

it is easy to understand that many of our nation's Hispanic people still have strong cultural and family ties to Mexico.

The bond between family members is not destroyed because one family member lives in another country. For this reason, we must take care to maintain a close and positive relationship between the United States of America and Mexico.

Such a relationship is important to the people of both nations. A democratic and prosperous Mexico is important to the security of the United States.

A brief historical reflection helps us to better appreciate the significance of these recent elections. Vicente Fox represents the first transition in power at the presidential level in Mexico in 71 years from the ruling Institutional Revolutionary Party. Mr. Fox's election completes Mexico's transition to a total multi-party democratic system.

After a long period of questionable elections, estimates say that two-thirds of all eligible voters participated in what domestic and international election observers have declared to be the fairest and most transparent national election in Mexico's history. As the world's leading democratic system of government, the United States of America should not fail to recognize the magnitude of these July 2nd elections.

Mr. Speaker, because of the important democratic principles that these recent elections represent, principles that serve as the foundation for the American government, I urge all of my colleagues to support the passage of House Resolution 544, congratulating the people of the United Mexican States on their success.

Mr. ORTIZ. Mr. Speaker, I rise in support of House Resolution 544 commending the people of Mexico on their recent elections and congratulating President-elect Vicente Fox on winning a historical election as president of Mexico, an important economic ally of the United States.

It has been noted that, in a democracy, more important than the first election, is the first transition of power from one party to another. It is on this point that the people of Mexico proudly take their place alongside the world's great democracies.

Everyone deserves great credit for this election. As it should be in a democracy, it is the people of Mexico who deserve the greatest credit. They voted in large numbers, unafraid of what change might mean to them and their country.

When it was apparent that a candidate who was not part of the traditional power structure had won the election, Mexicans across the country celebrated; and Mexicans who supported the incumbent party did not riot nor try to undo the vast change wrought by the democratic election. While their revolution was fought from 1910–1920, their long-term democracy was sealed in the first election of the 21st Century.

President-elect Vincente Fox deserves great credit for running a great campaign, a long and steady campaign. He built a coalition composed of people representing various philosophies to include as many points of view as possible in his campaign.

Finally, Ernesto Zedillo, Mexico's sitting president, deserves great credit for accepting the country's decision without dissent. It was due in no small part to Zedillo's steady hand,

cool head, and vow to make the transition between political parties go smoothly that led members of his party and the government to accept their defeat with grace and dignity.

The United States and Mexico have a long and storied history. As proud countries which share an international border, we have had more than our share of disagreements as well as victories. Along with that border comes an entire culture unto itself, on both sides of the border, that consists of traditions, unique cuisine, Old West legends and a language that is a mixture of Spanish and English.

In the past decade, we have strengthened our relationship with Mexico by virtue of NAFTA and other trade policies. It is my hope that in this decade and this century, the United States and Mexico will further cement that relationship with closer work on a host of economic and law-enforcement policies. President-elect Fox and the people of Mexico have a great deal to work through in the next year.

I have invited President-elect Fox to the United States to meet with me and other Hispanic Members of Congress to talk about issues that affect both our countries, but I know he has a great deal to do first. Meanwhile, the House of Representatives today offers our congratulations to Mexico and President-elect Fox. Adelante. \* \* \* \*

Mr. FALEOMAVAEGA. Mr. Speaker, I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TANCREDI). The question is on the motion offered by the gentleman from California (Mr. GALLEGLY) that the House suspend the rules and agree to the resolution, H. Res. 544.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4697) to amend the Foreign Assistance Act of 1961 to ensure that United States assistance programs promote good governance by assisting other countries to combat corruption throughout society and to promote transparency and increased accountability for all levels of government and throughout the private sector, as amended.

The Clerk read as follows:

H.R. 4697

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "International Anti-Corruption and Good Governance Act of 2000".

##### SEC. 2. FINDINGS AND PURPOSE.

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

(1) Widespread corruption endangers the stability and security of societies, undermines democracy, and jeopardizes the social,

political, and economic development of a society.

(2) Corruption facilitates criminal activities, such as money laundering, hinders economic development, inflates the costs of doing business, and undermines the legitimacy of the government and public trust.

(3) In January 1997 the United Nations General Assembly adopted a resolution urging member states to carefully consider the problems posed by the international aspects of corrupt practices and to study appropriate legislative and regulatory measures to ensure the transparency and integrity of financial systems.

(4) The United States was the first country to criminalize international bribery through the enactment of the Foreign Corrupt Practices Act of 1977 and United States leadership was instrumental in the passage of the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

(5) The Vice President, at the Global Forum on Fighting Corruption in 1999, declared corruption to be a direct threat to the rule of law and the Secretary of State declared corruption to be a matter of profound political and social consequence for our efforts to strengthen democratic governments.

(6) The Secretary of State, at the Inter-American Development Bank's annual meeting in March 2000, declared that despite certain economic achievements, democracy is being threatened as citizens grow weary of the corruption and favoritism of their official institutions and that efforts must be made to improve governance if respect for democratic institutions is to be regained.

(7) In May 1996 the Organization of American States (OAS) adopted the Inter-American Convention Against Corruption requiring countries to provide various forms of international cooperation and assistance to facilitate the prevention, investigation, and prosecution of acts of corruption.

(8) Independent media, committed to fighting corruption and trained in investigative journalism techniques, can both educate the public on the costs of corruption and act as a deterrent against corrupt officials.

(9) Competent and independent judiciary, founded on a merit-based selection process and trained to enforce contracts and protect property rights, is critical for creating a predictable and consistent environment for transparency in legal procedures.

(10) Independent and accountable legislatures, responsive political parties, and transparent electoral processes, in conjunction with professional, accountable, and transparent financial management and procurement policies and procedures, are essential to the promotion of good governance and to the combat of corruption.

(11) Transparent business frameworks, including modern commercial codes and intellectual property rights, are vital to enhancing economic growth and decreasing corruption at all levels of society.

(12) The United States should attempt to improve accountability in foreign countries, including by—

(A) promoting transparency and accountability through support for independent media, promoting financial disclosure by public officials, political parties, and candidates for public office, open budgeting processes, adequate and effective internal control systems, suitable financial management systems, and financial and compliance reporting;

(B) supporting the establishment of audit offices, inspectors general offices, and anti-corruption agencies;

(C) promoting responsive, transparent, and accountable legislatures that ensure legislative oversight and whistle-blower protection;

(D) promoting judicial reforms that criminalize corruption and promoting law enforcement that prosecutes corruption;

(E) fostering business practices that promote transparent, ethical, and competitive behavior in the private sector through the development of an effective legal framework for commerce, including anti-bribery laws, commercial codes that incorporate international standards for business practices, and protection of intellectual property rights; and

(F) promoting free and fair national, state, and local elections.

(b) **PURPOSE.**—The purpose of this Act is to ensure that United States assistance programs promote good governance by assisting other countries to combat corruption throughout society and to improve transparency and accountability at all levels of government and throughout the private sector.

### SEC. 3. DEVELOPMENT ASSISTANCE POLICIES.

(a) **GENERAL POLICY.**—Section 101(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151(a)) is amended in the fifth sentence—

(1) by striking “four” and inserting “five”; (2) in paragraph (3), by striking “and” at the end;

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

(4) by adding at the end the following:

“(5) the promotion of good governance through combating corruption and improving transparency and accountability.”

(b) **DEVELOPMENT ASSISTANCE POLICY.**—Paragraph (4) of the third sentence of section 102(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151-1(b)) is amended—

(1) in subparagraph (E), by striking “and” at the end;

(2) in subparagraph (F), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(G) progress in combating corruption and improving transparency and accountability in the public and private sector.”

### SEC. 4. DEPARTMENT OF THE TREASURY TECHNICAL ASSISTANCE PROGRAM FOR DEVELOPING COUNTRIES.

Section 129(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151aa(b)) is amended by adding at the end the following:

“(3) **EMPHASIS ON ANTI-CORRUPTION.**—Such technical assistance shall include elements designed to combat anti-competitive, unethical and corrupt activities, including protection against actions that may distort or inhibit transparency in market mechanisms and, to the extent applicable, privatization procedures.”

### SEC. 5. AUTHORIZATION OF GOOD GOVERNANCE PROGRAMS.

(a) **IN GENERAL.**—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following:

#### “SEC. 131. PROGRAMS TO ENCOURAGE GOOD GOVERNANCE.

“(a) **ESTABLISHMENT OF PROGRAMS.**—

“(1) **IN GENERAL.**—The President is authorized to establish programs that combat corruption, improve transparency and accountability, and promote other forms of good governance in countries described in paragraph (2).

“(2) **COUNTRIES DESCRIBED.**—A country described in this paragraph is a country that is eligible to receive assistance under this part (including chapter 4 of part II of this Act) or the Support for East European Democracy (SEED) Act of 1989.

“(3) **PRIORITY.**—In carrying out paragraph (1), the President shall give priority to estab-

lishing programs in countries that received a significant amount of United States foreign assistance for the prior fiscal year, or in which the United States has a significant economic interest, and that continue to have the most persistent problems with public and private corruption. In determining which countries have the most persistent problems with public and private corruption under the preceding sentence, the President shall take into account criteria such as the Transparency International Annual Corruption Perceptions Index, standards and codes set forth by the International Bank for Reconstruction and Development and the International Monetary Fund, and other relevant criteria.

“(4) **REQUIREMENT.**—Assistance provided for countries under programs established pursuant to paragraph (1) may be made available notwithstanding any other provision of law that restricts assistance to foreign countries.

“(b) **SPECIFIC PROJECTS AND ACTIVITIES.**—The programs established pursuant to subsection (a) shall include, to the extent appropriate, projects and activities that—

“(1) support responsible independent media to promote oversight of public and private institutions;

“(2) implement financial disclosure among public officials, political parties, and candidates for public office, open budgeting processes, and transparent financial management systems;

“(3) establish audit offices, inspectors general, and anti-corruption agencies;

“(4) promote responsive, transparent, and accountable legislatures that ensure legislative oversight and whistle-blower protection;

“(5) promote legal and judicial reforms that criminalize corruption and law enforcement reforms and development that encourage prosecutions of criminal corruption;

“(6) assist in the development of a legal framework for commercial transactions that promotes business practices that promote transparent, ethical, and competitive behavior in the economic sector, such as commercial codes that incorporate international standards and protection of intellectual property rights;

“(7) promote free and fair national, state, and local elections;

“(8) foster public participation in the legislative process and public access to government information; and

“(9) engage civil society in the fight against corruption.

“(c) **CONDUCT OF PROJECTS AND ACTIVITIES.**—Projects and activities under the programs established pursuant to subsection (a) may include, among other things, training and technical assistance (including drafting of anti-corruption, privatization, and competitive statutory and administrative codes), drafting of anti-corruption, privatization, and competitive statutory and administrative codes, support for independent media and publications, financing of the program and operating costs of nongovernmental organizations that carry out such projects or activities, and assistance for travel of individuals to the United States and other countries for such projects and activities.

“(d) **ANNUAL REPORT.**—

“(1) **IN GENERAL.**—The President shall prepare and transmit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate an annual report on—

“(A) projects and activities carried out under programs established under subsection (a) for the prior year in priority countries identified pursuant to subsection (a)(3); and

“(B) projects and activities carried out under programs to combat corruption, im-

prove transparency and accountability, and promote other forms of good governance established under other provisions of law for the prior year in such countries.

“(2) **REQUIRED CONTENTS.**—The report required by paragraph (1) shall contain the following information with respect to each country described in paragraph (1):

“(A) A description of all United States Government-funded programs and initiatives to combat corruption and improve transparency and accountability in the country.

“(B) A description of United States diplomatic efforts to combat corruption and improve transparency and accountability in the country.

“(C) An analysis of major actions taken by the government of the country to combat corruption and improve transparency and accountability in the country.

“(e) **FUNDING.**—Amounts made available to carry out the other provisions of this part (including chapter 4 of part II of this Act) and the Support for East European Democracy (SEED) Act of 1989 shall be made available to carry out this section.”

(b) **DEADLINE FOR INITIAL REPORT.**—The initial annual report required by section 131(d)(1) of the Foreign Assistance Act of 1961, as added by subsection (a), shall be transmitted not later than 180 days after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. GALLEGLY) and the gentleman from Connecticut (Mr. GEJDENSON) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. GALLEGLY).

#### GENERAL LEAVE

Mr. GALLEGLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4697, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as may consume.

Mr. Speaker, I rise in support of H.R. 4697, a bill introduced by the gentleman from Connecticut (Mr. GEJDENSON), the ranking member of the Committee on International Relations.

This bill amends the Foreign Assistance Act of 1961, to authorize the President to establish programs that combat corruption in developing countries by promoting principles of good governance designed to enhance oversight of private and public programs.

Mr. Speaker, this bill will strengthen our foreign assistance program and represent a sound investment for the future of good governance of developing societies.

I urge my colleagues to vote for its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California (Mr. GALLEGLY) for his kind words and just join him first in

thanking him for his efforts and others on the committee. I would also like to thank particularly on my staff, Nisha Desai, that has done so much work in this area, obviously the gentleman from Arizona (Mr. KOLBE), the gentleman from Florida (Ms. ROSELEHTINEN) and the gentleman from New York (Chairman GILMAN).

When we look at this issue, and it is a critical issue in a number of areas, and I want to just go through them quickly. One, the estimates are we have lost \$26 billion to bribery with contracts where American companies were in competition. Unethical business practices jeopardize fledgling democracies. It destroys the people's support and trust in their government. It aids criminal transactions.

Vice-President Gore convened a global conference on fighting corruption. We are now seeing progress. Some of our allies in the G-7 that at one point a number of them provided that one could deduct bribes given to other government officials are finally moving to end this practice.

For our part, AID and the administration and Congress have tried to root out corruption and bribery. It makes a big difference especially in the poorest countries as they try to establish good governance and governments that provide the services that their constituents dearly need.

American leadership has led to a beginning to end these corrupt practices. This legislation will help focus our foreign assistance and other government activities to try to work with governments to develop a procedure to root out corruption and bribery.

I urge support of the bill.

Over the past five years, U.S. firms overseas lost nearly \$26 billion in business opportunities to foreign competitors offering bribes. Unethical business practices continue to jeopardize our ability to compete effectively in the international market.

Bribery and other forms of corruption impede governments in their efforts to deliver basic services to their citizens; they undermine the confidence of people in democracy; and they are all too often linked with transborder criminal activity, including drug trafficking, organized crime, and money laundering.

In 1999, the Vice President convened a Global Conference on Fighting Corruption where he declared corruption to be a direct threat to the rule of law and a matter of profound political and social consequence for our efforts to strengthen democratic governments. It is inarguably in the U.S. national interest to fight corruption and promote transparency and good governance. My bill will make anti-corruption measures a key principle of our Foreign AID program.

By helping these countries root out corruption, bribery and unethical business practices, we can also help create a level playing field for U.S. companies doing business abroad.

Then Congress passed the Foreign Corrupt Practices Act in 1977, the United States became the first industrialized country to criminalize corruption. It took us nearly two decades to get all the other industrialized nations to do the same. But American leadership and

perseverance succeeded in getting countries which once offered tax write-offs for bribes to pass laws that criminalized bribery.

This bill extends our leadership in fighting corruption to the developing countries. The International Good Governance and Anti-Corruption Act of 2000 requires that foreign assistance be used to fight corruption at all levels of government and in the private sector in countries that have persistent problems with corruption, particularly where the United States has a significant economic interest. The bill would also require an annual report on U.S. efforts in fighting corruption in those countries which have the most persistent problems. My intent in requiring this report is to get from the Administration a comprehensive look at all U.S. efforts—diplomatic as well as through our foreign aid program—in those 15–20 countries where we have a significant economic interest or a substantial foreign aid program AND where there is a persistent problem with corruption. This bill makes an important contribution to pro-actively preventing crises that would result from stifled economic growth, lack of foreign investment, and erosion of the public's trust in government. I urge my colleagues to support H.R. 4697.

Mr. Speaker, I reserve the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman from California for yielding me this time. I again want to thank him for his leadership on this and certainly the gentleman from Connecticut (Mr. GEJDENSON) for introducing this very important legislation, which I think is really very much underestimated in terms of its importance.

For decades, the United States has carried the standard in promoting democracy, market liberalization, economic development abroad.

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To further those goals, we have spent literally billions of dollars in developing countries in our aid programs. And those aid programs have made substantial progress. Underdeveloped nations have seen their economies bloom over the last few decades. We have seen democracy take root in some of the rockiest soil on this globe. Thanks to the creation of the World Trade Organization a few years ago, the vast majority of international trade is now governed by clear and transparent rules.

But, as the Asian financial crisis and the theft of billions of dollars of IMF money in Russia shows, we still have a long way to go. Too many places in the world continue to be held in the grip of corruption and cronyism. The obvious impact of these two evils are the loss of untold billions of dollars for people who desperately need the economic benefits those lost dollars might bring to them. But the corrosive effects of corruption and cronyism are worse. They are often hidden and ignored.

Government corruption undermines the rule of law, and that is the very cornerstone of democracy. It under-

mines economic development, squandering billions of dollars of investment capital on enrichment of the few rather than the benefit of the many. Not only that, it undermines the ability of U.S. business to compete freely and fairly for foreign government contracts, and that costs U.S. corporations millions of dollars in lost sales.

This legislation which we are considering here tonight makes anti-corruption procedures a key principle of our development assistance. The legislation requires that the Treasury Department incorporate anti-corruption measures when providing international technical assistance. The bill also requires the Agency for International Development to establish programs to battle corruption overseas and includes a provision of a bill that I have introduced on third-party monitoring to make sure that contracts are given by development banks and U.S. government agencies are fully monitored.

This legislation will help to ensure that U.S. funds are going for the purpose for which they are intended. It will also help to build a more open and transparent government procurement system in developing countries and help to eliminate corruption around the world.

It is, simply speaking, a much-needed common sense approach to a very serious problem. I urge support for this bill and congratulate the authors of it for bringing it to this body.

Mr. GEJDENSON. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from Arizona (Mr. KOLBE) for his efforts here. Really, his language has strengthened the whole process. It is an important step forward. It provides for an annual report so we can focus on those countries that have the greatest problems, and I really publicly want to thank the gentleman for his work on this bill, as well as the chairman and other members of the committee.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as I may consume to again acknowledge the leadership of the gentleman from Arizona (Mr. KOLBE), and particularly thank the gentleman from Connecticut (Mr. GEJDENSON) on his leadership on this important legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TANCREDO). The question is on the motion offered by the gentleman from California (Mr. GALLEGLY) that the House suspend the rules and pass the bill, H.R. 4697, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

**AUTHORIZING BUREAU OF RECLAMATION TO PROVIDE COST SHARING FOR ENDANGERED FISH RECOVERY IMPLEMENTATION PROGRAMS FOR UPPER COLORADO AND SAN JUAN RIVER BASINS**

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2348) to authorize the Bureau of Reclamation to provide cost sharing for the endangered fish recovery implementation programs for the Upper Colorado and San Juan River Basins, as amended.

The Clerk read as follows:

H.R. 2348

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. PURPOSE.**

The purpose of this Act is to authorize and provide funding for the Bureau of Reclamation to continue the implementation of the endangered fish recovery implementation programs for the Upper Colorado and San Juan River Basins in order to accomplish the objectives of these programs within a currently established time schedule.

**SEC. 2. DEFINITIONS.**

As used in this Act:

(1) The term "Recovery Implementation Programs" means the intergovernmental programs established pursuant to the 1988 Cooperative Agreement to implement the Recovery Implementation Program for the Endangered Fish Species in the Upper Colorado River dated September 29, 1987, and the 1992 Cooperative Agreement to implement the San Juan River Recovery Implementation Program dated October 21, 1992, and as they may be amended by the parties thereto.

(2) The term "Secretary" means the Secretary of the Interior.

(3) The term "Upper Division States" means the States of Colorado, New Mexico, Utah, and Wyoming.

(4) The term "Colorado River Storage Project" or "storage project" means those dams, reservoirs, power plants, and other appurtenant project facilities and features authorized by and constructed in accordance with the Colorado River Storage Project Act (43 U.S.C. 620 et seq.).

(5) The term "capital projects" means planning, design, permitting or other compliance, pre-construction activities, construction, construction management, and replacement of facilities, and the acquisition of interests in land or water, as necessary to carry out the Recovery Implementation Programs.

(6) The term "facilities" includes facilities for the genetic conservation or propagation of the endangered fishes, those for the restoration of floodplain habitat or fish passage, those for control or supply of instream flows, and those for the removal or translocation of nonnative fishes.

(7) The term "interests in land and water" includes, but is not limited to, long-term leases and easements, and long-term enforcement, or other agreements protecting instream flows.

(8) The term "base funding" means funding for operation and maintenance of capital projects, implementation of recovery actions other than capital projects, monitoring and research to evaluate the need for or effectiveness of any recovery action, and program management, as necessary to carry out the Recovery Implementation Programs. Base funding also includes annual funding provided under the terms of the 1988 Cooperative Agreement and the 1992 Cooperative Agreement.

(9) The term "recovery actions other than capital projects" includes short-term leases and agreements for interests in land, water, and facilities; the reintroduction or augmentation of

endangered fish stocks; and the removal, translocation, or other control of nonnative fishes.

(10) The term "depletion charge" means a one-time contribution in dollars per acre-foot to be paid to the United States Fish and Wildlife Service based on the average annual new depletion by each project.

**SEC. 3. AUTHORIZATION TO FUND RECOVERY PROGRAMS.**

(a) **AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL PARTICIPATION IN CAPITAL PROJECTS.**—(1) There is hereby authorized to be appropriated to the Secretary, \$46,000,000 to undertake capital projects to carry out the purposes of this Act. Such funds shall be considered a nonreimbursable Federal expenditure.

(2) The authority of the Secretary, acting through the Bureau of Reclamation, under this or any other provision of law to implement capital projects for the Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin shall expire in fiscal year 2005 unless reauthorized by an Act of Congress.

(3) The authority of the Secretary to implement the capital projects for the San Juan River Basin Recovery Implementation Program shall expire in fiscal year 2007 unless reauthorized by an Act of Congress.

(b) **COST OF CAPITAL PROJECTS.**—The total costs of the capital projects undertaken for the Recovery Implementation Programs receiving assistance under this Act shall not exceed \$100,000,000 of which—

(1) costs shall not exceed \$82,000,000 for the Recovery Implementation Program for Endangered Fish Species in the Upper Colorado River Basin through fiscal year 2005; and

(2) costs shall not exceed \$18,000,000 for the San Juan River Recovery Implementation Program through fiscal year 2007.

The amounts set forth in this subsection shall be adjusted by the Secretary for inflation in each fiscal year beginning after the enactment of this Act.

(c) **NON-FEDERAL CONTRIBUTIONS TO CAPITAL PROJECTS.**—(1) The Secretary, acting through the Bureau of Reclamation, may accept contributed funds from the Upper Division States, or political subdivisions or organizations with the Upper Division States, pursuant to agreements that provide for the contributions to be used for capital projects costs. Such non-Federal contributions shall not exceed \$17,000,000.

(2) In addition to the contribution described in paragraph (1), the Secretary of Energy, acting through the Western Area Power Administration, and the Secretary of the Interior, acting through the Bureau of Reclamation, may utilize power revenues collected pursuant to the Colorado River Storage Project Act to carry out the purposes of this subsection. Such funds shall be treated as reimbursable costs assigned to power for repayment under section 5 of the Colorado River Storage Project Act. This additional contribution shall not exceed \$17,000,000. Such funds shall be considered a non-Federal contribution for the purposes of this Act. The funding authorized by this paragraph over any 2-fiscal-year period shall be made available in amounts equal to the contributions for the same two fiscal year period made by the Upper Division States pursuant to paragraph (1).

(3) The additional funding provided pursuant to paragraph (2) may be provided through loans from the Colorado Water Conservation Board Construction Fund (37-60-121 C.R.S.) to the Western Area Power Administration in lieu of funds which would otherwise be collected from power revenues and used for storage project repayments. The Western Area Power Administration is authorized to repay such loan or loans from power revenues collected beginning in fiscal year 2012, subject to an agreement between the Colorado Water Conservation Board, the Western Area Power Administration, and the Bureau of Reclamation. The agreement and any

future loan contracts that may be entered into by the Colorado Water Conservation Board, the Western Area Power Administration, and the Bureau of Reclamation shall be negotiated in consultation with Salt Lake City Area Integrated Projects Firm Power Contractors. The agreement and loan contracts shall include provisions designed to minimize impacts on electrical power rates and shall ensure that loan repayment to the Colorado Water Conservation Board, including principal and interest, is completed no later than September 30, 2057. The Western Area Power Administration is authorized to include in power rates such sums as are necessary to carry out this paragraph and paragraph (2).

(4) All contributions made pursuant to this subsection shall be in addition to the cost of replacement power purchased due to modifying the operation of the Colorado River Storage Project and the capital cost of water from Wofford Mountain Reservoir in Colorado. Such costs shall be considered as non-Federal contributions, not to exceed \$20,000,000.

(d) **BASE FUNDING.**—(1) Beginning in the first fiscal year commencing after the date of enactment of this Act, the Secretary may utilize power revenues collected pursuant to the Colorado River Storage Project Act for the annual base funding contributions to the Recovery Implementation Programs by the Bureau of Reclamation. Such funding shall be treated as non-reimbursable and as having been repaid and returned to the general fund of the Treasury as costs assigned to power for repayment under section 5 of the Colorado River Storage Project Act.

(2) For the Recovery Implementation Program for the Endangered Fish Species in the Upper Colorado River Basin, the contributions to base funding referred to in paragraph (1) shall not exceed \$4,000,000 per year. For the San Juan River Recovery Implementation Program, such contributions shall not exceed \$2,000,000 per year. The Secretary shall adjust such amounts for inflation in fiscal years commencing after the enactment of this Act. The utilization of power revenues for annual base funding shall cease after the fiscal year 2011, unless reauthorized by Congress; except that power revenues may continue to be utilized to fund the operation and maintenance of capital projects and monitoring. No later than the end of fiscal year 2008, the Secretary shall submit a report on the utilization of power revenues for base funding to the appropriate Committees of the United States Senate and the House of Representatives. The Secretary shall also make a recommendation in such report regarding the need for continued base funding after fiscal year 2011 that may be required to fulfill the goals of the Recovery Implementation Programs. Nothing in this Act shall otherwise modify or amend existing agreements among participants regarding base funding and depletion charges for the Recovery Implementation Programs.

(3) The Western Area Power Administration and the Bureau of Reclamation shall maintain sufficient revenues in the Colorado River Basin Fund to meet their obligation to provide base funding in accordance with paragraph (2). If the Western Area Power Administration and the Bureau of Reclamation determine that the funds in the Colorado River Basin Fund will not be sufficient to meet the obligations of section 5(c)(1) of the Colorado River Storage Project Act for a 3-year period, the Western Area Power Administration and the Bureau of Reclamation shall request appropriations to meet base funding obligations.

(e) **AUTHORITY TO RETAIN APPROPRIATED FUNDS.**—At the end of each fiscal year any unexpended appropriated funds for capital projects under this Act shall be retained for use in future fiscal years. Unexpended funds under this Act that are carried over shall continue to be used to implement the capital projects needed for the Recovery Implementation Programs.