000,000 may be made available for stockpiles in Thailand for fiscal year 1995." and inserting in lieu thereof "\$200,000,000 for stockpiles in Israel, \$40,000,000 for stockpiles in the Republic of Korea and \$10,000,000 for stockpiles in Thailand for fiscal year 1996".]

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 531A. (a) COSTING BASIS.—Section 22 of the Arms Export Control Act (22 U.S.C. 2762) is amended by adding at the end the following:

"(d) COMPETITIVE PRICING.—Procurement contracts made in implementation of sales under this section for defense articles and defense services wholly paid for funds made available on a nonrepayable basis shall be priced on the same costing basis with regard to profit, overhead, independent research and development, bid and proposal, and other costing elements, as is applicable to procurements of like items purchased by the Department of Defense for its own use."

(b) EFFECTIVE DATE AND IMPLEMENTING REGULATIONS.—Section 22(d) of the Arms Export Control Act, as added by subsection (a)—

(1) shall take effect on the 60th day following the date of the enactment of this Act;

(2) shall be applicable only to contracts made in implementation of sales made after such effective date; and

(3) shall be implemented by revised procurement regulations, which shall be issued prior to such effective date.

STOCKPILES OF DEFENSE ARTICLES

SEC. 531B. (a) LIMITATION ON VALUE OF ADDITIONS.—Section 514(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(1)) is amended by inserting “or in the implementation of agreements with Israel” after “North Atlantic Treaty Organization”.

(b) ADDITIONS IN FISCAL YEARS 1996 AND 1997.—Section 514(b)(2) of such Act (22 U.S.C. 2321h(b)(2)) is amended to read as follows:

“(2)(A) The value of such additions to stockpiles of defense articles in foreign countries shall not exceed \$50,000,000 for each of the fiscal years 1996 and 1997.

“(B) Of the amount specified in subparagraph (A) for each of the fiscal years 1996 and 1997, not more than \$40,000,000 may be made available for stockpiles in the Republic of Korea and not more than \$10,000,000 may be made available for stockpiles in Thailand.”.

(c) LOCATION OF STOCKPILES OF DEFENSE AUTHORITIES.—Section 514(c) of such Act (22 U.S.C. 2321h(c)) is amended to read as follows:

“(c) LOCATION OF STOCKPILES OF DEFENSE ARTICLES.—

“(1) LIMITATION.—Except as provided in paragraph (2), no stockpile of defense articles may be located outside the boundaries of a United States military base or a military base used primarily by the United States.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to stockpiles of defense articles located in the Republic of Korea, Thailand, any country that is a member of the North Atlantic Treaty Organization, any country that is a major non-NATO ally, or any other country the President may designate. At least 15 days before designating a country pursuant to the last clause of the preceding sentence, the President shall notify the congressional committees specified in section 634A(a) in accordance with the procedures applicable to reprogramming notifications under that section.”.

SEPARATE ACCOUNTS

SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 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

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

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

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

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

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

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading “Sub-Saharan Africa, Development Assistance” as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

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

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 533. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, “international financial institutions” are: the

International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 534. [(a) DENIAL OF ASSISTANCE.—] None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

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

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

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

[(b) IMPORT SANCTIONS.—] If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

[(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

[(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.]

POW/MIA MILITARY DRAWDOWN

SEC. 535. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed \$15,000,000 in fiscal year 1996, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

(d) There are authorized to be appropriated to the President such sums as may be necessary to

reimburse the applicable appropriation, fund, or account for defense articles, defense services, and military education and training provided under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 536. During fiscal year 1996, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

PRIORITY DELIVERY OF EQUIPMENT

SEC. 536A. Notwithstanding any other provision of law, the delivery of excess defense articles that are to be transferred on a grant basis under section 516 of the Foreign Assistance Act to NATO allies and to major non-NATO allies on the southern and southeastern flank of NATO shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

CASH FLOW FINANCING

SEC. 537. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99-83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of \$100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 538. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 539. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that

country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA-HERCEGOVINA

SEC. 540. (a) Congress finds as follows:

(1) The United Nations has imposed an embargo on the transfer of arms to any country on the territory of the former Yugoslavia.

(2) The federated states of Serbia and Montenegro have a large supply of military equipment and ammunition and the Serbian forces fighting the government of Bosnia-Herzegovina have more than one thousand battle tanks, armored vehicles, and artillery pieces.

(3) Because the United Nations arms embargo is serving to sustain the military advantage of the aggressor, the United Nations should exempt the government of Bosnia-Herzegovina from its embargo.

(b) Pursuant to a lifting of the United Nations arms embargo, or to a unilateral lifting of the arms embargo by the President of the United States, against Bosnia-Herzegovina, the President is authorized to transfer, subject to prior notification of the Committees on Appropriations, to the government of that nation, without reimbursement, defense articles from the stocks of the Department of Defense and defense services of the Department of Defense of an aggregate value not to exceed \$50,000,000 in fiscal year 1996: *Provided*, That the President certifies in a timely fashion to the Congress that the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(c) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

SEC. 540A. (a) RESTRICTIONS.—Notwithstanding any other provision of law, no sanction, prohibition, or requirement described in section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160), with respect to Serbia or Montenegro, may cease to be effective, unless—

(1) the President first submits to the Congress a certification described in subsection (b); and

(2) the requirements of section 1511 of that Act are met.

(b) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova;

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) EXPANDED AUTHORITY.—Section 660(b) of the Foreign Assistance Act of 1961 is amended—

(1) in paragraph (3), by striking “or”;

(2) in paragraph (4), by striking the period at the end thereof and inserting “; or”;

(3) adding the following new paragraph:

“(5) with respect to assistance, including training, relating to sanctions monitoring and enforcement.”.

SPECIAL AUTHORITIES

SEC. 541. (a) Funds appropriated in title II of this Act that are made available for [Haiti,] Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, [displaced Burmese,] humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia-Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: *Provided further*, That the President shall terminate assistance to any country or organization that he determines is cooperating, [tactically or strategically, with the Khmer Rouge in their military operations] *tactically or strategically, with the Khmer Rouge in their military operations, or which is cooperating commercially with the Khmer Rouge.*

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1996, the President may use up to \$40,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

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

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 542. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) 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;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 543. (a) Of the funds appropriated [or otherwise made available by this Act for "Economic Support Fund",] *under the heading "Economic Assistance"*, assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean in accordance with the provisions of section 534 of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Funds made available pursuant to this section may be made available notwithstanding the third sentence of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 544. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: *Provided*, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: *Provided further*, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1996, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under *titles I and II of the Agricultural Trade Development and Assistance Act of 1954*: *Provided*, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

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

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

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

EARMARKS

SEC. 544A. (a) *Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United*

States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) *In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.*

CEILINGS AND EARMARKS

SEC. 545. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

EXCESS DEFENSE ARTICLES

SEC. 546. (a) The authority of section 519 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide nonlethal excess defense articles to countries for which United States foreign assistance has been requested and for which receipt of such articles was separately justified for the fiscal year, without regard to the restrictions in subsection (a) of section 519.

(b) The authority of section 516 of the Foreign Assistance Act of 1961, as amended, may be used in fiscal year 1996 to provide defense articles to Jordan[, except that the provision of such defense articles shall be subject to section 534 of this Act].

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 547. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: *Provided*, That none of the funds appropriated by this Act may be made available to carry out the provisions of section 316 of Public Law 96-533].

USE OF AMERICAN RESOURCES

SEC. 548. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 549. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 550. The expenditure of any appropriation under this Act for any consulting serv-

ice through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 551. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 552. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

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

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 553. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

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

SEC. 554. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 583(a) of the Middle East Peace Facilitation Act of 1994 (part E of title V of Public Law 103-236) or any other legislation to suspend

or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: *Provided*, That if the President fails to make the certification under section 583(b)(2) of the Middle East Peace Facilitation Act or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 555. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1996 for programs under title [I] IV of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

WAR CRIMES TRIBUNALS

SEC. 556. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the authority of section 552(c) of the Foreign Assistance Act of 1961, as amended, may be used to provide up to \$25,000,000 of commodities and services to the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: *Provided*, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): *Provided further*, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

NONLETHAL EXCESS DEFENSE ARTICLES

SEC. 557. Notwithstanding section 519(f) of the Foreign Assistance Act of 1961, during fiscal year 1996, funds available to the Department of Defense may be expended for crating, packing, handling and transportation of nonlethal excess defense articles transferred under the authority of section 519 to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101-179.

LANDMINES

SEC. 558. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: *Provided*, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 22 U.S.C., 2778 note) is amended by striking out "During the four-year period beginning on October 23, 1992" and inserting in lieu thereof "During the five-year period beginning on October 23, 1993".

REPORT ON THE SALARIES AND BENEFITS OF THE IMF AND THE WORLD BANK

[SEC. 559. The Comptroller General shall submit a report to the Committees on Approp-

riations not later than November 1, 1995, on the following—

[(1) a review of the existing salaries and benefits of employees of the International Monetary Fund and the International Bank for Reconstruction and Development; and

[(2) a review of all benefits paid to dependents of Fund and Bank employees.

Such report shall include a comparison of the salaries and benefits paid to employees and dependents of the Fund and the Bank with salaries and benefits paid to employees holding comparable positions in the public and private sectors in member countries and in the international sector.]

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 560. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: *Provided*, That this [subsection] restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: *Provided further*, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 561. None of the funds appropriated or otherwise made available by this Act under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" or "FOREIGN MILITARY FINANCING PROGRAM" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

LIMITATION ON ASSISTANCE TO COUNTRIES THAT RESTRICT THE TRANSPORT OR DELIVERY OF UNITED STATES HUMANITARIAN ASSISTANCE

[SEC. 562. (a) IN GENERAL.—None of the funds made available in this Act may be used for assistance in support of any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

[(b) EXCEPTION.—Subsection (a) shall not apply to assistance in support of any country when it is made known to the President that the assistance is in the national security interest of the United States.]

NON-OVERTIME DIFFERENTIAL PAY

SEC. 562. Title 5 of the United States Code is amended by inserting the following:

(1) in section 5541(2)(xiv) after a "Foreign Service officer" " , except for a Foreign Service

Officer who is a criminal investigator for the Agency for International Development, Office of Inspector General".

REFERENCES TO AUTHORIZATION ACTS

[SEC. 563. The funds appropriated under the heading, "Child Survival and Disease Programs Fund" are provided pursuant to the Foreign Assistance Act, as amended: under sections 103 through 106 (Development Assistance Fund), in the amount of \$214,000,000; under part I, chapter 10 (Development Fund for Africa), in the amount of \$131,000,000; under the provisions of section 498(6) (Assistance for the New Independent States of the Former Soviet Union), in the amount of \$15,000,000; under the provisions of part I, chapter 1, section 104(c) of the Foreign Assistance Act and the Support for East European Democracy (SEED) Act of 1989, in the amount of \$1,000,000; under provisions of chapter 4, part II (Economic Support Fund), in the amount of \$23,000,000; under the provisions of section 301, in the amount of \$100,000,000 as a contribution on a grant basis to the United Nation's Children's Fund (UNICEF): *Provided*, That funds derived from funds authorized under chapter 4, part II, shall be made available for projects meeting criteria set forth in part I section 104(c): *Provided further*, That funds appropriated under the heading "Child Survival and Disease Programs Fund" shall be in addition to amounts otherwise available for such purposes.

PROHIBITION ON FUNDING FOR ABORTION

[SEC. 564. (a) IN GENERAL.—

[(1) Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act for population assistance activities may be made available for any private, nongovernmental, or multilateral organization until the organization certifies that it does not now, and will not during the period for which the funds are made available, directly or through a subcontractor or sub-grantee, perform abortions in any foreign country, except where the life of the mother were carried to term or in cases of forcible rape or incest.

[(2) Paragraph (1) may not be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

[(b) LOBBYING ACTIVITIES.—

[(1) Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act for population assistance activities may be made available for any private, nongovernmental, or multilateral organization until the organization certifies that it does not now, and will not during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in any activity or effort to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited.

[(2) Paragraph (1) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

[(c) COERCIVE POPULATION CONTROL METHODS.—Notwithstanding any other provision of this Act or other law, none of the funds appropriated by this Act may be made available for the United Nations Population Fund (UNFPA), unless the President certifies to the appropriate congressional committees that (1) the United Nations Population Fund has terminated all activities in the People's Republic of China; or (2) during the 12 months preceding such certification, there have been no abortions as the result of coercion associated with the family planning

policies of the national government or other governmental entities within the People's Republic of China. As used in this section the term "coercion" includes physical duress or abuse, destruction or confiscation of property, loss of means of livelihood, or severe psychological pressure.】

WITHHOLDING OF ASSISTANCE TO COUNTRIES SUPPORTING NUCLEAR PLANT IN CUBA

SEC. 565. (a) *WITHHOLDING.*—The President shall withhold from assistance made available with funds appropriated or made available pursuant to this Act an amount equal to the sum of assistance and credits, if any, provided on or after the date of the enactment of this Act by that country, or any entity in that country, in support of the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba.

(b) *EXCEPTIONS.*—The requirement of subsection (a) to withhold assistance shall not apply with respect to—

- (1) assistance to meet urgent humanitarian needs, including disaster and refugee relief;
- (2) democratic political reform and rule of law activities;
- (3) the creation of private sector and non-governmental organizations that are independent of government control;
- (4) the development of a free market economic system; and

(5) assistance for the purposes described in the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160).

(c) *DEFINITION.*—As used in subsection (a), the term "assistance" means assistance under the Foreign Assistance Act of 1961, credits, sales and guarantees of extensions of credit under the Arms Export Control Act, assistance under titles I and III of the Agricultural Trade Development and Assistance Act of 1954, assistance under the FREEDOM Support Act of 1992, and any other program of assistance or credits provided by the United States to other countries under other provisions of law, except that the term "assistance" does not include humanitarian assistance, including disaster relief assistance.

【LIMITATION ON FUNDS FOR HAITI

【SEC. 566. Effective March 1, 1996, none of the funds appropriated in this Act may be made available to the Government of Haiti when it is made known to the President that such Government is controlled by a regime holding power through means other than the democratic elections scheduled for calendar year 1995 and held in substantial compliance with the requirements of the 1987 Constitution of Haiti.

【PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

【SEC. 567. SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

【(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

【LIMITATION ON ASSISTANCE TO TURKEY

【SEC. 568. Not more than \$21,000,000 of the funds appropriated in this Act under the heading "ECONOMIC SUPPORT FUND" may be made available to the Government of Turkey.

【LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

【SEC. 569. No funds appropriated in this Act, under the heading "North American Development Bank" may be obligated or expended unless it is made known to the Fed-

eral entity or official to which funds are appropriated under this Act that the Government of Mexico has contributed a share of the paid-in portion of the capital stock for fiscal year 1996 equivalent to that appropriated by the United States.】

LIMITATION ON FUNDS FOR BURMA

SEC. 570. None of the funds made available in this Act may be used for International Narcotics Control or Crop Substitution Assistance for the Government of Burma.

ASIAN DEVELOPMENT BANK

SEC. 570A. The Secretary of the Treasury may, to fulfill commitments of the United States, subscribe to and make payment for shares of the Asian Development Bank in connection with the fourth general capital increase of the Bank. The amount authorized to be appropriated for paid-in shares of the Bank is limited to \$66,614,647; the amount authorized to be appropriated for payment for callable shares of the Bank is limited to \$3,264,178,021. The amount to be paid in respect of each subscription is authorized to be appropriated without fiscal year limitation. Any subscription by the United States to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 570B. (a) *AUTHORITY TO REDUCE DEBT.*—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

- (1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961; or
- (2) credits extended or guarantees issued under the Arms Export Control Act.

(b) *LIMITATIONS.*—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

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

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

(c) *CONDITIONS.*—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

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

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

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

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

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) *AVAILABILITY OF FUNDS.*—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

(e) *CERTAIN PROHIBITIONS INAPPLICABLE.*—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

【LIMITATION ON FUNDS FOR RUSSIA

【SEC. 571. Of the funds appropriated in this Act under the heading "Assistance for the New Independent States of the Former So-

viet Union", not more than \$195,000,000 may be made available for Russia.

【LIMITATION ON ASSISTANCE TO MEXICO

【SEC. 572. IN GENERAL.—None of the funds appropriated or otherwise made available by this Act may be obligated or expended for the Government of Mexico, except if it is made known to the Federal entity or official to which funds are appropriated under this Act that—

【(1) the Government of Mexico is taking actions to reduce the amount of illegal drugs entering the United States from Mexico, as determined by the Director of the Office of National Drug Control Policy; and

【(2) the Government of Mexico—

【(A) is taking effective actions to apply vigorously all law enforcement resources to investigate, track, capture, incarcerate, and prosecute illegal drug kingpins and their accomplices, individuals responsible for, or otherwise involved in, corruption, and individuals involved in money-laundering; and

【(B) is pursuing international anti-drug trafficking initiatives.

【HUMAN RIGHTS PROGRESS IN ETHIOPIA

【SEC. 573. The Department of State should closely monitor and take into account human rights progress in Ethiopia as it obligates fiscal year 1996 funds for Ethiopia appropriated in this Act.

【BASIC EDUCATION FOR CHILDREN

【Sec. 574. Not more than \$108,000,000 under the Agency for International Development Children and Disease Programs Fund may be used for basic education for children.】

KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

SEC. 575. No funds may be made available under this Act to the Korean Peninsula Energy Development Organization (KEDO) unless the President determines and certifies in writing to the Committees on Appropriations that—

(a) in accordance with Provision I of the Framework Agreement, KEDO has concluded a supply contract with the Democratic People's Republic of Korea (DPRK) designating a Republic of Korea company, corporation or entity the prime contractor to carry out construction of the light water reactors provided for in the Framework Agreement; and

(b) the DPRK has complied with the obligations of Provision III of the Framework Agreement regarding North-South dialogue including within three months after the enactment of this Act: (1) eliminating North-South barriers to trade and investment; (2) removing North-South restrictions on travel, telecommunications services and financial transactions; and (3) implementing the December 13, 1991, Nonaggression Pact and the January 1, 1992, Joint Declaration for a Non-Nuclear Korean Peninsula.

DRAWDOWN AUTHORITY FOR JORDAN

SEC. 576. During fiscal year 1996, the President may direct, for the purposes of part II of the Foreign Assistance Act of 1961, the drawdown for Jordan of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of up to an aggregate of \$100,000,000: Provided, That—

(a) within six months of the last drawdown under subsection (a), the President shall submit a report to the Committee on Appropriations identifying the articles, services, training or education provided;

(b) section 506(c) of the Foreign Assistance Act of 1961 shall apply to the drawdown authority in this section; and

(c) section 632(d) of the Foreign Assistance Act of 1961 shall not apply with respect to drawdowns under this section.

TITLE VI—MIDDLE EAST PEACE

FACILITATION ACT OF 1995

SHORT TITLE

SEC. 601. This title may be cited as the "Middle East Peace Facilitation Act of 1995".

FINDINGS

SEC. 602. The Congress finds that—

(1) the Palestine Liberation Organization (hereafter the "P.L.O.") has recognized the State of Israel's right to exist in peace and security; accepted United Nations Security Council Resolutions 242 and 338; committed itself to the peace process and peaceful coexistence with Israel, free from violence and all other acts which endanger peace and stability; and assumed responsibility over all P.L.O. elements and personnel in order to assure their compliance, prevent violations, and discipline violators;

(2) Israel has recognized the P.L.O. as the representative of the Palestinian people;

(3) Israel and the P.L.O. signed a Declaration of Principles on Interim Self-Government Arrangements (hereafter the "Declaration of Principles") on September 13, 1993 at the White House;

(4) Israel and the P.L.O. signed an Agreement on the Gaza Strip and the Jericho Area (hereafter the "Gaza-Jericho Agreement") on May 4, 1994 which established a Palestinian Authority for the Gaza and Jericho areas;

(5) Israel and the P.L.O. signed an Agreement on Preparatory Transfer of Powers and Responsibilities (hereafter the "Early Empowerment Agreement") on August 29, 1994 which provided for the transfer to the Palestinian Authority of certain powers and responsibilities in the West Bank outside of the Jericho Area;

(6) under the terms of the Declaration of Principles, the Gaza-Jericho Agreement and the Early Empowerment Agreement, the powers and responsibilities of the Palestinian Authority are to be assumed by an elected Palestinian Council with jurisdiction in the West Bank and Gaza Strip in accordance with the Interim Agreement to be concluded between Israel and the P.L.O.;

(7) permanent status negotiations relating to the West Bank and Gaza Strip are scheduled to begin by May 1996;

(8) the Congress has, since the conclusion of the Declaration of Principles and the P.L.O.'s renunciation of terrorism, provided authorities to the President to suspend certain statutory restrictions relating to the P.L.O., subject to Presidential certifications that the P.L.O. has continued to abide by commitments made in and in connection with or resulting from the good faith implementation of, the Declaration of Principles;

(9) the P.L.O. commitments relevant to Presidential certifications have included commitments to renounce and condemn terrorism, to submit to the Palestinian National Council for formal approval the necessary changes to those articles of the Palestinian Covenant which call for Israel's destruction, and to prevent acts of terrorism and hostilities against Israel; and

(10) the President, in exercising the aforementioned authorities, has certified to the Congress on four occasions that the P.L.O. was abiding by its relevant commitments.

SENSE OF CONGRESS

SEC. 603. It is the sense of the Congress that although the P.L.O. has recently shown improvement in its efforts to fulfill its commitments, it must do far more to demonstrate an irrevocable denunciation of terrorism and ensure a peaceful settlement of the Middle East dispute, and in particular it must—

(1) submit to the Palestine National Council for formal approval the necessary changes to those articles of the Palestinian National Covenant which call for Israel's destruction;

(2) make greater efforts to pre-empt acts of terror, to discipline violators and to contribute to stemming the violence that has resulted in the deaths of 123 Israeli citizens since the signing of the Declaration of Principles;

(3) prohibit participation in its activities and in the Palestinian Authority and its successors by any groups or individuals which continue to promote and commit acts of terrorism;

(4) cease all anti-Israel rhetoric, which potentially undermines the peace process;

(5) confiscate all unlicensed weapons and restrict the issuance of licenses to those with legitimate need;

(6) transfer and cooperate in transfer proceedings relating to any person accused by Israel to acts of terrorism; and

(7) respect civil liberties, human rights and democratic norms.

AUTHORITY TO SUSPEND CERTAIN PROVISIONS

SEC. 604. (a) IN GENERAL.—Subject to subsection (b), beginning on the date of enactment of this Act and for eighteen months thereafter, the President may suspend for a period of not more than 6 months at a time any provision of law specified in subsection (d). Any such suspension shall cease to be effective after 6 months, or at such earlier date as the President may specify.

(b) CONDITIONS.—

(1) CONSULTATIONS.—Prior to each exercise of the authority provided in subsection (a) or certification pursuant to subsection (c), the President shall consult with the relevant congressional committees. The President may not exercise that authority or make such certification until 30 days after a written policy justification is submitted to the relevant congressional committees.

(2) PRESIDENTIAL CERTIFICATION.—The President may exercise the authority provided in subsection (a) only if the President certifies to the relevant congressional committees each time he exercises such authority that—

(A) it is in the national interest of the United States to exercise such authority;

(B) the P.L.O. continues to comply with all the commitments described in paragraph (4); and

(C) funds provided pursuant to the exercise of this authority and the authorities under section 583(a) of Public Law 103-236 and section 3(a) of Public Law 103-125 have been used for the purposes for which they were intended.

(3) REQUIREMENT FOR CONTINUING P.L.O. COMPLIANCE.—

(A) The President shall ensure that P.L.O. performance is continuously monitored and if the President at any time determines that the P.L.O. has not continued to comply with all the commitments described in paragraph (4), he shall so notify the relevant congressional committees and any suspension under subsection (a) of a provision of law specified in subsection (d) shall cease to be effective.

(B) Beginning six months after the date of enactment of this Act, if the President on the basis of the continuous monitoring of the P.L.O.'s performance determines that the P.L.O. is not complying with the requirements described in subsection (c), he shall so notify the relevant congressional committees and no assistance shall be provided pursuant to the exercise by the President of the authority provided by subsection (a) until such time as the President makes the certification provided for in subsection (c).

(4) P.L.O. COMMITMENTS DESCRIBED.—The commitments referred to in paragraphs (2) and (3)(A) are the commitments made by the P.L.O.—

(A) in its letter of September 9, 1993, to the Prime Minister of Israel; in its letter of September 9, 1993, to the Foreign Minister of Norway to—

(i) recognize the right of the State of Israel to exist in peace and security;

(ii) accept United Nations Security Council Resolutions 242 and 338;

(iii) renounce the use of terrorism and other acts of violence;

(iv) assume responsibility over all P.L.O. elements and personnel in order to assure their compliance, prevent violations and discipline violators;

(v) call upon the Palestinian people in the West Bank and Gaza Strip to take part in the steps leading to the normalization of life, reject-

ing violence and terrorism, and contributing to peace and stability; and

(vi) submit to the Palestine National Council for formal approval the necessary changes to the Palestinian National Covenant eliminating calls for Israel's destruction, and

(B) in, and resulting from, the good faith implementation of the Declaration of Principles, including good faith implementation of subsequent agreements with Israel, with particular attention to the objective of preventing terrorism, as reflected in the provisions of the Gaza-Jericho Agreement concerning—

(i) prevention of acts of terrorism and legal measures against terrorists;

(ii) abstention from and prevention of incitement, including hostile propaganda;

(iii) operation of armed forces other than the Palestinian Police;

(iv) possession, manufacture, sale, acquisition or importation of weapons;

(v) employment of police who have been convicted of serious crimes or have been found to be actively involved in terrorist activities subsequent to their employment;

(vi) transfers to Israel of individuals suspected of, charged with, or convicted of an offense that falls within Israeli criminal jurisdiction;

(vii) cooperation with the government of Israel in criminal matters, including cooperation in the conduct of investigations; and

(viii) exercise of powers and responsibilities under the agreement with due regard to internationally accepted norms and principles of human rights and the rule of law.

(5) POLICY JUSTIFICATION.—As part of the President's written policy justification to be submitted to the relevant Congressional Committees pursuant to paragraph (1), the President will report on—

(A) the manner in which the P.L.O. has complied with the commitments specified in paragraph (4), including responses to individual acts of terrorism and violence, actions to discipline perpetrators of terror and violence, and actions to preempt acts of terror and violence;

(B) the extent to which the P.L.O. has fulfilled the requirements specified in subsection (c);

(C) actions that the P.L.O. has taken with regard to the Arab League boycott of Israel;

(D) the status and activities of the P.L.O. office in the United States; and

(E) the status of U.S. and international assistance efforts in the areas subject to jurisdiction of the Palestinian Authority or its successors.

(c) REQUIREMENT FOR CONTINUED PROVISION OF ASSISTANCE.—Six months after the enactment of this Act, no assistance shall be provided pursuant to the exercise by the President of the authority provided by subsection (a), unless and until the President determines and so certifies to the Congress that—

(1) if the Palestinian Council has been elected and assumed its responsibilities, it has, within a reasonable time, effectively disavowed the articles of the Palestine National Covenant which call for Israel's destruction, unless the necessary changes to the Covenant have already been submitted to the Palestine National Council for formal approval;

(2) the P.L.O. has exercised its authority resolutely to establish the necessary enforcement institutions; including laws, police, and a judicial system, for apprehending, prosecuting, convicting, and imprisoning terrorists;

(3) the P.L.O. has limited participation in the Palestinian Authority and its successors to individuals and groups in accordance with the terms that may be agreed with Israel;

(4) the P.L.O. has not provided any financial or material assistance or training to any group, whether or not affiliated with the P.L.O., to carry out actions inconsistent with the Declaration of Principles, particularly acts of terrorism against Israel;

(5) the P.L.O. has cooperated in good faith with Israeli authorities in the preemption of acts

of terrorism and in the apprehension and trial of perpetrators of terrorist acts in Israel, territories controlled by Israel and all areas subject to jurisdiction of the Palestinian Authority and its successors; and

(6) the P.L.O. has exercised its authority resolutely to enact and implement laws requiring the disarming of civilians not specifically licensed to possess or carry weapons.

(d) PROVISIONS THAT MAY BE SUSPENDED.—The provisions that may be suspended under the authority of subsection (a) are the following:

(1) Section 307 of the Foreign Assistance Act of 1961 (22 U.S.C. 2227) as it applies with respect to the P.L.O. or entities associated with it.

(2) Section 114 of the Department of State Authorization Act, fiscal years 1984 and 1985 (22 U.S.C. 287e note) as it applies with respect to the P.L.O. or entities associated with it.

(3) Section 1003 of the Foreign Relations Authorization Act, fiscal years 1988 and 1989 (22 U.S.C. 5202).

(4) Section 37 of the Bretton Woods Agreement Act (22 U.S.C. 286W) as it applies on the granting to the P.L.O. of observer status or other official status at any meeting sponsored by or associated with the International Monetary Fund. As used in this paragraph, the term "other official status" does not include membership in the International Monetary Fund.

(e) RELEVANT CONGRESSIONAL COMMITTEES DEFINED.—As used in this title, the term "relevant congressional committees" means—

(1) the Committee on International Relations, the Committee on Banking and Financial Services, and the Committee on Appropriations of the House of Representatives; and

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

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996".

Mr. MCCONNELL. Madam President, let me just say at the outset of our discussion on the foreign operations bill this year, it appears at least to this point, based on information we have prior to taking up the bill, that this may be the least contentious foreign operations bill we have had in recent years. Obviously, that could change as the floor debate unfolds, but I think there is certainly clear potential to finish up this bill either late tonight or tomorrow in accordance with what the Republican leader hopes which, of course, would give us a greater chance of being out of here for a week the week after next.

In 1964, Henry Kissinger commented:

To rely on the efficacy of diplomacy may lead to disaster but to rely on power with insufficient means is suicide.

Madam President, today we take up consideration of the appropriations bill for foreign operations, export financing, and related programs, a bill that provides the means to maintain our role as the sole remaining superpower. Despite Dr. Kissinger's caution, it is also the bill everyone loves to hate.

Foreign operations, like every other subcommittee, has struggled to apportion the substantial reductions in discretionary spending imposed by the budget resolution process. Obviously, this is not an easy task, and foreign assistance should obviously not be spared the responsibility of making a contribution to balancing the budget.

However, unlike other appropriations bills, foreign assistance has steadily

declined over the past decade, at a time when both new threats and opportunities have emerged. To address these needs has been a challenge for, unlike other accounts, the administration of foreign assistance is the exclusive responsibility of the Federal Government. This is not something that can be handed off to the States through a block grant. In fact, I think it could safely be said that this is the diplomacy account, the nonmilitary way to engage with other countries around the world, and that is uniquely a responsibility of the Federal Government.

The bill unanimously reported by the Appropriations Committee reflects a \$2 billion reduction and is more than 16 percent below the President's request. The administration asked for \$14.7 billion and the bill provides \$12.3 billion. That is \$2.3 billion out of roughly a \$1.5 trillion budget. We have tried to balance the distribution of the reduction as fairly and evenly as we possibly could while protecting and promoting priorities I think most of us share.

It is clear foreign aid must be better connected to American interests or we will lose all public support and risk complete elimination of resources. Accordingly, we have emphasized those programs which directly serve our economic, security, political, and humanitarian interests. These range from continuing to support the peaceful transition to free market democracies in Central Europe and the NIS to expanding our international effort to combat crime and narcotics trafficking.

Madam President, let me briefly summarize each of the titles of the bill to give everyone a sense of how aid can serve our interests.

Title I funds export promotion activities. These programs have a direct—I repeat direct—impact on creating jobs and expanding export opportunities. They enjoy bipartisan support as well as the endorsement of a wide range of commercial and manufacturing interests including labor unions, Fortune 500 companies, and small businesses.

It is no wonder since estimates provided from the private sector as well as the administration suggest that 300,000 jobs and 40 percent of our economic growth are linked to export activities.

The committee has provided \$795 million to the Export-Import Bank, slightly over the House and last year's level, but well below the needs as reflected in the request.

We have fully funded the OPIC request. Credit reforms laws require the bill to indicate the amount of basic subsidy which funds OPIC activities. However, it is worth pointing out that while we subsidize OPIC, the corporation is completely self-sufficient. While we provide \$79 million in subsidy, OPIC is expected to generate over \$200 million this year which is returned to the Treasury.

The third agency involved in export promotion is the Trade Development Agency which is funded at the House level of \$40 million, a sizable cut from

the request of \$67 million. TDA's principal responsibility is conducting feasibility studies and while important, there is not as immediate and direct an impact on jobs and exports as with the sister agencies.

One of the most important initiatives the subcommittee included in the treatment of economic assistance is the construction of title II. We have consolidated a number of development and economic accounts into a \$2.1 billion account with very few earmarks. Traditional earmarks for the following programs have been eliminated: the Economic Support Fund, development assistance, the Development Fund for Africa, child survival, basic education, the Africa Development Foundation, the Inter-American Foundation, and the Ireland Fund.

I am not suggesting that these activities will not be funded. All the necessary statutory authorities to conduct these programs are preserved. But, the bill gives the President the flexibility to make the decision on the levels and the administration of programs.

My preference would have been to simply provide a sum for the President to allocate in accordance with emerging priorities. However, the ranking member, along with other members, expressed the concern that one account might bear the entire burden of the overall reduction.

To accommodate this concern, we have included language that requires a proportional distribution of the reduction. This means that accounts such as development assistance and the Development Fund for Africa will be smaller than last year, but they will each have approximately the same share of overall resources available this year as they have in the past.

Since this is not an absolute mathematical formula, some flexibility is maintained. And, so far, we have avoided the detailed micromanagement of specific activities which must be carried out within the broader accounts. We have avoided the inclination of past years to direct funding levels for community colleges, museums and other special interest projects.

Obviously, the Senate can decide to divide up the economic assistance account affording no flexibility at all to the President. I am not opposed to considering earmarks or recommendations on spending priorities, but I would urge each Member to carefully consider the impact of beginning to further carve up this small pie.

In addition to this broad category of economic aid, we have funded programs in the Middle East, Central Europe, and the NIS—regions I think most view as central to our security interests. We have fully funded the Camp David countries and included, once again, an earmark for resettling refugees in Israel.

The bill provides \$335 million to support programs in Central Europe and \$705 million for the New Independent States. Within the NIS account I have

earmarked the following: \$17.1 million for the FBI for law enforcement training and investigations. With 5,000 organized criminal enterprises expanding their activities into nuclear smuggling and areas of operations to our shores, our security interests compel an active role for the FBI in the region.

Thirty million dollars is earmarked for Georgia, where democracy is truly under siege.

Eighty-five million dollars is earmarked for Armenia to mitigate the severity of the economic consequences of the war and the blockade. Armenia has carried out important political and economic reforms in the past year but continues to need assistance to complete the transition.

Another country that I have had a longstanding interest in, going back to the dissolution of the Soviet Union: \$225 million is earmarked for Ukraine with subearmarks to address the urgent priorities of strengthening the private sector and developing energy self-sufficiency. Although the administration has come around to the view that Ukraine has a uniquely important role to play in regional stability, levels of aid and the kinds of activities AID have been willing to undertake lag far behind requirements.

The sum of \$15 million is set aside for a Trans-caucasus Enterprise Fund, which will complete congressional plans to have each region benefit from this innovative aid approach.

The NIS section also preserves the option of transferring resources to the Peace Corps to sustain their very successful efforts. Overall, the Peace Corps is spared the 16 percent reduction imposed on other programs and is cut roughly 8.5 percent to \$200 million.

I might say that the occupant of the chair is, of course, a former director of the Peace Corps and has been an aggressive advocate for the Peace Corps and its programs. He has certainly made his views known to me as I worked to put together the chairman's mark.

Although this is a popular program I cannot understand why we need 149 volunteers in the Dominican Republic. In Africa, we saw an 18 percent increase from 1994 to 1995, bringing the number of volunteers up to 2,442. Unfortunately, the days of expanding programs are over.

Title II also funds our international efforts to combat crime, terrorism and narcotics trafficking. As I mentioned earlier, I think these are issues which every American understands has a direct impact on our Nation's interests. In restoring public confidence that our aid serves our interests, the committee has increased support for these activities.

Finally title II provides \$490 million in operating expenses for AID. Each committee which has reported legislation on AID has recommended different levels of support. My recommendation is based on a recent GAO study which indicated the House authorization and

appropriations levels would not be adequate to cover the cost associated with RIF's, closing missions and other measures to streamline AID's programs.

According to the GAO, \$490 million will require significant actions on AID's part to eliminate program duplication, close overseas missions, cut personnel and otherwise accelerate streamlining and consolidation. But, let me be clear. This level will not compel consolidation.

Although I have supported the two attempts to pass legislation to carry out consolidation of AID and the State Department, the Administration has indicated it will veto any legislation which forces the reorganization of the executive branch without its consent. Given this unresolved situation, it did not seem appropriate for the Foreign Operations Subcommittee to move ahead of the authorization committee and include in a spending bill reorganization or activities not directed by law in legislation.

The rest of the news about the bill is bleak. Title III, security assistance is below the House level and the request. I think this is unfortunate, but a direct function of the budget reality.

Title III does provide authority to transfer funds from the European and NIS accounts to support the Warsaw Initiative. I think there is strong bipartisan support for accelerating the integration of former Warsaw Pact members into NATO through joint exercises and training and improving military interoperability. The transfer authority provided should relieve some of the pressure on the security assistance account.

Finally, title IV, the multilateral programs, are the hardest hit of all accounts. With three exceptions, the World Bank, International Finance Corporation, and the Inter-American Development Bank, we have not been able to fund existing commitments. Just one example tells the story. The request for IDA is \$1.3 billion of which we only funded \$775 million.

International organizations and programs were also drastically reduced from the request of \$425 million to \$260 million. Frankly, this is an account which has as many strong supporters as it does vocal detractors. There are some clear examples of international agencies which have effectively served international interests, such as the International Atomic Energy Agency. But, there are just as many with sloppy management, guilty of waste, fraud, and abuses. The committee has not earmarked levels of support for programs within IO and P with the view that contributions will offer the administration the opportunity to leverage management reforms. No agency is exempt from the urgency of reform and I include one of our collective favorites, UNICEF, in that category.

Let me now turn to Senator LEAHY for his comments. I would like to point out that the report takes note of the

ranking member's dedicated service to victims of landmines by establishing the Patrick J. Leahy War Victims Fund. This was a program established several years ago to aid the recovery and rehabilitation of the thousands of people injured by antipersonnel mines. Senator LEAHY deserves special recognition for his effort in this area which the committee acknowledged by renaming the program in his honor.

Let me also say it has been a pleasure to work with my colleague from Vermont. Before I turn to him, let me mention one other item.

I think, Mr. President, Members of the Senate would be interested that earlier today the Central and East European Coalition held a press conference urging quick passage of this legislation. This coalition, comprising 18 grassroots organizations representing 22 million Americans, strongly support this legislation.

I want to emphasize that because I think it is frequently thought by many that nobody in America gives a hoot about foreign assistance. In fact, there are many Americans who came from somewhere else, or their ancestors did, who care deeply about this part of the Federal budget.

The Central and Eastern European Coalition represents 18 of those groups. They are very active in promoting better relations, strengthened relations between the United States and the various countries from which they come.

Mr. President, before turning the floor over to Senator LEAHY for his opening comments, I ask unanimous consent that the statements of the coalition be printed in the RECORD at this point and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION URGES GREATER U.S. FOCUS ON
CENTRAL AND EAST EUROPE

(Statement by Eugene Iwanciw, Washington Office Director; Ukrainian Association, Inc.)

The Central and East European Coalition (CEEC), comprising 18 national grassroots organizations representing 22 million Americans who trace their heritage to that part of the world, applauds Chairman Mitch McConnell (R-KY) for his leadership in drafting a foreign assistance bill which provides much needed support for the countries of Central and East Europe. We are particularly pleased that the Senator and the Committee have focused additional attention on the non-Russian nations of the former Soviet Union, particularly Ukraine and Armenia.

The Coalition strongly believes that the long-term national security and budget interests of the United States require a strong commitment to the transition of Central and East European countries to fully democratic and free market nations. That commitment requires an active U.S. engagement in that part of the world.

The Central and East European Coalition believes that peace, stability, and democracy throughout Europe serve the national security interests of the United States. In this century, the United States was called upon to fight two world wars and a 45-year cold war—conflicts which emanated from the heart of Europe—in the furtherance of those vital geopolitical interests. The institutionalization of democracy and market

economies in Central and East Europe is the best means of guaranteeing that there will be no further European conflicts which will entangle the United States. We believe that with the collapse of communism and the Soviet Union, the objectives of peace, stability, and democracy in Europe are achievable. For those objectives to be achieved, however, requires the continued engagement, support, and assistance of the United States and the West.

Since the signing of the Camp David Accords, the United States has wisely supported the peace process in the Middle East. That long-term commitment is now paying dividends with increased stability throughout that region of the world. Similarly, the strengthening of democracy and market economies in the countries of Central and East Europe will require a long-term commitment by the United States. Forty-five to seventy-five years of communist oppression and tyranny cannot be eradicated overnight.

Continued United States engagement in Central and East Europe must take various forms. The most visible is our foreign assistance. While we had hoped that the Administration's overall funding levels would be accepted by the Congress, we were particularly distressed by the severe cuts that House of Representatives made in the programs for Central and East Europe, particularly in the Freedom Support Act (FSA). We commend the Senate Subcommittee on Foreign Operations, under Chairman McConnell's leadership, for restoring many of those cuts and we urge the Senate to adopt the levels of funding for FSA and SEED contained in the bill as reported from the Appropriations Committee. We especially applaud the attention which Senator McConnell and the Committee have given to the non-Russian nations considered part of the New Independent States (NIS). For the past three years, the bulk of assistance to the NIS went to Russia. This bill provides U.S. policy with the balance it should have in our dealings with the nations of Central and East Europe.

Secondly, our engagement demands involvement in the security issues of the region. We believe that the general stability and security of the region can best be accomplished through the expansion of NATO to include all the nations of the region who desire to join the alliance and meet the criteria for membership. For that reason, we strongly support the funding for the Warsaw Initiative and the NATO Participation amendment which Senator Hank Brown (R-CO) will offer during floor consideration of the Foreign Assistance Appropriations Act.

Thirdly, we believe that the U.S. assistance should focus on those countries which have demonstrated progress in the establishment of democratic institutions and market reforms as well as respect for basic human rights. That criteria must also include a commitment not to hinder international humanitarian relief efforts. For that reason, we endorse the Humanitarian Corridor Act which Senate Majority Leader Robert Dole (R-KS) will offer as an amendment to the Appropriations Act during Senate floor consideration. This amendment would suspend assistance to any country which hinders U.S. humanitarian relief efforts to a third country.

Fourthly, as U.S. assistance to this important part of the world is unfortunately reduced, it is vital that the U.S. Agency for International Development (USAID) maximize the impact of every dollar of assistance. For far too long we have heard about waste, inefficiencies, and fraud in these programs. It is time to take the Beltway Bandits off the public dole and to work through organizations with both an understanding of the region and a demonstrated, long-term

commitment to the establishment of democratic and free market institutions in the countries of Central and East Europe. In the six years since the Berlin Wall came down, USAID has been unable to institute these reforms so we call upon the Congress to take the initiative in reforming the delivery of U.S. foreign assistance.

Finally, an aspect of our engagement in Central and East Europe involves the flow of information and ideas to the peoples of Central and East Europe. For five decades, the United States has provided the peoples of this region with timely and accurate information through the Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL). These programs are as vital today as they were during the communist period. Democracy is still in its infancy in most, if not all, of the nations of Central and East Europe. Few, if any, of these countries have a firmly-established independent media, particularly electronic media. Today, VOA and RFE/RL are playing critical roles in the establishment of democracy throughout the region. Last year the Congress enacted legislation which brings better coordination to the work of the two broadcasting services. This has resulted in substantial savings in the FY 1996 budget. It would, however, be a major mistake to reduce the budget of the broadcasting services below the levels currently in the Commerce, Justice, State, and Judiciary Appropriations Act and the Coalition strongly opposes any such effort.

The United States spent hundreds of billions of dollars to win the Cold War. It would be tragic were the United States to lose the peace through short-sighted policies and illusionary budgetary savings. An investment in democracy building today will pay dividends through long-term security and reduced military expenditures for the United States.

In conclusion, the Central and East European Coalition urges the Senate to approve the Foreign Assistance Appropriations Act with the Committee approved spending levels for FSA and SEED, to adopt the NATO Participation and Humanitarian Corridors amendments, to oppose any efforts to reduce funding for VOA and RFE/RL in the Commerce-Justice Appropriations Act, and to begin reforming USAID to insure that our foreign assistance is used effectively and efficiently. We especially urge the House conferees to accept these provisions during the House-Senate conference on the bills.

COALITION URGES RAPID EXPANSION OF NATO
(Statement by Frank Koszorus, Jr., Member of the Executive Committee; Hungarian American Coalition)

The Central and East European Coalition applauds the leadership of Senator Hank Brown (R-Col.) who, along with strong bipartisan support, will offer the NATO Participation amendment to the Foreign Assistance Appropriations Act. Senator Brown's Amendment will establish a process to facilitate the expansion of NATO in a manner that will advance vital U.S. geopolitical interests in Europe and preserve its leadership role in the world.

The Coalition is concerned with the glacial pace of NATO's expansion. The collapse of the Soviet Union has left a dangerous security vacuum in Central and Eastern Europe. That region must be rapidly reintegrated with the West to provide it with a sense of security and to shore up the new democracies. Rapid expansion of NATO to include countries which are committed to the concepts of democracy, market economies, civilian control of the military and human and minority rights would serve this objective as well as the foreign policy interests of the

United States by ensuring Europe's overall stability.

The United States cannot afford to turn its attention away from the Central and Eastern European countries. Success in their transition to pluralism and democracy will validate the many sacrifices we made to win the Cold War. Failure will ensure a new world order far less congenial to our interests.

The adverse consequences of our withdrawal from Europe at critical times in the past fill history books. Had we reacted firmly to the turmoil threatening peace in Europe prior to the First and Second World Wars, many American lives and resources would have been spared. Similarly, the Cold War would have been far less expensive and dangerous had we not pulled back from the heart of Europe and had we resisted domestic pressure to "bring the boys home" before the European political order had been settled. As George F. Kennan wrote in 1950, "history does not forgive us our national mistakes because they are explicable in terms of domestic policies."

Today, we must not permit Central and East Europe to languish in a security vacuum. Russian interests are not threatened by the expansion of a defensive alliance. Moreover, stability and economic growth on the Western borders of Russia can only benefit Moscow.

Russia should not be isolated and mechanisms, such as a treaty between NATO and Russia, would dispel any lingering concerns Moscow may entertain about an enlarged NATO. Russia, however, should under no circumstances be permitted to veto NATO's enlargement. Western appeasement and indecisiveness will encourage Russian nationalists to assert expansionist tendencies and cause the U.S. and the West to lose credibility. Russia itself is in a fluid state with voices of nascent imperialism being heard with greater frequency. Yeltsin's harsh outburst in Budapest last year and his even more disquieting threats following NATO's bombing missions in Bosnia, vividly demonstrate the perils of procrastination.

Continued Western hesitation in expanding NATO would redraw the lines imposed by Stalin and signal Russian imperialists that they, in fact, enjoy a "sphere of influence" in Central and Eastern Europe. This ill-advised policy would be contrary to U.S. geopolitical interests in a stable, secure, unified, and democratic Europe.

Having won the Cold War, the United States should not prematurely retreat from the challenges posed by Central and Eastern Europe, if only to avoid being drawn back into exacerbated controversies. Expansion of NATO to include countries which desire to join the alliance and meet the criteria of NATO membership is an inexpensive yet vital insurance policy for the United States.

Senator Brown's amendment is a welcome first step in this direction. It must be followed by concrete steps, eligibility lists, criteria, and unambiguous timetables in 1996. As we approach the 21st Century, we simply cannot afford to squander a historic opportunity to safeguard peace and democracy.

COALITION URGES SENATE PASSAGE OF THE HUMANITARIAN AID CORRIDOR ACT
(Statement by Timothy Jemal, Director of Congressional Relations, Armenian Assembly of America)

First, we want to compliment Chairman McConnell for his leadership in drafting a bill that gives prominent support to the states of Central and Eastern Europe. We are particularly pleased that Senator McConnell and the committee are strengthening U.S. support for the non-Russian New Independent States (NIS), in spite of an overall reduction in funding. This redirection in resources

will make a tangible and permanent contribution to the bold reforms taking place in such countries as Armenia and Ukraine. In spite of this overall shift, U.S. aid to the states of Central and Eastern Europe continues to be reduced, requiring maximum efficiency in the use of U.S. foreign assistance. It is this objective that is embraced in legislation supported by our Coalition and rapidly moving towards enactment.

Senate Majority Leader Bob Dole (R-KS), Senator Paul Simon (D-IL), along with a bipartisan group of Senators including Chairman McConnell, will offer the humanitarian Aid Corridor Act (S. 230) on the Senate floor as an amendment to the Foreign Operations Appropriations bill (H.R. 1868). The 18 member organizations of the Central and East European Coalition strongly urge the Senate to take quick, decisive action—in support of the Dole/Simon amendment. This legislation espouses the fundamental principle that the United States should not provide assistance to any country which deliberately prevents the transport of American humanitarian assistance through its borders. The U.S. cannot expect to meet the need for budget austerity and achieve important foreign policy goals without the cooperation of our allies.

The relevant committees in the Senate and the House have fully debated the bill and expressed clear, bipartisan support. On May 12, the House International Relations Committee approved the Corridor Act by a 27-7 vote. On June 7, the same bill was again approved by the Senate Foreign Relations Committee in a convincing 14-4 vote. To illustrate the genuine bipartisan nature of the bill, it was California Senator Dianne Feinstein who successfully offered Senator Dole's bill as an amendment before the Foreign Relations Committee. In addition, the Democrats on the Foreign Relations Committee voted unanimously for the Corridor Act. For the third time, the provision was approved by the House Foreign Operations Subcommittee on June 8, and retained in H.R. 1868 when it passed the House by a 333-89 vote.

Currently, the countries of Central and Eastern Europe are undergoing radical political and economic reforms to institutionalize democracy and free markets. The success of these reform programs will bring peace, security and stability to the region. The Coalition will continue to work toward securing the integration of our ancestral homelands into the western political, economic and defense structures. We oppose any obstacle or impediment to furthering this integration process and especially deplore the use of inhumane methods to prevent any nation of Central and Eastern Europe from having access to U.S. humanitarian aid. It simply does not make sense that the United States should provide aid to one nation which in turn denies U.S. humanitarian assistance to another state. We are firmly united in our view that U.S. assistance should be delivered in the most humane, cost-effective, fiscally responsible manner. This cannot be achieved when borders are closed to thwart U.S. assistance to people in need.

Senator Dole's amendment does not single out or exempt any country. All recipients of U.S. assistance will be held to the same standard, including such countries as Turkey, which has imposed an illegal and immoral blockade on Armenia since April of 1993. This blockade has resulted in slowing delivery of U.S. aid shipments while skyrocketing the transportation costs. Most importantly, the blockade has often precluded the safe delivery of vitally needed U.S. humanitarian assistance.

The Coalition believes that it is unacceptable for any recipient of U.S. aid to use the denial of food, medicines and other essential humanitarian needs as a political

weapon. The United States should demand that its allies maintain a simple, humane policy that allows U.S. assistance to flow through open corridors. As taxpayers, we are rightfully indignant that the U.S. government would provide hundreds of millions of dollars to a country denying aid to suffering people. There is no more cruel and cynical policy than a government directive to block humanitarian assistance to the most vulnerable people for political or strategic ends. That any recipient of U.S. aid would do so is unacceptable to this Coalition.

We applaud Senators Dole and Simon for their leadership on this issue. The amendment is truly bipartisan, and a necessary element in strengthening American credibility abroad.

COALITION URGES REFORM OF U.S.A.I.D.

(Statement by Avo E. Ora, Director of Public Relations, Joint Baltic American National Committee)

Today, the Central and East European Coalition is united not only in our support for increasing foreign aid funding, we are also united in our demands for the effective use of these resources. Increased funding will not advance our national security interests nor Central and East European development if the funds continue to be wasted on short-term, less-than-efficient programs.

The end of the Cold War provided the US with the opportunity to reshape Europe as the Marshall plan reshaped war-ravaged Europe in 1947. America's present policy goals are similar to the goals outlined under the plan—we seek to facilitate and secure democratic and economic gains in post-Soviet nations, resulting in a stable and secure Europe.

Unfortunately, the US Agency for International Development did not seize this opportunity and conducted business as usual. Grants have generally shifted from Central America to Central Europe but continued to be implemented by generic developmental, fee-for-service contractors who generally lack interest, knowledge and long-term commitment to the region. Although some long-term, goal-specific USAID programs were successfully implemented, they were more an exception than the norm. The result is a characterization of US assistance as wasteful by Congress, the targeted states, and most damaging of all, by the American people.

How can we increase the sustainable development and effectiveness of foreign aid? The answer lies in our recommendations for the use of Region Specific Organizations in aid implementation and a more open and accountable grant procedure. These suggestions evolved from our efforts to guarantee the efficient and wise use of US taxpayer dollars.

Our first recommendation is the use of organizations that have historic ties and long-term commitments to the countries of Central Europe and the New Independent States. These Region Specific Organizations, including many in our ethnic communities, have high standards of professionalism, an intimate knowledge of the political, economic and social conditions in a given country, and language capabilities which others lack.

Our second recommendation calls for the public disclosure of specific tasks, goals, and funding levels of USAID contracts, insuring an open and fair process for awarding contracts and grants, and simplifying the contracting process to facilitate smaller Region Specific organizations. Recently, USAID's lack of planning and commitment became apparent when USAID attempted to unilaterally reduce funding for Armenia in fiscal year 1996. In addition, USAID failed to sub-

mit a strategy paper for public comment. We strongly recommend that USAID country strategy papers be subject to comment by the NGO and PVO community.

The Coalition contrasts the wasteful, region-wide spending practices of USAID, with the country specific contracting processes of the National Endowment for Democracy and the US Information Agency which result in much greater, quicker and more effective assistance to these countries. Moreover, these smaller agencies which have had and will continue to have a long-term commitment to democracy and free market reform in the region, have contracting processes which are "user friendly" to RSO's, such as those represented by the coalition.

Aid for Central Europe and the New Independent States were designed to be temporary. This finite time frame for assistance only increases our desire for effective programs. Estonia is already slated for USAID "graduation" in 1996—other nations are on the chopping bloc for 1997. While we agree that US assistance should promote self-sufficiency and not dependency, this goal is not being pursued by government programs before or after "graduation". Estonia, for example, called for "trade, not aid" but now finds itself locked out of scientific and technical exchanges that would facilitate economic development.

The United States has long-term strategic interests and needs in the region of Central and East Europe. Thus, it is vitally important that all US assistance programs be designed and implemented in such a fashion as to further those strategic interests and needs. We echo the calls to reform foreign aid made by Chairman McConnell and his Committee. After three years of the Administration's failure to address these problems, the Coalition calls on Congress to take the lead in a top-to-bottom reform of USAID.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. LEAHY. I yield to the Senator from Arkansas who wishes to make a unanimous-consent request.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

HELEN MCLARTY

Mr. PRYOR. Mr. President, I would like my colleagues to know at this time that over the weekend the mother of our friend Mack McLarty, who is the former White House Chief of Staff and who is the special counsel to the President—Mack McLarty's mother, Helen McLarty, lost a long battle with cancer over the weekend. She was a wonderful woman, a great citizen of our State.

I had the privilege, when I was Governor of our State, of naming Helen McLarty to become the first female member of the Arkansas Industrial Development Commission. She served with honor and with distinction. She will be missed by all, and her legacy will last for a long time—remembering this wonderful woman of great spirit, from Hope, AR.

The services for Helen McLarty will be this afternoon at 2 o'clock in Hope, AR., at the First Presbyterian Church. I am honored to have been asked by the family to participate in those final services for Helen McLarty.