

in the interest of national security, but the scope of that waiver authority remains in dispute. Presidential Determination 99-1 asserted broad authority to waive the entirety of the provision. But the District Court of the Southern District of Florida, in *Alejandro v. Republic of Cuba*, rejected the Administration's view and held, instead, that the President's authority applied only to section 117's requirement that the Secretaries of State and Treasury assist a judgement creditor in identifying, locating, and executing against non-blocked property of a foreign terrorist state.

Subsection 1(f) of this bill repeals the waiver authority granted in Section 117 of the Treasury and General Government Appropriations Act for fiscal year 1999, replacing it with a clearer but narrower waiver authority in the underlying statute. The Committee hopes clarity in the legislative history and intent of subsection 1(f), in the context of the section as a whole, will ensure appropriate application of the new waiver authority.

This is a key issue for American victims of state-sponsored terrorism who have sued or who will in the future sue the responsible terrorism-list state, as they are entitled to do under the Anti-Terrorism Act of 1996. Victims who already hold U.S. court judgements, and a few whose related cases will soon be decided, will receive their compensatory damages as a result of this legislation.

The Committee intends that this legislation will similarly help other pending and future Antiterrorism Act plaintiffs as and when U.S. courts issue judgements against the foreign state sponsors of specific terrorist acts. The Committee shares the particular interest of the sponsors of this legislation in ensuring that the families of the victims of Pan Am flight 103 should be able to collect damages promptly if they can demonstrate to the satisfaction of a U.S. court that Libya is indeed responsible for that heinous bombing. The Committee is similarly interested in pending suits against Iraq.

In replacing the waiver, the conferees accept that the President should have the authority to waive the court's authority to attach blocked assets. But to understand the view of the committee with respect to the use of the waiver, it must be read within the context of other provisions of the legislation.

A waiver of the attachment provision would seem appropriate for final and pending Anti-Terrorism Act cases identified in subsection (a)(2) of this bill. In these cases, judicial attachment is not necessary because the executive branch will appropriately pay compensatory damages to the victims and use blocked assets to collect the funds from terrorist states.

Of particular significance, this section reaffirms the President's statutory authority, *inter alia*, to vest blocked foreign government assets and where appropriate make payments to victims of terrorism. The President has the authority to assist victims with pending and future cases.

The Committee's intent is that the President will review each case when the court issues a final judgement to determine whether to use the national security waiver, whether to help the plaintiffs collect from a foreign state's non-blocked assets in the United States whether to allow the courts to attach and execute against blocked assets, or whether to use existing authorities to vest and pay those assets as damages to the victims of terrorism.

When a future President does make a decision whether to invoke the waiver, he should consider seriously whether the national security standard for a waiver has been met. In

enacting this legislation, Congress is expressing the view that the attachment and execution of frozen assets to enforce judgements in cases under the Anti-Terrorism Act of 1996 is not by itself contrary to the national security interest. Indeed, in the view of the Committee, it is generally in the national security interest of the United States to make foreign state sponsors of terrorism pay court-awarded damages to American victims, so neither the Foreign Sovereign Immunities Act nor any other law will stand in the way of justice. Thus, in the view of the committee the waiver authority should not be exercised in a routine or blanket manner, but only where U.S. national security interests would be implicated in taking action against particular blocked assets or where alternative recourse—such as vesting and paying those assets—may be preferable to court attachment.

Future Presidents should follow the precedent set by this legislation, and find the best way to help victims of terrorism collect on their judgements and make terrorist states pay for their crimes.

The conference report also includes a section, Section 2003, dealing with support for victims of international terrorism. This section will enable the Office for Victims of Crime (OVC) to provide more immediate and effective assistance to Americans who are victims of terrorism abroad—Americans like those killed or injured in the embassy bombings in Kenya and Tanzania, and in the Pan Am 103 bombing over Lockerbie, Scotland. These victims deserve help, but existing programs are failing to meet their needs.

Section 2003(a) of the conference report will permit OVC to serve these victims better by expanding the types of assistance for which the Victims of Crime Act (VOCA) emergency reserve fund may be used, and the range of organizations to which assistance may be provided. These changes will not require new or appropriated funds: They simply allow OVC greater flexibility in using existing reserve funds to assist victims of terrorism abroad, including the victims of the Lockerbie and embassy bombings.

Section 2003(b) will authorize OVC to raise the cap on the VOCA emergency reserve fund from \$50 million to \$100 million, so that the fund is large enough to cover the extraordinary costs that would be incurred if a terrorist act caused massive casualties, and to replenish the reserve fund with unobligated funds from its other grant programs.

Section 2003(c) will simplify the presently authorized system of using VOCA funds to provide victim compensation to American victims of terrorism abroad, by permitting OVC to establish and operate an international crime victim compensation program. This program will, in addition, cover foreign nationals who are employees of any American government institution targeted for terrorist attack. The source of funding is the VOCA emergency reserve fund, which Congress authorized in an amendment to the 1996 Antiterrorism and Effective Death Penalty Act.

Section 2003(d) clarifies that deposits into the Crime Victims Fund remain available for intended uses under VOCA when not expended immediately. This should quell concerns raised regarding the effect of spending caps included in appropriations bills last year and this. The appropriations' actions were meant to defer spending, not to remove deposits from the Fund. This provision makes that explicit.

#### SUMMARY OF S. 577—TWENTY-FIRST AMENDMENT ENFORCEMENT ACT

The purpose of S. 577 is to provide a mechanism to enable States to effectively enforce their laws against the illegal interstate ship-

ment of alcoholic beverages. While Federal law already prohibits the interstate shipment of alcohol in violation of state law, unfortunately, that general prohibition lacks any enforcement mechanism. S. 577 provides that mechanism by permitting the Attorney General of a State, who has reasonable cause to believe that his or her State laws regulating the importation and transportation of alcohol are being violated, to file an action in federal court for an injunction to stop those illegal shipments.

S. 577 only reaches those that violate the law. It only allows actions for an injunction if a person is "engaged in" or "has engaged in" an act that would constitute a violation of a State law, but prohibits injunctions to restrain otherwise lawful advertising. Additionally, S. 577 provides that no preliminary injunctions could be obtained without: (1) proving irreparable injury, and (2) a probability of success on the merits. S. 577 also includes a provision on the "Rules of Construction," which states that the power conveyed by this act is limited to the valid exercise of power vested in the states under the 21st Amendment in accordance with Supreme Court precedent and interpretation, and shall not be interpreted to grant to states any additional power.

BENJAMIN GILMAN,  
BILL GOODLING,  
CHRIS SMITH,  
HENRY HYDE,  
NANCY L. JOHNSON,  
SAM GEJDENSON,  
TOM LANTOS,  
BEN CARDIN,

*Managers of the Part of the House.*

From the Committee on the Judiciary:

ORRIN HATCH,  
STROM THURMOND,

From the Committee on Foreign Relations:

JESSE HELMS,  
SAM BROWNBACK,  
JOE BIDEN,  
PAUL WELLSTONE,

*Managers of the Part of the Senate.*

#### MICROENTERPRISE FOR SELF-RELIANCE AND INTERNATIONAL ANTI-CORRUPTION ACT OF 2000

Mr. GILMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1143) to establish a program to provide assistance for programs of credit and other financial services for microenterprises in developing countries, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Microenterprise for Self-Reliance and International Anti-Corruption Act of 2000".*

#### SEC. 2. TABLE OF CONTENTS.

*The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Table of contents.

#### TITLE I—MICROENTERPRISE FOR SELF-RELIANCE ACT OF 2000

Sec. 101. Short title.

Sec. 102. Findings and declarations of policy.

Sec. 103. Purposes.

Sec. 104. Definitions.

Sec. 105. Microenterprise development grant assistance.

- Sec. 106. Micro- and small enterprise development credits.
- Sec. 107. United States Microfinance Loan Facility.
- Sec. 108. Report relating to future development of microenterprise institutions.
- Sec. 109. United States Agency for International Development as global leader and coordinator of bilateral and multilateral microenterprise assistance activities.
- Sec. 110. Sense of Congress on consideration of Mexico as a key priority in microenterprise funding allocations.

#### TITLE II—INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000

- Sec. 201. Short title.
- Sec. 202. Findings and purpose.
- Sec. 203. Development assistance policy.
- Sec. 204. Department of the Treasury technical assistance program for developing countries.
- Sec. 205. Authorization of good governance programs.

#### TITLE III—INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000

- Sec. 301. Short title.
- Sec. 302. Statement of purpose.
- Sec. 303. Establishment of grant program for foreign study by American college students of limited financial means.
- Sec. 304. Report to Congress.
- Sec. 305. Authorization of appropriations.
- Sec. 306. Effective date.

#### TITLE IV—MISCELLANEOUS PROVISIONS

- Sec. 401. Support for Overseas Cooperative Development Act.
- Sec. 402. Funding of certain environmental assistance activities of USAID.
- Sec. 403. Processing of applications for transportation of humanitarian assistance abroad by the Department of Defense.
- Sec. 404. Working capital fund.
- Sec. 405. Increase in authorized number of employees and representatives of the United States mission to the United Nations provided living quarters in New York.
- Sec. 406. Availability of VOA and Radio Marti multilingual computer readable text and voice recordings.
- Sec. 407. Availability of certain materials of the Voice of America.
- Sec. 408. Paul D. Coverdell Fellows Program Act of 2000.

#### TITLE I—MICROENTERPRISE FOR SELF-RELIANCE ACT OF 2000

##### SEC. 101. SHORT TITLE.

This title may be cited as the "Microenterprise for Self-Reliance Act of 2000".

##### SEC. 102. FINDINGS AND DECLARATIONS OF POLICY.

Congress makes the following findings and declarations:

- (1) According to the World Bank, more than 1,200,000,000 people in the developing world, or one-fifth of the world's population, subsist on less than \$1 a day.
- (2) Over 32,000 of their children die each day from largely preventable malnutrition and disease.
- (3)(A) Women in poverty generally have larger work loads and less access to educational and economic opportunities than their male counterparts.
- (B) Directly aiding the poorest of the poor, especially women, in the developing world has a positive effect not only on family incomes, but also on child nutrition, health and education, as women in particular reinvest income in their families.
- (4)(A) The poor in the developing world, particularly women, generally lack stable employment and social safety nets.

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

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

(D) Many of the poor are forced to pay interest rates as high as 10 percent per day to money lenders.

(5)(A) The poor are able to expand their incomes and their businesses dramatically when they can access loans at reasonable interest rates.

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

(6)(A) On February 2-4, 1997, a global Microcredit Summit was held in Washington, District of Columbia, to launch a plan to expand access to credit for self-employment and other financial and business services to 100,000,000 of the world's poorest families, especially the women of those families, by 2005. While this scale of outreach may not be achievable in this short time-period, the realization of this goal could dramatically alter the face of global poverty.

(B) With an average family size of five, achieving this goal will mean that the benefits of microfinance will thereby reach nearly half of the world's more than 1,000,000,000 absolute poor people.

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

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

(8)(A) Microenterprise institutions not only reduce poverty, but also reduce the dependency on foreign assistance.

(B) Interest income on the credit portfolio is used to pay recurring institutional costs, assuring the long-term sustainability of development assistance.

(9) Microfinance institutions leverage foreign assistance resources because loans are recycled, generating new benefits to program participants.

(10)(A) The development of sustainable microfinance institutions that provide credit and training, and mobilize domestic savings, is a critical component to a global strategy of poverty reduction and broad-based economic development.

(B) In the efforts of the United States to lead the development of a new global financial architecture, microenterprise should play a vital role. The recent shocks to international financial markets demonstrate how the financial sector can shape the destiny of nations. Microfinance can serve as a powerful tool for building a more inclusive financial sector which serves the broad majority of the world's population including the very poor and women and thus generate more social stability and prosperity.

(C) Over the last two decades, the United States has been a global leader in promoting the global microenterprise sector, primarily through its development assistance programs at the United States Agency for International Development. Additionally, the Department of the Treasury and the Department of State have used their authority to promote microenterprise in the development programs of international financial institutions and the United Nations.

(11)(A) In 1994, the United States Agency for International Development launched the

"Microenterprise Initiative" in partnership with the Congress.

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

(C) In order to achieve the goal of the microcredit summit, increased investment in microfinance institutions serving the poorest will be critical.

(12) Providing the United States share of the global investment needed to achieve the goal of the microcredit summit will require only a small increase in United States funding for international microcredit programs, with an increased focus on institutions serving the poorest.

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

(B) These institutions need assistance in developing their institutional capacity to expand their services and tap commercial sources of capital.

(14) Nongovernmental organizations have demonstrated competence in developing networks of local microfinance institutions and other assistance delivery mechanisms so that they reach large numbers of the very poor, and achieve financial sustainability.

(15) Recognizing that the United States Agency for International Development has developed very effective partnerships with nongovernmental organizations, and that the Agency will have fewer missions overseas to carry out its work, the Agency should place priority on investing in those nongovernmental network institutions that meet performance criteria through the central funding mechanisms of the Agency.

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

(17)(A) The United States can provide leadership to other bilateral and multilateral development agencies as such agencies expand their support to the microenterprise sector.

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

(18) Through increased support for microenterprise, especially credit for the poorest, the United States can continue to play a leadership role in the global effort to expand financial services and opportunity to 100,000,000 of the poorest families on the planet.

##### SEC. 103. PURPOSES.

The purposes of this title are—

- (1) to make microenterprise development an important element of United States foreign economic policy and assistance;
- (2) to provide for the continuation and expansion of the commitment of the United States Agency for International Development to the development of microenterprise institutions as outlined in its 1994 Microenterprise Initiative;
- (3) to support and develop the capacity of United States and indigenous nongovernmental organization intermediaries to provide credit, savings, training, technical assistance, and business development services to microentrepreneurs;
- (4) to emphasize financial services and substantially increase the amount of assistance devoted to both financial services and complementary business development services designed to reach the poorest people in developing countries, particularly women; and
- (5) to encourage the United States Agency for International Development to coordinate microfinance policy, in consultation with the Department of the Treasury and the Department of

State, and to provide global leadership among bilateral and multilateral donors in promoting microenterprise for the poorest of the poor.

#### SEC. 104. DEFINITIONS.

In this title:

(1) **BUSINESS DEVELOPMENT SERVICES.**—The term “business development services” means support for the growth of microenterprises through training, technical assistance, marketing assistance, improved production technologies, and other services.

(2) **MICROENTERPRISE INSTITUTION.**—The term “microenterprise institution” means an institution that provides services, including microfinance, training, or business development services, for microentrepreneurs.

(3) **MICROFINANCE INSTITUTION.**—The term “microfinance institution” means an institution that directly provides, or works to expand, the availability of credit, savings, and other financial services to microentrepreneurs.

(4) **PRACTITIONER INSTITUTION.**—The term “practitioner institution” means any institution that provides services, including microfinance, training, or business development services, for microentrepreneurs, or provides assistance to microenterprise institutions.

#### SEC. 105. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

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 new section:

#### “SEC. 131. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

“(a) **FINDINGS AND POLICY.**—Congress finds and declares that—

“(1) the development of microenterprise is a vital factor in the stable growth of developing countries and in the development of free, open, and equitable international economic systems;

“(2) it is therefore in the best interest of the United States to assist the development of microenterprises in developing countries; and

“(3) the support of microenterprise can be served by programs providing credit, savings, training, technical assistance, and business development services.

“(b) **AUTHORIZATION.**—

“(1) **IN GENERAL.**—In carrying out this part, the President is authorized to provide grant assistance for programs to increase the availability of credit and other services to microenterprises lacking full access to capital training, technical assistance, and business development services, through—

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

“(B) grants to microenterprise institutions for the purpose of training, technical assistance, and business development services for microenterprises to enable them to make better use of credit, to better manage their enterprises, and to increase their income and build their assets;

“(C) capacity-building for microenterprise institutions in order to enable them to better meet the credit and training needs of microentrepreneurs; and

“(D) policy and regulatory programs at the country level that improve the environment for microentrepreneurs and microenterprise institutions that serve the poor and very poor.

“(2) **IMPLEMENTATION.**—Assistance authorized under paragraph (1) (A) and (B) shall be provided through organizations that have a capacity to develop and implement microenterprise programs, including particularly—

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

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

“(C) other indigenous governmental and non-governmental organizations.

“(3) **TARGETED ASSISTANCE.**—In carrying out sustainable poverty-focused programs under paragraph (1), 50 percent of all microenterprise

resources shall be targeted to very poor entrepreneurs, defined as those living in the bottom 50 percent below the poverty line as established by the national government of the country. Specifically, such resources shall be used for—

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

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

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

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

“(III) \$300 or less in the rest of the world; and

“(ii) can cover their costs in a reasonable time period; or

“(B) demand-driven business development programs that achieve reasonable cost recovery that are provided to clients holding poverty loans (as defined by the regional poverty loan limitations in subparagraph (A)(i)), whether they are provided by microfinance institutions or by specialized business development services providers.

“(4) **SUPPORT FOR CENTRAL MECHANISMS.**—The President should continue support for central mechanisms and missions, as appropriate, that—

“(A) provide technical support for field missions;

“(B) strengthen the institutional development of the intermediary organizations described in paragraph (2);

“(C) share information relating to the provision of assistance authorized under paragraph (1) between such field missions and intermediary organizations; and

“(D) support the development of nonprofit global microfinance networks, including credit union systems, that—

“(i) are able to deliver very small loans through a significant grassroots infrastructure based on market principles; and

“(ii) act as wholesale intermediaries providing a range of services to microfinance retail institutions, including financing, technical assistance, capacity-building, and safety and soundness accreditation.

“(5) **LIMITATION.**—Assistance provided under this subsection may only be used to support microenterprise programs and may not be used to support programs not directly related to the purposes described in paragraph (1).

“(c) **MONITORING SYSTEM.**—In order to maximize the sustainable development impact of the assistance authorized under subsection (b)(1), the Administrator of the agency primarily responsible for administering this part shall establish a monitoring system that—

“(1) establishes performance goals for such assistance and expresses such goals in an objective and quantifiable form, to the extent feasible;

“(2) establishes performance indicators to be used in measuring or assessing the achievement of the goals and objectives of such assistance;

“(3) provides a basis for recommendations for adjustments to such assistance to enhance the sustainable development impact of such assistance, particularly the impact of such assistance on the very poor, particularly poor women; and

“(4) provides a basis for recommendations for adjustments to measures for reaching the poorest of the poor, including proposed legislation containing amendments to enhance the sustainable development impact of such assistance, as described in paragraph (3).

“(d) **LEVEL OF ASSISTANCE.**—Of the funds made available under this part, the FREEDOM Support Act, and the Support for East European Democracy (SEED) Act of 1989, including local currencies derived from such funds, there are authorized to be available \$155,000,000 for each of the fiscal years 2001 and 2002, to carry out this section.

“(e) **DEFINITIONS.**—In this section:

“(1) **BUSINESS DEVELOPMENT SERVICES.**—The term ‘business development services’ means sup-

port for the growth of microenterprises through training, technical assistance, marketing assistance, improved production technologies, and other services.

“(2) **MICROENTERPRISE INSTITUTION.**—The term ‘microenterprise institution’ means an institution that provides services, including microfinance, training, or business development services, for microentrepreneurs.

“(3) **MICROFINANCE INSTITUTION.**—The term ‘microfinance institution’ means an institution that directly provides, or works to expand, the availability of credit, savings, and other financial services to microentrepreneurs.

“(4) **PRACTITIONER INSTITUTION.**—The term ‘practitioner institution’ means any institution that provides services, including microfinance, training, or business development services, for microentrepreneurs, or provides assistance to microenterprise institutions.”

#### SEC. 106. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

Section 108 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151f) is amended to read as follows:

#### “SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

“(a) **FINDINGS AND POLICY.**—Congress finds and declares that—

“(1) the development of micro- and small enterprises is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system; and

“(2) it is, therefore, in the best interests of the United States to assist the development of the enterprises of the poor in developing countries and to engage the United States private sector in that process.

“(b) **PROGRAM.**—To carry out the policy set forth in subsection (a), the President is authorized to provide assistance to increase the availability of credit to micro- and small enterprises lacking full access to credit, including through—

“(1) loans and guarantees to credit institutions for the purpose of expanding the availability of credit to micro- and small enterprises;

“(2) training programs for lenders in order to enable them to better meet the credit needs of microentrepreneurs; and

“(3) training programs for microentrepreneurs in order to enable them to make better use of credit and to better manage their enterprises.

“(c) **ELIGIBILITY CRITERIA.**—The Administrator of the agency primarily responsible for administering this part shall establish criteria for determining which credit institutions described in subsection (b)(1) are eligible to carry out activities, with respect to micro- and small enterprises, assisted under this section. Such criteria may include the following:

“(1) The extent to which the recipients of credit from the entity do not have access to the local formal financial sector.

“(2) The extent to which the recipients of credit from the entity are among the poorest people in the country.

“(3) The extent to which the entity is oriented toward working directly with poor women.

“(4) The extent to which the entity recovers its cost of lending.

“(5) The extent to which the entity implements a plan to become financially sustainable.

“(d) **ADDITIONAL REQUIREMENT.**—Assistance provided under this section may only be used to support micro- and small enterprise programs and may not be used to support programs not directly related to the purposes described in subsection (b).

“(e) **PROCUREMENT PROVISION.**—Assistance may be provided under this section without regard to section 604(a).

“(f) **AVAILABILITY OF FUNDS.**—

“(1) **IN GENERAL.**—Of the amounts authorized to be available to carry out section 131, there are authorized to be available \$1,500,000 for each of

fiscal years 2001 and 2002 to carry out this section.

“(2) **COVERAGE OF SUBSIDY COSTS.**—Amounts authorized to be available under paragraph (1) shall be made available to cover the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, for activities under this section.”

**SEC. 107. UNITED STATES MICROFINANCE LOAN FACILITY.**

(a) **IN GENERAL.**—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by section 105 of this Act, is further amended by adding at the end the following new section:

**“SEC. 132. UNITED STATES MICROFINANCE LOAN FACILITY.**

“(a) **ESTABLISHMENT.**—The Administrator is authorized to establish a United States Microfinance Loan Facility (in this section referred to as the ‘Facility’) to pool and manage the risk from natural disasters, war or civil conflict, national financial crisis, or short-term financial movements that threaten the long-term development of United States-supported microfinance institutions.

“(b) **DISBURSEMENTS.**—

“(1) **IN GENERAL.**—The Administrator shall make disbursements from the Facility to United States-supported microfinance institutions to prevent the bankruptcy of such institutions caused by—

“(A) natural disasters;

“(B) national wars or civil conflict; or

“(C) national financial crisis or other short-term financial movements that threaten the long-term development of United States-supported microfinance institutions.

“(2) **FORM OF ASSISTANCE.**—Assistance under this section shall be in the form of loans or loan guarantees for microfinance institutions that demonstrate the capacity to resume self-sustained operations within a reasonable time period.

“(3) **CONGRESSIONAL NOTIFICATION PROCEDURES.**—During each of the fiscal years 2001 and 2002, funds may not be made available from the Facility until 15 days after notification of the proposed availability of the funds has been provided to the congressional committees specified in section 634A in accordance with the procedures applicable to reprogramming notifications under that section.

“(c) **GENERAL PROVISIONS.**—

“(1) **POLICY PROVISIONS.**—In providing the credit assistance authorized by this section, the Administrator should apply, as appropriate, the policy provisions in this part that are applicable to development assistance activities.

“(2) **DEFAULT AND PROCUREMENT PROVISIONS.**—

“(A) **DEFAULT PROVISION.**—The provisions of section 620(q), or any comparable provision of law, shall not be construed to prohibit assistance to a country in the event that a private sector recipient of assistance furnished under this section is in default in its payment to the United States for the period specified in such section.

“(B) **PROCUREMENT PROVISION.**—Assistance may be provided under this section without regard to section 604(a).

“(3) **TERMS AND CONDITIONS OF CREDIT ASSISTANCE.**—

“(A) **IN GENERAL.**—Credit assistance provided under this section shall be offered on such terms and conditions, including fees charged, as the Administrator may determine.

“(B) **LIMITATION ON PRINCIPAL AMOUNT OF FINANCING.**—The principal amount of loans made or guaranteed under this section in any fiscal year, with respect to any single event, may not exceed \$30,000,000.

“(C) **EXCEPTION.**—No payment may be made under any guarantee issued under this section for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

“(4) **FULL FAITH AND CREDIT.**—All guarantees issued under this section shall constitute obligations, in accordance with the terms of such guarantees, of the United States of America, and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations to the extent of the guarantee.

“(d) **FUNDING.**—

“(1) **ALLOCATION OF FUNDS.**—Of the amounts made available to carry out this part for the fiscal year 2001, up to \$5,000,000 may be made available for—

“(A) the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, to carry out this section; and

“(B) the administrative costs to carry out this section.

“(2) **RELATION TO OTHER FUNDING.**—Amounts made available under paragraph (1) are in addition to amounts available under any other provision of law to carry out this section.

“(e) **DEFINITIONS.**—In this section:

“(1) **ADMINISTRATOR.**—The term ‘Administrator’ means the Administrator of the agency primarily responsible for administering this part.

“(2) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term ‘appropriate congressional committees’ means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

“(3) **UNITED STATES-SUPPORTED MICROFINANCE INSTITUTION.**—The term ‘United States-supported microfinance institution’ means a financial intermediary that has received funds made available under part I of this Act for fiscal year 1980 or any subsequent fiscal year.”

(b) **REPORT.**—Not later than 120 days after the date of enactment of this Act, the Administrator of the United States Agency for International Development shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report on the policies, rules, and regulations of the United States Microfinance Loan Facility established under section 132 of the Foreign Assistance Act of 1961, as added by subsection (a).

**SEC. 108. REPORT RELATING TO FUTURE DEVELOPMENT OF MICROENTERPRISE INSTITUTIONS.**

(a) **REPORT.**—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report on the most cost-effective methods and measurements for increasing the access of poor people overseas to credit, other financial services, and related training.

(b) **CONTENTS.**—The report described in subsection (a)—

(1) shall include how the President, in consultation with the Administrator of the United States Agency for International Development, the Secretary of State, and the Secretary of the Treasury, will develop a comprehensive strategy for advancing the global microenterprise sector in a way that maintains market principles while ensuring that the very poor overseas, particularly women, obtain access to financial services overseas;

(2) shall provide guidelines and recommendations for—

(A) instruments to assist microenterprise networks to develop multi-country and regional microlending programs;

(B) technical assistance to foreign governments, foreign central banks, and regulatory entities to improve the policy environment for microfinance institutions, and to strengthen the capacity of supervisory bodies to supervise microfinance institutions;

(C) the potential for Federal chartering of United States-based international microfinance network institutions, including proposed legislation;

(D) instruments to increase investor confidence in microfinance institutions which

would strengthen the long-term financial position of the microfinance institutions and attract capital from private sector entities and individuals, such as a rating system for microfinance institutions and local credit bureaus;

(E) an agenda for integrating microfinance into United States foreign policy initiatives seeking to develop and strengthen the global finance sector; and

(F) innovative instruments to attract funds from the capital markets, such as instruments for leveraging funds from the local commercial banking sector, and the securitization of microloan portfolios; and

(3) shall include a section that assesses the need for a microenterprise accelerated growth fund and that includes—

(A) a description of the benefits of such a fund;

(B) an identification of which microenterprise institutions might become eligible for assistance from such fund;

(C) a description of how such a fund could be administered;

(D) a recommendation on which agency or agencies of the United States Government should administer the fund and within which such agency the fund should be located; and

(E) a recommendation on how soon it might be necessary to establish such a fund in order to provide the support necessary for microenterprise institutions involved in microenterprise development.

(c) **APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.**—In this section, the term ‘appropriate congressional committees’ means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

**SEC. 109. UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT AS GLOBAL LEADER AND COORDINATOR OF BILATERAL AND MULTILATERAL MICROENTERPRISE ASSISTANCE ACTIVITIES.**

(a) **FINDINGS AND POLICY.**—Congress finds and declares that—

(1) the United States can provide leadership to other bilateral and multilateral development agencies as such agencies expand their support to the microenterprise sector; and

(2) the United States should seek to improve coordination among G-7 countries in the support of the microenterprise sector in order to leverage the investment of the United States with that of other donor nations.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) the Administrator of the United States Agency for International Development and the Secretary of State should seek to support and strengthen the effectiveness of microfinance activities in United Nations agencies, such as the United Nations Development Program (UNDP), which have provided key leadership in developing the microenterprise sector; and

(2) the Secretary of the Treasury should instruct each United States Executive Director of the multilateral development banks (MDBs) to advocate the development of a coherent and coordinated strategy to support the microenterprise sector and an increase of multilateral resource flows for the purposes of building microenterprise retail and wholesale intermediaries.

**SEC. 110. SENSE OF CONGRESS ON CONSIDERATION OF MEXICO AS A KEY PRIORITY IN MICROENTERPRISE FUNDING ALLOCATIONS.**

(a) **FINDINGS.**—Congress makes the following findings:

(1) An estimated 45,000,000 of Mexico’s 100,000,000 population currently lives below the poverty line, accounting for 20 percent of all poor in Latin America.

(2) Mexico cannot create enough salaried jobs to absorb new workers entering the labor force.

(3) While many poor families depend on microenterprise initiatives to generate a livelihood,

the United States Agency for International Development currently has 2 microcredit projects in Mexico, receiving less than one percent of overall microenterprise funding in Latin America and the Caribbean during the last decade.

(4) Mexico's microenterprise activity has been constrained because its financial institutions cannot expand financial services to a larger clientele due to a lack of capital, inefficient financial and administrative management, and a lack of institutional support for microfinance institutions' particular needs.

(5) Mexican nongovernmental organizations, such as Compartamos, have demonstrated competence in developing local microfinance programs.

(6) On July 2, 2000, Vicente Fox Quesada of the Alliance for Change was elected President of the United Mexican States.

(7) The President-elect of Mexico has identified entrepreneurship and the start-up of new microcredit institutions as key economic priorities.

(8) Microenterprise and entrepreneurial initiatives have proven to be successful components of free market development and economic stability.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) providing Mexico's poor with economic opportunity and microfinance services is fundamental to Mexico's economic development;

(2) microenterprise can have a positive impact on Mexico's free market development; and

(3) the United States Agency for International Development should consider Mexico as a key priority in its microenterprise funding allocations.

## **TITLE II—INTERNATIONAL ANTI-CORRUPTION AND GOOD GOVERNANCE ACT OF 2000**

### **SEC. 201. SHORT TITLE.**

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

### **SEC. 202. FINDINGS AND PURPOSE.**

(a) FINDINGS.—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 Combatting 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, third party monitoring of government procurement processes, 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 title 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. 203. DEVELOPMENT ASSISTANCE POLICY.**

(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) by striking "and" at the end of paragraph (3);

(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.—Section 102(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151-1(b)) is amended—

(1) in paragraph (4)—

(A) by striking "and" at the end of subparagraph (E);

(B) in subparagraph (F), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

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

(2) by adding at the end the following:

"(17) Economic reform and development of effective institutions of democratic governance are mutually reinforcing. The successful transition of a developing country is dependent upon the quality of its economic and governance institutions. Rule of law, mechanisms of accountability and transparency, security of person, property, and investments, are but a few of the critical governance and economic reforms that underpin the sustainability of broad-based economic growth. Programs in support of such reforms strengthen the capacity of people to hold their governments accountable and to create economic opportunity."

### **SEC. 204. 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. 205. 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.), as amended by sections 105 and 107, is further amended by adding at the end the following:

#### **"SEC. 133. 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 establishing 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) RELATION TO OTHER LAWS.—

"(A) IN GENERAL.—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. Assistance provided under a program established pursuant to paragraph (1) for a country that would otherwise be restricted from receiving such assistance but for the preceding sentence may not be provided directly to the government of the country.

"(B) EXCEPTION.—Subparagraph (A) does not apply with respect to—

"(i) section 620A of this Act or any comparable provision of law prohibiting assistance

to countries that support international terrorism; or

"(ii) section 907 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992.

"(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) support the establishment of audit offices, inspectors general offices, third party monitoring of government procurement processes, and anti-corruption agencies;

"(4) promote responsive, transparent, and accountable legislatures and local governments that ensure legislative and local 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 fosters 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 Secretary of State, in consultation with the Secretary of Commerce and the Administrator of the United States Agency for International Development, shall prepare and transmit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations 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, improve 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 133(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.

### **TITLE III—INTERNATIONAL ACADEMIC OPPORTUNITY ACT OF 2000**

#### **SEC. 301. SHORT TITLE.**

This title may be cited as the "International Academic Opportunity Act of 2000".

#### **SEC. 302. STATEMENT OF PURPOSE.**

It is the purpose of this title to establish an undergraduate grant program for students of limited financial means from the United States to enable such students to study abroad. Such foreign study is intended to broaden the outlook and better prepare such students of demonstrated financial need to assume significant roles in the increasingly global economy.

#### **SEC. 303. ESTABLISHMENT OF GRANT PROGRAM FOR FOREIGN STUDY BY AMERICAN COLLEGE STUDENTS OF LIMITED FINANCIAL MEANS.**

(a) **ESTABLISHMENT.**—Subject to the availability of appropriations and under the authorities of the Mutual Educational and Cultural Exchange Act of 1961, the Secretary of State shall establish and carry out a program in each fiscal year to award grants of up to \$5,000, to individuals who meet the requirements of subsection (b), toward the cost of up to one academic year of undergraduate study abroad. Grants under this Act shall be known as the "Benjamin A. Gilman International Scholarships".

(b) **ELIGIBILITY.**—An individual referred to in subsection (a) is an individual who—

(1) is a student in good standing at an institution of higher education in the United States (as defined in section 101(a) of the Higher Education Act of 1965);

(2) has been accepted for up to one academic year of study on a program of study abroad approved for credit by the student's home institution;

(3) is receiving any need-based student assistance under title IV of the Higher Education Act of 1965; and

(4) is a citizen or national of the United States.

(c) **APPLICATION AND SELECTION.**—

(1) Grant application and selection shall be carried out through accredited institutions of higher education in the United States or a combination of such institutions under such procedures as are established by the Secretary of State.

(2) In considering applications for grants under this section—

(A) consideration of financial need shall include the increased costs of study abroad; and

(B) priority consideration shall be given to applicants who are receiving Federal Pell Grants under title IV of the Higher Education Act of 1965.

#### **SEC. 304. REPORT TO CONGRESS.**

The Secretary of State shall report annually to the Congress concerning the grant program established under this title. Each such report shall include the following information for the preceding year:

(1) The number of participants.

(2) The institutions of higher education in the United States that participants attended.

(3) The institutions of higher education outside the United States participants attended during their study abroad.

(4) The areas of study of participants.

#### **SEC. 305. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated \$1,500,000 for each fiscal year to carry out this title.

#### **SEC. 306. EFFECTIVE DATE.**

This title shall take effect October 1, 2000.

### **TITLE IV—MISCELLANEOUS PROVISIONS**

#### **SEC. 401. SUPPORT FOR OVERSEAS COOPERATIVE DEVELOPMENT ACT.**

(a) **SHORT TITLE.**—This section may be cited as the "Support for Overseas Cooperative Development Act".

(b) **FINDINGS.**—The Congress makes the following findings:

(1) It is in the mutual economic interest of the United States and peoples in developing and transitional countries to promote cooperatives and credit unions.

(2) Self-help institutions, including cooperatives and credit unions, provide enhanced opportunities for people to participate directly in democratic decision-making for their economic and social benefit through ownership and control of business enterprises and through the mobilization of local capital and savings and such organizations should be fully utilized in fostering free market principles and the adoption of self-help approaches to development.

(3) The United States seeks to encourage broad-based economic and social development by creating and supporting—

(A) agricultural cooperatives that provide a means to lift low income farmers and rural people out of poverty and to better integrate them into national economies;

(B) credit union networks that serve people of limited means through safe savings and by extending credit to families and microenterprises;

(C) electric and telephone cooperatives that provide rural customers with power and telecommunications services essential to economic development;

(D) housing and community-based cooperatives that provide low income shelter and work opportunities for the urban poor; and

(E) mutual and cooperative insurance companies that provide risk protection for life and property to under-served populations often through group policies.

(c) **GENERAL PROVISIONS.**—

(1) **DECLARATIONS OF POLICY.**—The Congress supports the development and expansion of economic assistance programs that fully utilize cooperatives and credit unions, particularly those programs committed to—

(A) international cooperative principles, democratic governance and involvement of women and ethnic minorities for economic and social development;

(B) self-help mobilization of member savings and equity and retention of profits in the community, except for those programs that are dependent on donor financing;

(C) market-oriented and value-added activities with the potential to reach large numbers of low income people and help them enter into the mainstream economy;

(D) strengthening the participation of rural and urban poor to contribute to their country's economic development; and

(E) utilization of technical assistance and training to better serve the member-owners.

(2) **DEVELOPMENT PRIORITIES.**—Section 111 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151i) is amended by adding at the end the following: "In meeting the requirement of the preceding sentence, specific priority shall be given to the following:

"(1) **AGRICULTURE.**—Technical assistance to low income farmers who form and develop member-owned cooperatives for farm supplies, marketing and value-added processing.

"(2) **FINANCIAL SYSTEMS.**—The promotion of national credit union systems through credit union-to-credit union technical assistance that strengthens the ability of low income people and



micro-entrepreneurs to save and to have access to credit for their own economic advancement.

"(3) **INFRASTRUCTURE.**—The support of rural electric and telecommunication cooperatives for access for rural people and villages that lack reliable electric and telecommunications services."

"(4) **HOUSING AND COMMUNITY SERVICES.**—The promotion of community-based cooperatives which provide employment opportunities and important services such as health clinics, self-help shelter, environmental improvements, group-owned businesses, and other activities."

(d) **REPORT.**—Not later than 6 months after the date of enactment of this Act, the Administrator of the United States Agency for International Development, in consultation with the heads of other appropriate agencies, shall prepare and submit to Congress a report on the implementation of section 111 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151i), as amended by subsection (c).

#### **SEC. 402. FUNDING OF CERTAIN ENVIRONMENTAL ASSISTANCE ACTIVITIES OF USAID.**

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

(b) **ALLOCATION FOR WATER AND COASTAL RESOURCES.**—Of the amounts made available under subsection (a), at least \$2,500,000 shall be available for water and coastal resources activities under the natural resources management function specified in that subsection.

#### **SEC. 403. PROCESSING OF APPLICATIONS FOR TRANSPORTATION OF HUMANITARIAN ASSISTANCE ABROAD BY THE DEPARTMENT OF DEFENSE.**

(a) **PRIORITY FOR DISASTER RELIEF ASSISTANCE.**—In processing applications for the transportation of humanitarian assistance abroad under section 402 of title 10, United States Code, the Administrator of the United States Agency for International Development shall afford a priority to applications for the transportation of disaster relief assistance.

(b) **MODIFICATION OF APPLICATIONS.**—The Administrator of the United States Agency for International Development shall take all possible actions to assist applicants for the transportation of humanitarian assistance abroad under such section 402 in modifying or completing applications submitted under such section in order to meet applicable requirements under such section. The actions shall include efforts to contact such applicants for purposes of the modification or completion of such applications.

#### **SEC. 404. WORKING CAPITAL FUND.**

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

"(m)(1) There is established a working capital fund (in this subsection referred to as the 'fund') for the United States Agency for International Development (in this subsection referred to as the 'Agency') which shall be available without fiscal year limitation for the expenses of personal and nonpersonal services, equipment, and supplies for—

"(A) International Cooperative Administrative Support Services; and

"(B) rebates from the use of United States Government credit cards.

"(2) The capital of the fund shall consist of—

"(A) the fair and reasonable value of such supplies, equipment, and other assets pertaining to the functions of the fund as the Administrator determines,

"(B) rebates from the use of United States Government credit cards, and

"(C) any appropriations made available for the purpose of providing capital, minus related liabilities.

"(3) The fund shall be reimbursed or credited with advance payments for services, equipment, or supplies provided from the fund from applicable appropriations and funds of the Agency, other Federal agencies and other sources authorized by section 607 at rates that will recover total expenses of operation, including accrual of annual leave and depreciation. Receipts from the disposal of, or payments for the loss or damage to, property held in the fund, rebates, reimbursements, refunds and other credits applicable to the operation of the fund may be deposited in the fund.

"(4) At the close of each fiscal year the Administrator of the Agency shall transfer out of the fund to the miscellaneous receipts account of the Treasury of the United States such amounts as the Administrator determines to be in excess of the needs of the fund.

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

#### **SEC. 405. INCREASE IN AUTHORIZED NUMBER OF EMPLOYEES AND REPRESENTATIVES OF THE UNITED STATES MISSION TO THE UNITED NATIONS PROVIDED LIVING QUARTERS IN NEW YORK.**

Section 9(2) of the United Nations Participation Act of 1945 (22 U.S.C. 287e-1(2)) is amended by striking "18" and inserting "30".

#### **SEC. 406. AVAILABILITY OF VOA AND RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS.**

Section 1(b) of Public Law 104-269 (110 Stat. 3300) is amended by striking "5 years" and inserting "10 years".

#### **SEC. 407. AVAILABILITY OF CERTAIN MATERIALS OF THE VOICE OF AMERICA.**

(a) **AUTHORITY.**—

(1) **IN GENERAL.**—Subject to the provisions of this section, the Broadcasting Board of Governors (in this section referred to as the "Board") is authorized to make available to the Institute for Media Development (in this section referred to as the "Institute"), at the request of the Institute, previously broadcast audio and video materials produced by the Africa Division of the Voice of America.

(2) **DEPOSIT OF MATERIALS.**—Upon the request of the Institute and the approval of the Board, materials made available under paragraph (1) may be deposited with the University of California, Los Angeles, or such other appropriate institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) that is approved by the Board for such purpose.

(3) **SUPERSEDES EXISTING LAW.**—Materials made available under paragraph (1) may be provided notwithstanding section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461) and section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461-1a).

(b) **LIMITATIONS.**—

(1) **AUTHORIZED PURPOSES.**—Materials made available under this section shall be used only for academic and research purposes and may not be used for public or commercial broadcast purposes.

(2) **PRIOR AGREEMENT REQUIRED.**—Before making available materials under subsection (a)(1), the Board shall enter into an agreement with the Institute providing for—

(A) reimbursement of the Board for any expenses involved in making such materials available;

(B) the establishment of guidelines by the Institute for the archiving and use of the materials to ensure that copyrighted works contained in those materials will not be used in a manner that would violate the copyright laws of the

United States (including international copyright conventions to which the United States is a party);

(C) the indemnification of the United States by the Institute in the event that any use of the materials results in violation of the copyright laws of the United States (including international copyright conventions to which the United States is a party);

(D) the authority of the Board to terminate the agreement if the provisions of paragraph (1) are violated; and

(E) any other terms and conditions relating to the materials that the Board considers appropriate.

(c) **CREDITING OF REIMBURSEMENTS TO BOARD APPROPRIATIONS ACCOUNT.**—Any reimbursement of the Board under subsection (b) shall be deposited as an offsetting collection to the currently applicable appropriation account of the Board.

(d) **TERMINATION OF AUTHORITY.**—The authority provided under this section shall cease to have effect on the date that is 5 years after the date of enactment of this Act.

#### **SEC. 408. PAUL D. COVERDELL FELLOWS PROGRAM ACT OF 2000.**

(a) **SHORT TITLE.**—This section may be cited as the "Paul D. Coverdell Fellows Program Act of 2000".

(b) **FINDINGS.**—Congress makes the following findings:

(1) Paul D. Coverdell was elected to the Georgia State Senate in 1970 and later became Minority Leader of the Georgia State Senate, a post he held for 15 years.

(2) Paul D. Coverdell served with distinction as the 11th Director of the Peace Corps from 1989 to 1991, where he promoted a fellowship program that was composed of returning Peace Corps volunteers who agreed to work in underserved American communities while they pursued educational degrees.

(3) Paul D. Coverdell served in the United States Senate from the State of Georgia from 1993 until his sudden death on July 18, 2000.

(4) Senator Paul D. Coverdell was beloved by his colleagues for his civility, bipartisan efforts, and his dedication to public service.

(c) **DESIGNATION OF PAUL D. COVERDELL FELLOWS PROGRAM.**—

(1) **IN GENERAL.**—Effective on the date of enactment of this Act, the program under section 18 of the Peace Corps Act (22 U.S.C. 2517) referred to before such date as the "Peace Corps Fellows/USA Program" is redesignated as the "Paul D. Coverdell Fellows Program".

(2) **REFERENCES.**—Any reference before the date of enactment of this Act in any law, regulation, order, document, record, or other paper of the United States to the Peace Corps Fellows/USA Program shall, on and after such date, be considered to refer to the Paul D. Coverdell Fellows Program.

Mr. GILMAN (during the reading).  
Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New York?

Mr. GEJDENSON. Mr. Speaker, I reserve the right to object.

(Mr. GEJDENSON asked and was given permission to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, I will not object. I just take the time to spend one moment to commend the chairman and the conferees on this important piece of legislation. It was not

long ago that the chairman and I and the First Lady, Hillary Rodham Clinton, joined together to continue this effort to make microenterprise a central element of our foreign assistance. I want to say that the chairman has done an outstanding job in continuing that effort.

I yield to the gentleman from New York for any comments he might make.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and I thank the gentleman from Connecticut who has been a cosponsor of this measure for being so supportive of this measure.

I am pleased today to ask our colleagues to support H.R. 1143, the Microenterprise for Self-Reliance and International Anti-Corruption Act of 2000.

Mr. Speaker, the House passed H.R. 1143, the Microenterprise of Self-Reliance Act, in 1999 to increase support for the very important work of microenterprise institutions the world over who produce tangible results and change the lives of thousands of poor people in developing societies.

This landmark bill not only honors the fine organizations and leaders who promote private enterprise and development efforts throughout the world in furtherance of our country's objective of helping those who help themselves, but also serves to place a higher priority on microenterprise programs as an essential component of our development assistance.

This bill is designed to provide a framework for the delivery of seed capital to poor entrepreneurs who are the backbone of the informal economies in developing countries. By strengthening micro enterprises, more income is generated and jobs are created at the grassroots level. Hence, poor economies grow and the need for foreign development assistance declines.

In Africa, more than 80 percent of employment is generated in the informal sector by the self-employed poor. However, many poor entrepreneurs are trapped in poverty because they cannot obtain credit at reasonable rates to build their asset base or expand their otherwise viable self-employment activities.

The microenterprise community has clearly demonstrated that the poor are capable of expanding their incomes and their businesses dramatically when they can access microloans at reasonable rates. H.R. 1143, authorizes programs that can reach these poor people who want to help themselves and thereby help to build their societies.

To date, many fine organizations such as the Foundation for International Community Assistance, Action International, and Opportunities International have built fine records that illustrate that lending directly to the poor is a good investment and that poor people can do repay their loans and build successful businesses.

Mr. Speaker, Microenterprise institutions not only reduce poverty, but they also reduce dependency and enhance self-worth. These are ultimately the objectives that we all wish to achieve in the developing world.

I am pleased to highlight that microenterprise institutions are very successful in raising

private funds in conjunction with those provided by our government. These efforts are commendable and should be replicated in other foreign assistance programs as well. It is precisely this approach of having the private and public sectors working together that will yield the results and genuine development that we all seek for the less fortunate of the globe.

By providing access to micro credit to the world's poor, our country stimulates the entrepreneurial spirit and helps to develop and stimulate the informal economies of some of the world's poorest countries. This investment, rather than a hand out, makes good sense and makes a true difference in the lives of the less fortunate.

Mr. Speaker, I wish to thank the microenterprise community, especially the Microenterprise Coalition, including FINCA, Action International, and Results for their constructive suggestions and assistance. I am also grateful for the assistance provided by the Administration and the staff of the Senate Foreign Relations Committee.

Mr. GEJDENSON. Reclaiming my time under my reservation, if I could just add, also, I would like to thank the gentleman from Arizona (Mr. KOLBE), the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the chairman, as well, for their work on the anti-corruption portions of this conference report. This is an important piece of legislation. America has lost as much as \$26 billion to foreign bribes. We have now got our G-8 partners joining with us to fight corruption and bribery. This legislation will help build strong democracies globally.

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 trans-border 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.

When 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 Anti-Corruption and Good Governance 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.

Among other things, the act establishes anti-corruption and good governance programs as priorities within our foreign assistance programs. The act underscores the importance of our efforts to combat corruption and promote good governance overseas.

It will also allow administrations some flexibility in those relatively rare circumstances where developments on the ground, such as a coup or an economic crisis, would otherwise restrict it from acting through nongovernmental organizations.

Thus, provisions of law that would otherwise restrict assistance to foreign countries are made inapplicable, with certain exceptions, to assistance provided in furtherance of this act. Assistance that would have been prohibited except for this authority cannot be provided directly to the government of such a country, but can be provided to the government through grants and contracts with nongovernmental organizations.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from New York?

There was no objection.

A motion to reconsider was laid on the table.

#### SPECIAL ORDERS

The SPEAKER pro tempore (Mr. QUINN). Without prejudice to the possible resumption of legislative business and under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### FEDERAL RESERVE NOTES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.