

Secretary determines that disclosure would—

- (1) further the purposes of this Act;
- (2) not create risk of harm to or theft or destruction of the resource or the site containing the resource; and
- (3) be in accordance with other applicable laws.

#### SEC. 13. REGULATIONS.

As soon as practical after the date of the enactment of this Act, the Secretary shall issue such regulations as are appropriate to carry out this Act, providing opportunities for public notice and comment.

#### SEC. 14. SAVINGS PROVISIONS.

Nothing in this Act shall be construed to—

- (1) invalidate, modify, or impose additional restrictions on any activities permitted under the general mining laws, or the mineral leasing, geothermal leasing, and mineral materials disposal laws;
- (2) apply to, or require a permit for, amateur collecting of a rock, mineral, or invertebrate or plant fossil that is not protected under this Act;
- (3) affect any lands other than Federal lands or affect the lawful recovery, collection, or sale of paleontological resources from lands other than Federal lands; or
- (4) alter or diminish the authority of a Federal agency under any other law to provide protection for paleontological resources on Federal lands in addition to the protection provided under this Act.

#### SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

### SUBMITTED RESOLUTIONS

#### SENATE RESOLUTION 303—EXPRESSING THE SENSE OF THE SENATE THAT A COMMEMORATIVE POSTAGE STAMP SHOULD BE ISSUED TO CELEBRATE THE 250TH ANNIVERSARY OF THE ARRIVAL OF THE FIRST ACADIANS IN THE AMERICA COLONIES

Ms. LANDRIEU (for herself and Mr. BREAU) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 303

Whereas, in 1755, British troops expelled 6,000 Acadians from their home in Acadie, an area that is part of modern-day Nova Scotia, Canada, and many of these Acadians relocated to the American colonies;

Whereas this expulsion, known as the Grand Derangement, resulted in the dispersal of the Acadians and the spread of their French-Canadian culture throughout the American colonies;

Whereas, as a result of the Treaty of Paris in 1763, many Acadians migrated to Louisiana;

Whereas the unique Acadian culture had a strong influence on life in the American colonies;

Whereas, the 1990 census found that there were just under 700,000 people of Acadian ancestry in the United States, and the uniquely Acadian culture and traditions of this group continue to influence culture in the United States;

Whereas the 250th anniversary of the arrival of the first Acadians in the United States occurs in 2005; and

Whereas a postage stamp would be an appropriate commemoration of this anniversary, would increase public awareness of the

history of American prerevolutionary immigration, and would benefit the American public by giving recognition to a distinct and truly American subculture: Now, therefore, be it

*Resolved,*

#### SECTION 1. SENSE OF THE SENATE.

It is the sense of the Senate that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that a commemorative postage stamp be issued in 2005 to celebrate the 250th anniversary of the arrival of the first Acadians in the American colonies in 1755.

#### SEC. 2. TRANSMITTAL TO CITIZENS' STAMP ADVISORY COMMITTEE.

The Secretary of the Senate shall transmit a copy of this resolution to the chairperson of the Citizens' Stamp Advisory Committee.

### AMENDMENTS SUBMITTED AND PROPOSED

SA 4273. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table.

SA 4274. Mr. LIEBERMAN (for himself, Mr. ENZI, Mrs. BOXER, Mr. ALLEN, Ms. CANTWELL, Mr. LOTT, Mr. BENNETT, Mr. WYDEN, Mrs. MURRAY, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4275. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4276. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4277. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4278. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4279. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4280. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4281. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4282. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4283. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4284. Mr. LEVIN submitted an amendment intended to be proposed to amendment

SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4285. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4286. Mr. REID (for Mrs. CARNAHAN) proposed an amendment to the bill S. 2673, supra.

SA 4287. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4288. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4267 submitted by Mr. DORGAN and intended to be proposed to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4289. Mr. DORGAN (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4290. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4291. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4292. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4293. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4294. Mr. GRAHAM submitted an amendment intended to be proposed to amendment SA 4293 submitted by Mr. GRAHAM and intended to be proposed to the bill (S. 2673) supra; which was ordered to lie on the table.

SA 4295. Mr. SCHUMER (for himself and Mrs. FEINSTEIN) proposed an amendment to the bill S. 2673, supra.

SA 4296. Mr. SCHUMER (for himself and Mr. SHELBY) proposed an amendment to the bill S. 2673, supra.

SA 4297. Mr. REID (for Mr. KERRY (for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS)) proposed an amendment to the bill H.R. 2069, To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan Africa and other developing countries.

SA 4298. Mr. REID (for Mr. KERRY (for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS)) proposed an amendment to the bill H.R. 2069, supra.

### TEXT OF AMENDMENTS

SA 4273. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting

practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

On page 82, line 24, insert before the period the following: “, and shall include a brief narrative of the basis for the decision to so certify, including a discussion of any questionable accounting treatment.”.

**SA 4274.** Mr. LIEBERMAN (for himself, Mr. ENZI, Mrs. BOXER, Mr. ALLEN, Ms. CANTWELL, Mr. LOTT, Mr. BENNETT, Mr. WYDEN, Mrs. MURRAY, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. \_\_\_\_ . RECOMMENDATIONS ON THE TREATMENT OF STOCK OPTIONS.**

(a) **ANALYSIS.**—The Commission shall conduct an analysis and make regulatory and legislative recommendations on the treatment of stock options in which the Commission shall analyze—

(1) the accounting treatment for employee stock options, including the accuracy of available stock option pricing models;

(2) the adequacy of current disclosure requirements to investors and shareholders on stock options;

(3) the adequacy of corporate governance requirements, including shareholder approval of stock option plans;

(4) any need for new stock holding period requirements for senior executives; and

(5) the benefit and detriment of any new options expensing rules on—

(A) the productivity and performance of large, medium, and small companies, and start-up enterprises;

(B) the recruitment and retention of skilled workers; and

(C) employees at various income levels, with a particular focus on the effect on rank-and-file employees and the income of women.

(b) **RECOMMENDATIONS.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of enactment of this Act, the Commission shall submit regulatory and legislative recommendations and supporting analysis to—

(A) the standard setting body designated pursuant to section 19(b) of the Securities Act of 1933, as amended by section 106 of this Act;

(B) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(C) the Committee on Financial Services of the House of Representatives.

(2) **CONTENTS.**—The analysis, and regulatory and legislative recommendations submitted under paragraph (1) shall include—

(A) the results of the analysis conducted under subsection (a); and

(B) regulatory and legislative recommendations, if any, for changes in the treatment of stock options.

**SA 4275.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after “options” insert the following: “and the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriate generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109.”.

**SA 4276.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after “options” insert the following: “and the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations to the standard setting body funded pursuant to Section 109 regarding an appropriate generally accepted accounting principle for the treatment of employee stock options and conduct an analysis and make recommendations to the Committee on Banking, Housing and Urban Affairs of the Senate and the

Committee on Financial Services of the House regarding the adequacy of disclosure requirement to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives.”.

**SA 4277.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after “options” insert the following: “provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501 and 601 has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives”.

**SA 4278.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after “options” insert the following: “provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501 and 601 has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives, which shall be completed within nine months.”.

**SA 4279.** Mr. LIEBERMAN submitted an amendment intended to be proposed

by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "and the standard setting body mentioned in Section 3, shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriate generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109."

**SA 4280.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "and the standard setting body mentioned in Section 3, shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations to the standard setting body funded pursuant to Section 109 regarding an appropriate generally accepted accounting principle for the treatment of employee stock options and conduct an analysis and make recommendations to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Financial Services of the House regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives."

**SA 4281.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices to strengthen the

independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Section 3, has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives."

**SA 4282.** Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Section 3, has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives, which shall be completed within nine months."

**SA 4283.** Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes;

which was ordered to lie on the table; as follows:

On page 2, line 17 strike "directors." and insert the following: "directors."

**"SEC. . REVIEW OF STOCK OPTION ACCOUNTING TREATMENT."**

"A standard setting body described in Section 108 paragraph (1) of this Act and funded pursuant to Section 109 of this Act shall review the accounting treatment of employee stock options and shall, within one year of the date of enactment of this Act, adopt an appropriate generally accepted accounting principle for the treatment of employee stock options."

**SA 4284.** Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, line 17 strike "directors." and insert the following: "directors."

**SEC. . INCREASED MAXIMUM CIVIL MONEY PENALTIES.**

(a) SECURITIES ACT OF 1933.—Section 20(d)(2) of the Securities Act of 1933 (15 U.S.C. 77t(d)(2)) is amended—

(1) in subparagraph (A)(i), by—

(A) striking "\$5,000" and inserting "\$100,000"; and

(B) striking "\$50,000" and inserting "\$250,000";

(2) in subparagraph (B)(i), by—

(A) striking "\$50,000" and inserting "\$500,000"; and

(B) striking "\$250,000" and inserting "\$1,000,000"; and

(3) in subparagraph (C)(i), by—

(A) striking "\$100,000" and inserting "\$1,000,000"; and

(B) striking "\$500,000" and inserting "\$2,000,000".

(b) SECURITIES EXCHANGE ACT OF 1934.—

(1) PENALTIES.—Section 32 of the Securities Exchange Act of 1934 (15 U.S.C. 78ff) is amended—

(A) in subsection (b), by striking "\$100" and inserting "\$10,000"; and

(B) in subsection (c)—

(i) in paragraph (1)(B), by striking "\$10,000" and inserting "\$500,000"; and

(ii) in paragraph (2)(B), by striking "\$10,000" and inserting "\$500,000".

(2) INSIDER TRADING.—Section 21A(a)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-1(a)(3)) is amended by striking "\$1,000,000" and inserting "\$2,000,000".

(3) ADMINISTRATIVE PROCEEDINGS.—Section 21B(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-2(b)) is amended—

(A) in paragraph (1), by—

(i) striking "\$5,000" and inserting "\$100,000"; and

(ii) striking "\$50,000" and inserting "\$250,000";

(B) in paragraph (2), by—

(i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and  
 (C) in paragraph (3), by—  
 (i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

(4) CIVIL ACTIONS.—Section 21(d)(3)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78u(d)(3)(B)) is amended—

(A) in clause (i), by—  
 (i) striking “\$5,000” and inserting “\$100,000”; and  
 (ii) striking “\$50,000” and inserting “\$250,000”;

(B) in clause (ii), by—  
 (i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and  
 (C) in clause (iii), by—  
 (i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

(c) INVESTMENT COMPANY ACT OF 1940.—

(1) INELIGIBILITY.—Section 9(d)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(d)(2)) is amended—

(A) in subparagraph (A), by—  
 (i) striking “\$5,000” and inserting “\$100,000”; and  
 (ii) striking “\$50,000” and inserting “\$250,000”;

(B) in subparagraph (B), by—  
 (i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and  
 (C) in subparagraph (C), by—

(i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

(2) ENFORCEMENT INVESTMENT COMPANY ACT.—Section 42(e)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-41(e)(2)) is amended—

(A) in subparagraph (A), by—  
 (i) striking “\$5,000” and inserting “\$100,000”; and  
 (ii) striking “\$50,000” and inserting “\$250,000”;

(B) in subparagraph (B), by—  
 (i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and

(C) in subparagraph (C), by—  
 (i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

(d) INVESTMENT ADVISORS ACT OF 1940.—

(1) REGISTRATION.—Section 203(i)(2) of the Investment Advisors Act of 1940 (15 U.S.C. 80b-3(i)(2)) is amended—

(A) in subparagraph (A), by—  
 (i) striking “\$5,000” and inserting “\$100,000”; and  
 (ii) striking “\$50,000” and inserting “\$250,000”;

(B) in subparagraph (B), by—  
 (i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and

(C) in subparagraph (C), by—  
 (i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

(2) ENFORCEMENT OF INVESTMENT ADVISORS ACT.—Section 209(e)(2) of the Investment Advisors Act of 1940 (15 U.S.C. 80b-9(e)(2)) is amended—

(A) in subparagraph (A), by—

(i) striking “\$5,000” and inserting “\$100,000”; and  
 (ii) striking “\$50,000” and inserting “\$250,000”;

(B) in subparagraph (B), by—

(i) striking “\$50,000” and inserting “\$500,000”; and  
 (ii) striking “\$250,000” and inserting “\$1,000,000”; and

(C) in subparagraph (C), by—

(i) striking “\$100,000” and inserting “\$1,000,000”; and  
 (ii) striking “\$500,000” and inserting “\$2,000,000”.

**SA 4285.** Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment insert the following new section

**SEC. —(a) RULES REQUIRED.**—Notwithstanding section 404 of the Act, the Commission shall prescribe rules requiring each annual report required by section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) to contain an internal control report, which shall—

(1) state the responsibility of management for establishing and maintaining an adequate internal control structure and procedures for financial reporting; and

(2) contain an assessment, as of the end of the most recent fiscal year of the issuer, of the effectiveness of the internal control structure and procedures of the issuer of financial reporting.

(b) **INTERNAL CONTROL EVALUATION AND REPORTING.**—With respect to the internal control assessment required by subsection (a), each registered public accounting firm that prepares or issues the audit report for the issuer shall attest to, and report on, the assessment made by the management of the issuer. An attestation made under this subsection shall be made in accordance with standards for attestation engagements issues or adopted by the Board.

**SA 4286.** Mr. REID (for Mrs. CARNAHAN) proposed an amendment to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; as follows:

At the end of the amendment, insert the following:

(b) **ELECTRONIC FILING.**—Notwithstanding the provisions of section 403 of this Act, section 16(a)(2) of the Securities and Exchange Act of 1934, as added by section 403, is amended to read as follows:

“(2) if there has been a change in such ownership, or if such person shall have purchased or sold a security-based swap agreement (as defined in section 206B of the Gramm-Leach-Bliley Act) involving such equity security, shall file electronically with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange), a statement before the end of the second business day following the day on which the subject transaction has been executed, or at such other times as the Commission shall establish, by rule, in any case in which the Commission determines that such 2 day period is not feasible, and the Commission shall provide that statement on a publicly accessible Internet site not later than the end of the business day following that filing, and the issuer (if the issuer maintains a corporate website) shall provide that statement on that corporate website not later than the end of the business day following that filing (the requirements of this paragraph with respect to electronic filing and providing the statement on a corporate website shall take effect 1 year after the date of enactment of this paragraph), indicating ownership by that person at the date of filing, any such changes in such ownership, and such purchases and sales of the security-based swap agreements as have occurred since the most recent such filing under this paragraph.”.

**SA 4287.** Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after “**SEC.**” and insert: “**PROVISION OF BOOK AND TAX DIFFERENCES TO COMMISSION.**”

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following:

“(1) **SUBMISSION OF TAX FORMS AND SCHEDULES RELATING TO BOOK AND TAX DIFFERENCES.**—

“(1) **IN GENERAL.**—Each issuer shall provide to the Commission—

“(A) any schedule or form included with its return of income tax required to be filed under section 6012 of the Internal Revenue Code of 1986 which reconciles the differences between the treatment of an item for purposes of such return and the treatment of such item for purposes of audited financial statements required to be filed under this Act, and

“(B) any supporting documents filed with any such schedule or form.

“(2) **TIME AND MANNER.**—An issuer shall file information required to be submitted under

paragraph (1) at such time, and in such form and manner, as the Commission determines appropriate after consultation with the Secretary of the Treasury.

“(3) INFORMATION MADE AVAILABLE TO THE PUBLIC.—The Commission shall make information required to be submitted under paragraph (1) available to the public.”

**SA 4288.** Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4267 submitted by Mr. DORGAN and intended to be proposed to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

“REINCORPORATIONS HAVE NO EFFECT.—Nothing in section 302 shall be interpreted or applied in any way to allow any issuer to lessen the legal force of the statement required under section 302, by having reincorporated or having engaged in any other transaction that resulted in the transfer of the corporate domicile or offices of the issuer from inside the United States to outside of the United States.”

**SA 4289.** Mr. DORGAN (for himself and Mr. MCCAIN) submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table, as follows:

At the end of the matter proposed to be inserted insert the following:

(2) PUBLIC HEARINGS.—Notwithstanding all hearings under that subsection (c) shall be public, unless otherwise ordered by the Board for good cause shown on its own motion or after considering the motion of a party to the hearing.

**SA 4290.** Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to im-

prove quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

(c) FOREIGN REINCORPORATIONS HAVE NO EFFECT.—Nothing in section 302 shall be interpreted or applied in any way to allow any issuer to lessen the legal force of the statement required under section 302, by having reincorporated or having engaged in any other transaction that resulted in the transfer of the corporate domicile or offices of the issuer from inside the United States to outside the United States.

**SA 4291.** Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

(b) PROCEEDS FROM THE SALE OF SECURITIES PRIOR TO BANKRUPTCY FILING.—If an issuer files for bankruptcy protection under title 11, United States Code, each director, chief executive officer, and chief financial officer of the issuer shall pay to the issuer all amounts described in paragraphs (1) and (2) of section 304(a) (to the extent that such amounts have not been reimbursed under that section 304(a)) realized by such director or officer from the sale of the securities of the issuer during the 12-month period preceding the date of the bankruptcy filing.

**SA 4292.** Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public

companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

Section 302 shall apply whether the issuer is domiciled, incorporated, or reincorporated under the laws of the United States or any individual State, or under the laws of a foreign country or political subdivision thereof.

**SA 4293.** Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On page 82, line 18, strike the period and all that follows through “certify” on line 20 and insert the following: “, regardless of whether such issuer is located in or organized under the laws of the United States or any State, or any foreign country.

**SA 4294.** Mr. GRAHAM submitted an amendment intended to be proposed to amendment SA 4293 submitted by the Mr. GRAHAM and intended to be proposed to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 1 of this amendment, strike after “on page 82,” and insert:

(c) FOREIGN REINCORPORATIONS.—This subsection shall not be interpreted or applied in any way to lessen the legal force of the statement required under this subsection by an issuer having reincorporated or having engaged in any other action that results in the transfer of corporate domicile or offices from inside to outside the United States.

**SA 4295.** Mr. SCHUMER (for himself and Mrs. FEINSTEIN) proposed an

amendment to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; as follows:

On page 91, strike line 19 and all that follows through page 93, line 22 and insert the following:

**SEC. 402. ENHANCED CONFLICT OF INTEREST PROVISIONS.**

(a) **PROHIBITION ON PERSONAL LOANS TO EXECUTIVES.**—Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m), as amended by this Act is amended by adding at the end the following:

“(k) **PROHIBITION ON PERSONAL LOANS TO EXECUTIVES.**—

“(1) **IN GENERAL.**—It shall be unlawful for any issuer, directly or indirectly, to extend or maintain credit or arrange for the extension of credit in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of that issuer.

“(2) **LIMITATION.**—Paragraph (1) does not preclude any home improvement and manufactured home loan (as that term is defined in section 5 of the Home Owners Loan Act), consumer credit (as defined in section 103 of the Truth in Lending Act), or any extension of credit under an open end credit plan (as defined in section 103 of the Truth in Lending Act (15 U.S.C. 1602)), that is—

“(A) made in the ordinary course of the consumer credit business of such issuer;

“(B) of a type that is generally made available by such issuer to the public; and

“(C) made by such issuer on market terms, or terms that are no more favorable than those offered by the issuer to the general public for such loans.”.

**SA 4296.** Mr. SCHUMER (for himself and Mr. SHELBY) proposed an amendment to bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; as follows:

On page 91, between lines 18 and 19, insert the following:

(c) **STUDY AND REPORT ON SPECIAL PURPOSE ENTITIES.**—

(1) **STUDY REQUIRED.**—The Commission shall, not later than 1 year after the effective date of adoption of off-balance sheet disclosure rules required by section 13(j) of the Securities Exchange Act of 1934, as added by this section, complete a study of filings by issuers and their disclosures to determine—

(A) the extent of off-balance sheet transactions, including assets, liabilities, leases, losses, and the use of special purpose entities; and

(B) whether generally accepted accounting rules result in financial statements of issuers reflecting the economics of such off-balance sheet transactions to investors in a transparent fashion.

(2) **REPORT AND RECOMMENDATIONS.**—Not later than 6 months after the date of completion of the study required by paragraph (1), the Commission shall submit a report to the President, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, setting forth—

(A) the amount or an estimate of the amount of off-balance sheet transactions, including assets, liabilities, leases, and losses of, and the use of special purpose entities by, issuers filing periodic reports pursuant to section 13 or 15 of the Securities Exchange Act of 1934;

(B) the extent to which special purpose entities are used to facilitate off-balance sheet transactions;

(C) whether generally accepted accounting principles or the rules of the Commission result in financial statements of issuers reflecting the economics of such transactions to investors in a transparent fashion;

(D) whether generally accepted accounting principles specifically result in the consolidation of special purpose entities sponsored by an issuer in cases in which the issuer has the majority of the risks and rewards of the special purpose entity; and

(E) any recommendations of the Commission for improving the transparency and quality of reporting off-balance sheet transactions in the financial statements and disclosures required to be filed by an issuer with the Commission.

**SA 4297.** Mr. REID (for Mr. KERRY for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS) proposed an amendment to the bill H.R. 2069, To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan African and other developing countries; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Purpose.

**TITLE I—POLICY PLANNING AND COORDINATION**

- Sec. 101. Development of a comprehensive, five-year, global strategy.
- Sec. 102. Comprehensive plan to empower women to prevent the spread of HIV/AIDS.
- Sec. 103. HIV/AIDS Response Coordinator.
- Sec. 104. Report on reversing the exodus of critical talent.

**TITLE II—PUBLIC-PRIVATE PARTNERSHIPS**

- Sec. 201. Sense of Congress on public-private partnerships.
- Sec. 202. Participation in the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Sec. 203. Voluntary contributions to international vaccine funds.

**TITLE III—MULTILATERAL EFFORTS**

- Sec. 301. Improvement of the Enhanced HIPC Initiative.
- Sec. 302. Reports on implementation of improvements to the Enhanced HIPC Initiative.

**TITLE IV—BILATERAL EFFORTS**

**Subtitle A—General Assistance and Programs**

- Sec. 401. Assistance to combat HIV/AIDS.
- Sec. 402. Assistance to combat tuberculosis.
- Sec. 403. Assistance to combat malaria.
- Sec. 404. Pilot program for the placement of health care professionals in overseas areas severely affected by HIV/AIDS, tuberculosis, and malaria.
- Sec. 405. Department of Defense HIV/AIDS prevention assistance program.
- Sec. 406. Report on treatment activities by relevant Executive branch agencies.

**Subtitle B—Assistance for Children and Families**

- Sec. 411. Findings.
- Sec. 412. Policy and requirements.
- Sec. 413. Annual reports on prevention of mother-to-child transmission of the HIV infection.
- Sec. 414. Pilot program of assistance for children and families affected by HIV/AIDS.

**TITLE V—BUSINESS PRINCIPLES**

- Sec. 501. Principles for United States firms operating in countries affected by the HIV/AIDS pandemic.

**TITLE VI—ADDITIONAL AUTHORITIES**

- Sec. 601. Authority of the Department of Health and Human Services.
- Sec. 602. Microbicide research at the National Institutes of Health.
- Sec. 603. Authority of the Department of Labor.
- Sec. 604. Authority for international programs.

**SEC. 2. FINDINGS.**

Congress makes the following findings:

(1) During the last 20 years, HIV/AIDS has assumed pandemic proportions, spreading from the most severely affected region, sub-Saharan Africa, to all corners of the world, and leaving an unprecedented path of death and devastation.

(2) According to the Joint United Nations Programme on HIV/AIDS (UNAIDS), more than 60,000,000 people worldwide have been infected with HIV since the epidemic began; more than 22,000,000 of these have lost their lives to the disease; and more than 13,000,000 children have been orphaned by the disease. HIV/AIDS is the fourth-highest cause of death in the world.

(3) At the end of 2001, an estimated 40,000,000 people were infected with HIV or living with AIDS. Of these, more than 2,700,000 were children under the age of fifteen and more than 17,600,000 were women. Women are four times more vulnerable to infection than are men and are becoming infected at increasingly high rates because in many societies women lack control over sexual encounters and cannot insist on the use of protective measures. Women and children who are refugees or are internally displaced persons are especially vulnerable to sexual violence, thereby increasing the possibility of HIV infection.

(4) As the leading cause of death in sub-Saharan Africa, AIDS has killed more than 17,000,000 people (more than 3 times the number of AIDS deaths in the rest of the world) and will claim the lives of one-quarter of the population, mostly adults, in the next decade.



(5) An estimated 1,800,000 people in Latin America and the Caribbean and another 7,100,000 people in Asia and the Pacific region are infected with HIV or living with AIDS. Infection rates are rising alarmingly in Eastern Europe (especially in the Russian Federation), Central Asia, and China.

(6) HIV/AIDS threatens personal security by affecting the health, lifespan, and productive capacity of the individual and the social cohesion and economic well-being of the family.

(7) HIV/AIDS undermines the economic security of a country and individual businesses in that country by weakening the productivity and longevity of the labor force across a broad array of economic sectors and by reducing the potential for economic growth over the long term.

(8) HIV/AIDS destabilizes communities by striking at the most mobile and educated members of society, many of whom are responsible for security at the local level and governance at the national and subnational levels as well as many teachers, health care personnel, and other community workers vital to community development and the effort to combat HIV/AIDS. In some countries the overwhelming challenges of the HIV/AIDS epidemic are accelerating the outward migration of critically important health care professionals.

(9) HIV/AIDS weakens the defenses of countries severely affected by the HIV/AIDS crisis through high infection rates among members of their military forces. According to UNAIDS, in sub-Saharan Africa, many military forces have infection rates as much as five times that of the civilian population.

(10) HIV/AIDS poses a serious security issue for the international community by—

(A) increasing the potential for political instability and economic devastation, particularly in those countries and regions most severely affected by the disease; and

(B) decreasing the capacity to resolve conflicts through the introduction of peacekeeping forces because the environments into which these forces are introduced pose a high risk for the spread of HIV/AIDS.

(11) The devastation wrought by the HIV/AIDS pandemic is compounded by the prevalence of tuberculosis and malaria, particularly in developing countries where the poorest and most vulnerable members of society, including women, children, and those living with HIV/AIDS, become infected. According to the World Health Organization (WHO), HIV/AIDS, tuberculosis, and malaria accounted for more than 5,700,000 deaths in 2001 and caused debilitating illnesses in millions more.

(12) Tuberculosis is the cause of death for one out of every three people with AIDS worldwide and is a highly communicable disease. HIV infection is the leading threat to tuberculosis control. Because HIV infection so severely weakens the immune system, individuals with HIV and latent tuberculosis infection have a 100 times greater risk of developing active tuberculosis diseases thereby increasing the risk of spreading tuberculosis to others. Tuberculosis, in turn, accelerates the onset of AIDS in individuals infected with HIV.

(13) Malaria, the most deadly of all tropical parasitic diseases, has been undergoing a dramatic resurgence in recent years due to increasing resistance of the malaria parasite to inexpensive and effective drugs. At the same time, increasing resistance of mosquitoes to standard insecticides makes control of transmission difficult to achieve. The World Health Organization estimates that between 300,000,000 and 500,000,000 new cases of malaria occur each year, and annual deaths from the disease number between 2,000,000 and 3,000,000. Persons infected with

HIV are particularly vulnerable to the malaria parasite. The spread of HIV infection contributes to the difficulties of controlling resurgence of the drug resistant malaria parasite.

(14) Although HIV/AIDS is first and foremost a health problem, successful strategies to stem the spread of the pandemic will require not only medical interventions, the strengthening of health care delivery systems and infrastructure and determined national leadership and increased budgetary allocations for the health sector in countries affected by the epidemic but also measures to address the social and behavioral causes of the problem and its impact on families, communities, and societal sectors.

(15) Basic interventions to prevent new HIV infections and to bring care and treatment to people living with AIDS, such as voluntary counseling and testing and mother-to-child transmission programs, are achieving meaningful results and are cost-effective. The challenge is to expand these interventions from a pilot program basis to a national basis in a coherent and sustainable manner.

(16) The magnitude and scope of the HIV/AIDS crisis demands a comprehensive, long-term, international response focused upon addressing the causes, reducing the spread, and ameliorating the consequences of the HIV/AIDS pandemic, including—

(A) prevention and education, care and treatment, basic and applied research, and training of health care workers, particularly at the community and provincial levels, and other community workers and leaders needed to cope with the range of consequences of the HIV/AIDS crisis;

(B) development of health care infrastructure and delivery systems through cooperative and coordinated public efforts and public and private partnerships;

(C) development and implementation of national and community-based multisector strategies that address the impact of HIV/AIDS on the individual, family, community, and nation and increase the participation of at-risk populations in programs designed to encourage behavioral and social change and reduce the stigma associated with HIV/AIDS; and

(D) coordination of efforts between international organizations such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, the Joint United Nations Programme on HIV/AIDS (UNAIDS), the World Health Organization (WHO), national governments, and private sector organizations.

(17) The United States has the capacity to lead and enhance the effectiveness of the international community's response by—

(A) providing substantial financial resources, technical expertise, and training, particularly of health care personnel and community workers and leaders;

(B) promoting vaccine and microbicide research and the development of new treatment protocols in the public and commercial pharmaceutical research sectors;

(C) encouraging governments and community-based organizations to adopt policies that treat HIV/AIDS as a multisectoral problem affecting not only health but other areas such as education, the economy, the family and society, and assisting them to develop and implement programs corresponding to these needs; and

(D) encouraging active involvement of the private sector, including businesses, pharmaceutical and biotechnology companies, the medical and scientific communities, charitable foundations, private and voluntary organizations and nongovernmental organizations, faith-based organizations, community-based organizations, and other nonprofit entities.

### SEC. 3. DEFINITIONS.

In this Act:

(1) AIDS.—The term “AIDS” means the acquired immune deficiency syndrome.

(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) DESIGNATED CONGRESSIONAL COMMITTEES.—The term “designated congressional committees” means the Committee on Foreign Relations and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on International Relations and the Committee on Energy and Commerce of the House of Representatives.

(4) GLOBAL FUND.—The term “Global Fund” means the public-private partnership known as the Global Fund to Fight AIDS, Tuberculosis and Malaria that was established upon the call of the United Nations Secretary General in April 2001.

(5) HIV.—The term “HIV” means the human immunodeficiency virus, the pathogen that causes AIDS.

(6) HIV/AIDS.—The term “HIV/AIDS” means, with respect to an individual, an individual who is infected with HIV or living with AIDS.

(7) RELEVANT EXECUTIVE BRANCH AGENCIES.—The term “relevant Executive branch agencies” means the Department of State, the United States Agency for International Development, the Department of Health and Human Services (including the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the National Institutes of Health, the Agency for Health Care Research and Quality, and the Food and Drug Administration), the Department of Labor, the Department of Commerce, the Department of the Treasury, and the Department of Defense.

### SEC. 4. PURPOSE.

The purpose of this Act is to strengthen United States leadership and the effectiveness of the United States response to certain global infectious diseases by—

(1) establishing a comprehensive, integrated five-year, global strategy to fight HIV/AIDS that encompasses a plan for phased expansion of critical programs and improved coordination among relevant Executive branch agencies and between the United States and foreign governments and international organizations;

(2) providing increased resources for multilateral efforts to fight HIV/AIDS;

(3) providing increased resources for United States bilateral efforts, particularly for technical assistance and training, to combat HIV/AIDS, tuberculosis, and malaria;

(4) encouraging the expansion of private sector efforts and expanding public-private sector partnerships to combat HIV/AIDS; and

(5) intensifying efforts to support the development of vaccines and treatment for HIV/AIDS, tuberculosis, and malaria.

## TITLE I—POLICY PLANNING AND COORDINATION

### SEC. 101. DEVELOPMENT OF A COMPREHENSIVE, FIVE-YEAR, GLOBAL STRATEGY.

(a) STRATEGY.—The President shall establish a comprehensive, integrated, five-year strategy to combat global HIV/AIDS that promotes the goals and objectives of the Declaration of Commitment on HIV/AIDS, adopted by the United Nations General Assembly at its Special Session on HIV/AIDS in June 2001, and strengthens the capacity of the United States to be an effective leader of the international campaign against HIV/AIDS. Such strategy shall—

(1) include specific objectives, multisectoral approaches, and specific strategies to

treat individuals infected with HIV/AIDS and to prevent the further spread of HIV infections, with a particular focus on the needs of women, young people, and children;

(2) assign priorities for relevant Executive branch agencies;

(3) improve coordination among relevant Executive branch agencies and foreign governments and international organizations;

(4) project general levels of resources needed to achieve the stated objectives;

(5) expand public-private partnerships and the leveraging of resources; and

(6) maximize United States capabilities in the areas of technical assistance and training and research, including vaccine research.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the President shall submit to designated congressional committees a report setting forth the strategy described in subsection (a).

(2) REPORT ELEMENTS.—The report required by paragraph (1) shall include a discussion of the following:

(A) The objectives, general and specific, of the strategy.

(B) A description of the criteria for determining success of the strategy.

(C) A description of the manner in which the strategy will address the fundamental elements of prevention and education; care and treatment, including increasing access to pharmaceuticals and to vaccines and microbicides when available; research, including incentives for vaccine development and new protocols; and training of health care workers, and the development of health care infrastructure and delivery systems.

(D) A description of the manner in which the strategy will promote the development and implementation of national and community-based multisectoral strategies and programs, including those designed to enhance leadership capacity particularly at the community level.

(E) A description of the specific strategies developed to meet the unique needs of women, including the empowerment of women in interpersonal situations, young people and children, including those orphaned by HIV/AIDS.

(F) A description of the programs to be undertaken to maximize United States contributions in the areas of technical assistance, training particularly of health care workers and community-based leaders in affected sectors, and research including the promotion of research on vaccines.

(G) An identification of the relevant Executive branch agencies that will be involved and the assignment of priorities to those agencies.

(H) A description of the role of each relevant Executive branch agency and the types of programs that the agency will be undertaking.

(I) A description of the mechanisms that will be utilized to coordinate the efforts of the relevant Executive branch agencies, to avoid duplication of efforts, to enhance on-site coordination efforts, and to ensure that each agency undertakes programs primarily in those areas where the agency has the greatest expertise, technical capabilities, and potential for success.

(J) A description of the mechanisms that will be utilized to ensure greater coordination between the United States and foreign governments and international organizations including the Global Fund, UNAIDS, international financial institutions, and private sector organizations.

(K) The level of resources that will be needed on an annual basis and the manner in which those resources would generally be allocated among relevant Executive agencies.

(L) A description of the mechanisms to be established for monitoring and evaluating programs and for terminating unsuccessful programs.

(M) A description of the manner in which private, nongovernmental entities will factor into the United States Government-led effort and a description of the type of partnerships that will be created to maximize the capabilities of these private sector entities and to leverage resources.

(N) A description of the manner in which the United States strategy for combating HIV/AIDS relates to and promotes the goals and objectives of the United Nations General Assembly's Declaration of Commitment on HIV/AIDS.

(O) A description of the ways in which United States leadership will be used to enhance the overall international response to the HIV/AIDS pandemic and particularly to heighten the engagement of the member states of the G-8 and to strengthen key financial and coordination mechanisms such as the Global Fund and UNAIDS.

(P) A description of the manner in which the United States strategy for combating HIV/AIDS relates to and enhances other United States assistance strategies in developing countries.

#### **SEC. 102. COMPREHENSIVE PLAN TO EMPOWER WOMEN TO PREVENT THE SPREAD OF HIV/AIDS.**

(a) STATEMENT OF POLICY.—It is in the national interest of the United States—

(1) to assist in empowering women socially, economically, and intellectually to prevent coercive practices which contribute to the spread of HIV/AIDS;

(2) to ensure that there are affordable effective female controlled preventative technologies widely available;

(3) to assist in providing adequate pre- and post-natal care to women infected with HIV or living with AIDS to prevent an increase in the number of AIDS orphans; and

(4) to educate communities in order to lessen the stigma facing women who are infected with HIV or living with AIDS.

(b) DEVELOPMENT OF PLAN.—The United States Agency for International Development, working in conjunction with other relevant Executive branch agencies, shall develop a comprehensive plan to empower women to protect themselves against the spread of HIV/AIDS. The plan shall include—

(1) immediately providing women greatly increased access to and program support for currently available prevention technologies for women and microbicides when they become available;

(2) providing funding for research to develop safe, effective, usable microbicides, including support for—

(A) development and preclinical evaluation of topical microbicides;

(B) the conduct of clinical studies of candidate microbicides to assess safety, acceptability, and effectiveness in reducing the HIV infection and other sexually transmitted infections;

(C) behavioral and social science research relevant to microbicide development, testing, acceptability, and use; and

(D) introductory studies of safe and effective microbicides in developing countries;

(3) increasing women's access to microfinance programs;

(4) comprehensive education for women and girls including health education that emphasizes skills building on negotiation and the prevention of sexually transmitted infections and other related reproductive health risks and strategies that emphasize the delay of sexual debut;

(5) community-based strategies to combat gender-based violence and sexual coercion of women and minors;

(6) expansion of peer education strategies for men which emphasize responsible sexual behavior and consultation with their wives and partners in making decisions about sex and reproduction;

(7) resources for households headed by females caring for AIDS orphans;

(8) followup monitoring of and care and support for post-natal women living with HIV or at high risk of infection; and

(9) targeted plans to reduce the vulnerability of HIV/AIDS for women, young people, and children who are refugees or internally displaced persons.

(c) REQUIREMENT.—The plan shall specify, for the assistance to achieve each of the objectives set forth in paragraphs (1) through (9) of subsection (b), the section of the Foreign Assistance Act of 1961 or other law that authorizes such assistance.

(d) STAFFING.—The Administrator of the United States Agency for International Development shall ensure that the Agency dedicates a sufficient number of employees to implementing the plan described in subsection (b).

(e) REPORT.—Not later than 270 days after the date of enactment of this Act and every year for the next 3 years thereafter, the Administrator of the United States Agency for International Development shall submit to the appropriate congressional committees a report on the plan being implemented by the United States Agency for International Development on empowering women in order to prevent the spread of HIV/AIDS. The report shall include a description of—

(1) the programs being carried out that are specifically targeted at women and girls to educate them about the spread of HIV/AIDS and the use and availability of currently available prevention technologies for women, together with the number of women and girls reached through these programs;

(2) the steps taken to increase the availability of such technologies; and

(3) the progress on developing a safe, effective, user-friendly microbicide.

#### **SEC. 103. HIV/AIDS RESPONSE COORDINATOR.**

(a) ESTABLISHMENT OF POSITION.—Section 1 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 265(a)) is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by adding after subsection (e) the following:

“(f) HIV/AIDS RESPONSE COORDINATOR.—

“(1) IN GENERAL.—There shall be within the Department of State a Coordinator of United States Government Activities to Combat HIV/AIDS Globally, who shall be appointed by the President, by and with the advice and consent of the Senate. The Coordinator shall report directly to the Secretary of State and shall have the rank and status of ambassador.

“(2) DUTIES.—

“(A) IN GENERAL.—The Coordinator shall have primary responsibility for the oversight and coordination of all activities of the United States Government to combat the international HIV/AIDS pandemic, including all programs, projects, and activities of the United States Government under titles I through V of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 or any amendment made by those titles.

“(B) SPECIFIC DUTIES.—The duties of the Coordinator shall specifically include the following:

“(i) Ensuring program and policy coordination among the relevant Executive branch agencies.

“(ii) Ensuring that each relevant Executive branch agency undertakes programs primarily in those areas where the agency has



the greatest expertise, technical capabilities, and potential for success.

- “(iii) Avoiding duplication of effort.
- “(iv) Enhancing onsite coordination.
- “(v) Pursuing coordination with other countries and international organizations.
- “(vi) Resolving policy, program, and funding disputes among the relevant Executive branch agencies.”.

(b) **FIRST COORDINATOR.**—The President may designate the incumbent Special Representative of the Secretary of State for HIV/AIDS as of the date of enactment of this Act as the first Coordinator of United States Government Activities to Combat HIV/AIDS Globally.

#### SEC. 104. REPORT ON REVERSING THE EXODUS OF CRITICAL TALENT.

(a) **IN GENERAL.**—Not later than one year after the date of enactment of this Act, the President shall submit a report to designated congressional committees analyzing the emigration of critically important medical and public health personnel, including physicians, nurses, and supervisors from sub-Saharan African countries that are acutely impacted by HIV/AIDS.

(b) **ELEMENTS OF THE REPORT.**—The report shall include—

- (1) an analysis of the causes for the exodus of such personnel, the present and projected trend lines, and the impact on the stability of health infrastructures; and
- (2) a description of incentives and programs that the United States could provide, in concert with other private and public sector partners and international organizations, to stabilize health institutions by encouraging critical personnel to remain in their home countries.

### TITLE II—PUBLIC-PRIVATE PARTNERSHIPS

#### SEC. 201. SENSE OF CONGRESS ON PUBLIC-PRIVATE PARTNERSHIPS.

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

- (1) Innovative partnerships between governments and organizations in the private sector (including foundations, universities, corporations, faith-based and community-based organizations, and other nongovernmental organizations) have proliferated in recent years, particularly in the area of health.
- (2) Public-private sector partnerships multiply local and international capacities to strengthen the delivery of health services in developing countries and to accelerate research for vaccines and other pharmaceutical products that are essential to combat infectious diseases decimating the populations of these countries.
- (3) These partnerships maximize the unique capabilities of each sector while combining financial and other resources, scientific knowledge, and expertise toward common goals which neither the public nor the private sector can achieve alone.
- (4) Sustaining existing public-private partnerships and building new ones are critical to the success of the international community's efforts to combat HIV/AIDS and other infectious diseases around the globe.

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

- (1) the sustainment and promotion of public-private partnerships should be a priority element of the strategy pursued by the United States to combat the HIV/AIDS pandemic and other global health crises; and
- (2) the United States should systematically track the evolution of these partnerships and work with others in the public and private sector to profile and build upon those models that are most effective.

#### SEC. 202. PARTICIPATION IN THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS, AND MALARIA.

(a) **AUTHORITY FOR UNITED STATES PARTICIPATION.**—

(1) **UNITED STATES PARTICIPATION.**—The United States is hereby authorized to participate in the Global Fund to Fight AIDS, Tuberculosis and Malaria.

(2) **PRIVILEGES AND IMMUNITIES.**—The Global Fund shall be considered a public international organization for purposes of section 1 of the International Organizations Immunities Act (22 U.S.C. 288).

(b) **REPORTS TO CONGRESS.**—Not later than one year after the date of the enactment of this Act, and annually thereafter for the duration of the Global Fund, the President shall submit to the appropriate congressional committees a report on the Global Fund, including contributions pledged, contributions received (including donations from the private sector), projects funded, and the mechanisms established for transparency and accountability in the grant making process.

(c) **UNITED STATES FINANCIAL PARTICIPATION.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—In addition to funds otherwise available for such purpose, there are authorized to be appropriated to the President \$1,000,000,000 for the fiscal year 2003 and \$1,200,000,000 for the fiscal year 2004 for contributions to the Global Fund.

(2) **AVAILABILITY OF FUNDS.**—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3) **REPROGRAMMING OF FISCAL YEAR 2001 FUNDS.**—Funds made available for fiscal year 2001 under section 141 of the Global AIDS and Tuberculosis Relief Act of 2000—

(A) are authorized to remain available until expended; and

(B) shall be transferred to, merged with, and made available for the same purposes as, funds made available for fiscal year 2002 under paragraph (1).

(4) **STATUTORY CONSTRUCTION.**—Nothing in this Act may be construed to substitute for, or reduce resources provided under any other law for bilateral and multilateral HIV/AIDS, tuberculosis, and malaria programs.

#### SEC. 203. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL VACCINE FUNDS.

(a) **VACCINE FUND.**—Section 302(k) of the Foreign Assistance Act of 1961 (22 U.S.C. 2222(k)) is amended—

(1) by striking “\$50,000,000” and all that follows through “2002” and inserting “\$60,000,000 for the fiscal year 2003 and \$70,000,000 for the fiscal year 2004”; and

(2) by striking “Global Alliance for Vaccines and Immunizations” and inserting “Vaccine Fund”.

(b) **INTERNATIONAL AIDS VACCINE INITIATIVE.**—Section 302(l) of the Foreign Assistance Act of 1961 (22 U.S.C. 2222(l)) is amended by striking “\$10,000,000” and all that follows through “2002” and inserting “\$12,000,000 for the fiscal year 2003 and \$15,000,000 for the fiscal year 2004”.

(c) **MALARIA VACCINE INITIATIVE OF THE PROGRAM FOR APPROPRIATE TECHNOLOGIES IN HEALTH (PATH).**—Section 302 of the Foreign Assistance Act of 1961 (22 U.S.C. 2222)) is amended by adding at the end the following new subsection:

“(m) In addition to amounts otherwise available under this section, there are authorized to be appropriated to the President \$5,000,000 for the fiscal year 2003 and \$6,000,000 for the fiscal year 2004 to be available only for United States contributions to the Malaria Vaccine Initiative of the Program for Appropriate Technologies in Health (PATH).”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect October 1, 2002.

### TITLE III—MULTILATERAL EFFORTS

#### SEC. 301. IMPROVEMENT OF THE ENHANCED HIPC INITIATIVE.

(a) **AMENDMENT OF THE INTERNATIONAL FINANCIAL INSTITUTIONS ACT.**—Title XVI of the International Financial Institutions Act (22 U.S.C. 262p–262p–5) is amended by adding at the end the following new section:

#### “SEC. 1625. IMPROVEMENT OF THE ENHANCED HIPC INITIATIVE.

“(a) **AUTHORITY.**—In order to ensure that the Enhanced HIPC Initiative achieves the objective of substantially increasing resources available for human development and poverty reduction in heavily indebted poor countries, the Secretary of the Treasury is authorized and requested to conclude as soon as possible an agreement within the Paris Club of Official Creditors, as well as the International Bank for Reconstruction and Development (World Bank), the International Monetary Fund, and other appropriate multilateral development institutions to accomplish the modifications in the Enhanced HIPC Initiative described in subsection (b).

“(b) **AGREEMENT.**—The agreement referred to in subsection (a) is an agreement that provides the following:

“(1) **LEVEL OF EXPORTS AND REVENUES.**—

“(A) **IN GENERAL.**—The amount of debt stock reduction approved for a country eligible for debt relief under the Enhanced HIPC Initiative shall be sufficient to reduce, for at least each of the first 3 years after date of enactment of this section or the Decision Point, whichever is later—

“(i) the net present value of the outstanding public and publicly guaranteed debt of the country to not more than 150 percent of the annual value of exports of the country for the year preceding the Decision Point; and

“(ii) the annual payments due on such public and publicly guaranteed debt to not more than 10 percent or, in the case of a country suffering a public health crisis (as defined in subsection (c)), not more than 5 percent, of the amount of the annual current revenues received by the country from internal sources.

“(B) **LIMITATION.**—In financing the objectives of the Enhanced HIPC Initiative, an international financial institution shall give priority to using its own resources.

“(2) **RELATION TO POVERTY AND THE ENVIRONMENT.**—The debt cancellation under the Enhanced HIPC Initiative shall not be conditioned on any agreement by an impoverished country to implement or comply with policies that deepen poverty or degrade the environment, including any policy that—

“(A) implements or extends user fees on primary education or primary health care, including prevention and treatment efforts for HIV/AIDS, tuberculosis, malaria, and infant, child, and maternal well-being;

“(B) provides for increased cost recovery from poor people to finance basic public services such as education, health care, clean water, or sanitation;

“(C) reduces the country's minimum wage to a level of less than \$2 per day or undermines workers' ability to exercise effectively their internationally recognized worker rights, as defined under section 526(e) of the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1995 (22 U.S.C. 262p–4p); or

“(D) promotes unsustainable extraction of resources or results in reduced budget support for environmental programs.

“(3) **FOREIGN GOVERNMENT POLICIES.**—A country shall not be eligible for cancellation

of debt under the Enhanced HIPC Initiative if the government of the country—

“(A) has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)) or section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)); and

“(B) engages in a consistent pattern of gross violations of internationally recognized human rights (including its military or other security forces).

“(4) PROGRAMS TO COMBAT HIV/AIDS, TUBERCULOSIS, AND MALARIA.—A country that is otherwise eligible to receive cancellation of debt under the Enhanced HIPC Initiative may receive such cancellation only if the country has agreed—

“(A) in the case of a country suffering a public health crisis (as defined in subsection (c)), to ensure that, where practicable, 10 to 20 percent of the financial benefits of debt cancellation are applied to programs to combat HIV/AIDS, tuberculosis, and malaria in that country;

“(B) to ensure that the financial benefits of debt cancellation are applied to programs to combat poverty (in particular through concrete measures to improve basic services in education, nutrition, and health), and to redress environmental degradation;

“(C) to ensure that the financial benefits of debt cancellation are in addition to the government's total spending on programs to combat HIV/AIDS and poverty reduction for the previous year or the average total of such expenditures for the previous 3 years, whichever is greater;

“(D) to implement transparent and participatory policymaking and budget procedures, good governance, and effective anticorruption measures; and

“(E) to broaden public participation and popular understanding of the principles and goals of poverty reduction.

“(c) DEFINITIONS.—In this section:

“(1) COUNTRY SUFFERING A PUBLIC HEALTH CRISIS.—The term ‘country suffering a public health crisis’ means—

“(A) a country in which HIV/AIDS, tuberculosis, or malaria is causing significant family, community, or societal disruption; and

“(B) a country that has rapidly rising rates of incidence of at least one of such diseases that is likely to lead to conditions described in subparagraph (A).

“(2) DECISION POINT.—The term ‘Decision Point’ means the date on which the executive boards of the World Bank and the International Monetary Fund review the debt sustainability analysis for a country and determine that the country is eligible for debt relief under the Enhanced HIPC Initiative.

“(3) ENHANCED HIPC INITIATIVE.—The term ‘Enhanced HIPC Initiative’ means the multilateral debt initiative for heavily indebted poor countries presented in the Report of G-7 Finance Ministers on the Cologne Debt Initiative to the Cologne Economic Summit, Cologne, June 18-20, 1999.”

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President such sums as may be necessary for the fiscal year 2003 and each fiscal year thereafter to carry out section 1625 of the International Financial Institutions Act, as added by subsection (a).

(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

#### SEC. 302. REPORTS ON IMPLEMENTATION OF IMPROVEMENTS TO THE ENHANCED HIPC INITIATIVE.

(a) INITIAL REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Treasury shall submit

to the appropriate congressional committees a report describing the progress made in concluding an agreement under section 1625(b) of the International Financial Institutions Act (as added by section 301 of this Act) to modify the Enhanced HIPC Initiative.

(b) SUBSEQUENT REPORT.—Not later than one year after the date of submission of the initial report under subsection (a), the Secretary of the Treasury shall submit to the appropriate congressional committees a report describing the actions taken by countries to satisfy the conditions set forth in the agreement referred to in subsection (a).

### TITLE IV—BILATERAL EFFORTS

#### Subtitle A—General Assistance and Programs

##### SEC. 401. ASSISTANCE TO COMBAT HIV/AIDS.

(a) AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended—

(1) in section 104(c) (22 U.S.C. 2151b(c)), by striking paragraphs (4) through (7); and

(2) by inserting after section 104 the following new section:

##### “SEC. 104A. ASSISTANCE TO COMBAT HIV/AIDS.

“(a) FINDING.—Congress recognizes that the alarming spread of HIV/AIDS in countries in sub-Saharan Africa and other developing countries is a major global health, national security, and humanitarian crisis.

“(b) POLICY.—It is a major objective of the foreign assistance program of the United States to provide assistance for the prevention, treatment, and control of HIV/AIDS. The United States and other developed countries should provide assistance to countries in sub-Saharan Africa and other countries and areas to control this crisis through HIV/AIDS prevention, treatment, monitoring, and related activities, particularly activities focused on women and youth, including strategies to prevent mother-to-child transmission of the HIV infection.

“(c) AUTHORIZATION.—

“(1) IN GENERAL.—Consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, to prevent, treat, and monitor HIV/AIDS, and carry out related activities, in countries in sub-Saharan Africa and other countries and areas.

“(2) ROLE OF NGOS.—It is the sense of Congress that the President should provide an appropriate level of assistance under paragraph (1) through nongovernmental organizations in countries in sub-Saharan Africa and other countries and areas affected by the HIV/AIDS pandemic.

“(3) COORDINATION OF ASSISTANCE EFFORTS.—The President shall coordinate the provision of assistance under paragraph (1) with the provision of related assistance by the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the United Nations Development Programme (UNDP), the Global Fund to Fight AIDS, Tuberculosis and Malaria and other appropriate international organizations (such as the International Bank for Reconstruction and Development), relevant regional multilateral development institutions, national, state, and local governments of foreign countries, appropriate governmental and nongovernmental organizations, and relevant Executive branch agencies.

“(d) ACTIVITIES SUPPORTED.—Assistance provided under subsection (c) shall, to the maximum extent practicable, be used to carry out the following activities:

“(1) PREVENTION.—Prevention of HIV/AIDS through activities including—

“(A) education, voluntary testing, and counseling (including the incorporation of confidentiality protections with respect to

such testing and counseling), including integration of such programs into health programs and the inclusion in counseling programs of information on methods of preventing transmission of the HIV infection, including delaying sexual debut, abstinence, reduction of casual sexual partnering, and, where appropriate, the use of condoms;

“(B) assistance for the purpose of preventing mother-to-child transmission of the HIV infection, including medications to prevent such transmission and access to infant formula and other alternatives for infant feeding;

“(C) assistance to ensure a safe blood supply, to provide—

“(i) post-exposure prophylaxis to victims of rape and sexual assault and in cases of occupational exposure of health care workers; and

“(ii) necessary commodities, including test kits, pharmaceuticals, and condoms;

“(D) assistance through nongovernmental organizations, including faith-based organizations, particularly those organizations that utilize both professionals and volunteers with appropriate skills and experience, to establish and implement culturally appropriate HIV/AIDS education and prevention programs;

“(E) research on microbicides which prevent the spread of HIV/AIDS; and

“(F) bulk purchases of available prevention technologies for women and for appropriate program support for the introduction and distribution of these technologies, as well as education and training on the use of the technologies.

“(2) TREATMENT.—The treatment and care of individuals with HIV/AIDS, including—

“(A) assistance to establish and implement programs to strengthen and broaden indigenous health care delivery systems and the capacity of such systems to deliver HIV/AIDS pharmaceuticals and otherwise provide for the treatment of individuals with HIV/AIDS, including clinical training for indigenous organizations and health care providers;

“(B) assistance to strengthen and expand hospice and palliative care programs to assist patients debilitated by HIV/AIDS, their families, and the primary caregivers of such patients, including programs that utilize faith-based and community-based organizations; and

“(C) assistance for the purpose of the care and treatment of individuals with HIV/AIDS through the provision of pharmaceuticals, including antiretrovirals and other pharmaceuticals and therapies for the treatment of opportunistic infections, nutritional support, and other treatment modalities.

“(3) MONITORING.—The monitoring of programs, projects, and activities carried out pursuant to paragraphs (1) and (2), including—

“(A) monitoring to ensure that adequate controls are established and implemented to provide HIV/AIDS pharmaceuticals and other appropriate medicines to poor individuals with HIV/AIDS; and

“(B) appropriate evaluation and surveillance activities.

“(4) PHARMACEUTICALS.—

“(A) PROCUREMENT.—The procurement of HIV/AIDS pharmaceuticals, antiviral therapies, and other appropriate medicines, including medicines to treat opportunistic infections.

“(B) MECHANISMS FOR QUALITY CONTROL AND SUSTAINABLE SUPPLY.—Mechanisms to ensure that such HIV/AIDS pharmaceuticals, antiretroviral therapies, and other appropriate medicines are quality-controlled and sustainably supplied.

“(C) DISTRIBUTION.—The distribution of such HIV/AIDS pharmaceuticals, antiviral

therapies, and other appropriate medicines (including medicines to treat opportunistic infections) to qualified national, regional, or local organizations for the treatment of individuals with HIV/AIDS in accordance with appropriate HIV/AIDS testing and monitoring requirements and treatment protocols and for the prevention of mother-to-child transmission of the HIV infection.

“(5) RELATED ACTIVITIES.—The conduct of related activities, including—

“(A) the care and support of children who are orphaned by the HIV/AIDS pandemic, including services designed to care for orphaned children in a family environment which rely on extended family members;

“(B) improved infrastructure and institutional capacity to develop and manage education, prevention, and treatment programs, including training and the resources to collect and maintain accurate HIV surveillance data to target programs and measure the effectiveness of interventions;

“(C) vaccine research and development partnership programs with specific plans of action to develop a safe, effective, accessible, preventive HIV vaccine for use throughout the world; and

“(D) the development and expansion of financially sustainable microfinance institutions and other income generation programs that strengthen the economic and social viability of communities afflicted by the HIV/AIDS pandemic, including support for the savings and productive capacity of affected poor households caring for orphans.

“(e) ANNUAL REPORT.—

“(1) IN GENERAL.—Not later than January 31 of each year, the President 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 implementation of this section for the prior fiscal year.

“(2) REPORT ELEMENTS.—Each report shall include—

“(A) a description of efforts made to implement the policies set forth in this section;

“(B) a description of the programs established pursuant to this section; and

“(C) a detailed assessment of the impact of programs established pursuant to this section, including—

“(i) the effectiveness of such programs in reducing the spread of the HIV infection, particularly in women and girls, in reducing mother-to-child transmission of the HIV infection, and in reducing mortality rates from HIV/AIDS; and

“(ii) the progress made toward improving health care delivery systems (including the training of adequate numbers of staff) and infrastructure to ensure increased access to care and treatment.

“(f) FUNDING LIMITATION.—Of the funds made available to carry out this section in any fiscal year, not more than 7 percent may be used for the administrative expenses of the United States Agency for International Development in support of activities described in this section. Such amount shall be in addition to other amounts otherwise available for such purposes.

“(g) DEFINITIONS.—In this section:

“(1) AIDS.—The term ‘AIDS’ means acquired immune deficiency syndrome.

“(2) HIV.—The term ‘HIV’ means the human immunodeficiency virus, the pathogen that causes AIDS.

“(3) HIV/AIDS.—The term ‘HIV/AIDS’ means, with respect to an individual, an individual who is infected with HIV or living with AIDS.”

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—In addition to funds available under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)) for such purpose or under any other provision of

that Act, there are authorized to be appropriated to the President \$800,000,000 for the fiscal year 2003 and \$900,000,000 for the fiscal year 2004 to carry out section 104A of the Foreign Assistance Act of 1961, as added by subsection (a).

(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3) ALLOCATION OF FUNDS.—

(A) RESEARCH ON MICROBICIDES.—Of the amounts authorized to be appropriated by paragraph (1) for the fiscal years 2003 and 2004, \$20,000,000 for the fiscal year 2003 and \$24,000,000 for the fiscal year 2004 are authorized to be available to carry out section 104A(d)(1)(D) of the Foreign Assistance Act of 1961 (as added by subsection (a)), relating to research on microbicides which prevent the spread of HIV/AIDS.

(B) PHARMACEUTICALS.—Of the amounts authorized to be appropriated by paragraph (1) for the fiscal years 2003 and 2004, \$100,000,000 for the fiscal year 2003 and \$120,000,000 for the fiscal year 2004 are authorized to be available to carry out section 104A(d)(4) of the Foreign Assistance Act of 1961 (as added by subsection (a)), relating to the procurement and distribution of HIV/AIDS pharmaceuticals.

(4) TRANSFER OF PRIOR YEAR FUNDS.—Unobligated balances of funds made available for the fiscal year 2001 or the fiscal year 2002 under section 104(c)(6) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(6)) (as in effect immediately before the date of enactment of this Act) shall be transferred to, merged with, and made available for the same purposes as funds made available for fiscal year 2003 under paragraph (1).

#### SEC. 402. ASSISTANCE TO COMBAT TUBERCULOSIS.

(a) AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by section 401 of this Act, is further amended by inserting after section 104A the following new section:

##### “SEC. 104B. ASSISTANCE TO COMBAT TUBERCULOSIS.

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

“(1) Congress recognizes the growing international problem of tuberculosis and the impact its continued existence has on those countries that had previously largely controlled the disease.

“(2) Congress further recognizes that the means exist to control and treat tuberculosis through expanded use of the DOTS (Directly Observed Treatment Short-course) treatment strategy and adequate investment in newly created mechanisms to increase access to treatment, including the Global Tuberculosis Drug Facility established in 2001 pursuant to the Amsterdam Declaration to Stop TB.

“(b) POLICY.—It is a major objective of the foreign assistance program of the United States to control tuberculosis, including the detection of at least 70 percent of the cases of infectious tuberculosis, and the cure of at least 85 percent of the cases detected, not later than December 31, 2005, in those countries classified by the World Health Organization as among the highest tuberculosis burden, and not later than December 31, 2010, in all countries in which the United States Agency for International Development has established development programs.

“(c) AUTHORIZATION.—To carry out this section and consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, for the prevention, treatment, control, and elimination of tuberculosis.

“(d) COORDINATION.—In carrying out this section, the President shall coordinate with

the World Health Organization, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the Department of Health and Human Services (including the Centers for Disease Control and Prevention and the National Institutes of Health), and other organizations with respect to the development and implementation of a comprehensive tuberculosis control program.

“(e) ANNUAL REPORT.—Not later than January 31 of each year, the President shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives specifying the increases in the number of people treated and the increases in number of tuberculosis patients cured through each program, project, or activity receiving United States foreign assistance for tuberculosis control purposes.

“(f) PRIORITY TO DOTS COVERAGE.—In furnishing assistance under subsection (c), the President shall give priority to activities that increase directly observed treatment shortcourse (DOTS) coverage, including funding for the Global Tuberculosis Drug Facility and the Stop Tuberculosis Partnership.

“(g) DEFINITIONS.—In this section:

“(1) DOTS.—The term ‘DOTS’ or ‘Directly Observed Treatment Short-course’ means the World Health Organization-recommended strategy for treating tuberculosis.

“(2) GLOBAL TUBERCULOSIS DRUG FACILITY.—The term ‘Global Tuberculosis Drug Facility (GDF)’ means the new initiative of the Stop Tuberculosis Partnership to increase access to high-quality tuberculosis drugs to facilitate DOTS expansion.

“(3) STOP TUBERCULOSIS PARTNERSHIP.—The term ‘Stop Tuberculosis Partnership’ means the partnership of the World Health Organization, donors including the United States, high tuberculosis burden countries, multilateral agencies, and nongovernmental and technical agencies committed to short- and long-term measures required to control and eventually eliminate tuberculosis as a public health problem in the world.”

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—In addition to funds available under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)) for such purpose or under any other provision of that Act, there are authorized to be appropriated to the President \$150,000,000 for the fiscal year 2003 and \$200,000,000 for the fiscal year 2004 to carry out section 104B of the Foreign Assistance Act of 1961, as added by subsection (a).

(2) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3) TRANSFER OF PRIOR YEAR FUNDS.—Unobligated balances of funds made available for the fiscal year 2001 or the fiscal year 2002 under section 104(c)(7) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(7)) (as in effect immediately before the date of enactment of this Act) shall be transferred to, merged with, and made available for the same purposes as funds made available for fiscal year 2003 under paragraph (1).

#### SEC. 403. ASSISTANCE TO COMBAT MALARIA.

(a) AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961.—Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by sections 401 and 402 of this Act, is further amended by inserting after section 104B the following new section:

##### “SEC. 104C. ASSISTANCE TO COMBAT MALARIA.

“(a) FINDING.—Congress finds that malaria kills more people annually than any other communicable disease except tuberculosis, that more than 90 percent of all malaria cases are in sub-Saharan Africa, and that children and women are particularly at risk.

Congress recognizes that there are cost-effective tools to decrease the spread of malaria and that malaria is a curable disease if promptly diagnosed and adequately treated.

“(b) **POLICY.**—It is a major objective of the foreign assistance program of the United States to provide assistance for the prevention, control, and cure of malaria.

“(c) **AUTHORIZATION.**—To carry out this section and consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, for the prevention, treatment, control, and elimination of malaria.

“(d) **COORDINATION.**—In carrying out this section, the President shall coordinate with the World Health Organization, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the Department of Health and Human Services (the Centers for Disease Control and Prevention and the National Institutes of Health), and other organizations with respect to the development and implementation of a comprehensive malaria control program.

“(e) **ANNUAL REPORT.**—Not later than January 31 of each year, the President shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives specifying the increases in the number of people treated and the increases in number of malaria patients cured through each program, project, or activity receiving United States foreign assistance for malaria control purposes.”

(b) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—In addition to funds available under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)) for such purpose or under any other provision of that Act, there are authorized to be appropriated to the President \$70,000,000 for the fiscal year 2003 and \$80,000,000 for the fiscal year 2004 to carry out section 104C of the Foreign Assistance Act of 1961, as added by subsection (a).

(2) **AVAILABILITY OF FUNDS.**—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3) **TRANSFER OF PRIOR YEAR FUNDS.**—Unobligated balances of funds made available for the fiscal year 2001 or the fiscal year 2002 under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)) (as in effect immediately before the date of enactment of this Act) and made available for the control of malaria shall be transferred to, merged with, and made available for the same purposes as funds made available for fiscal year 2003 under paragraph (1).

(c) **CONFORMING AMENDMENT.**—Section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)), as amended by section 401 of this Act, is further amended by adding after paragraph (3) the following:

“(4) **RELATIONSHIP TO OTHER LAWS.**—Assistance made available under this subsection and sections 104A, 104B, and 104C, and assistance made available under chapter 4 of part II to carry out the purposes of this subsection and such other sections of this Act, may be made available in accordance with this subsection and such other provisions of this Act notwithstanding any other provision of law.”

**SEC. 404. PILOT PROGRAM FOR THE PLACEMENT OF HEALTH CARE PROFESSIONALS IN OVERSEAS AREAS SEVERELY AFFECTED BY HIV/AIDS, TUBERCULOSIS, AND MALARIA.**

(a) **IN GENERAL.**—The President shall establish a program to demonstrate the feasibility of facilitating the service of American health care professionals in sub-Saharan Africa and other parts of the world severely affected by HIV/AIDS, tuberculosis, and malaria.

(b) **REQUIREMENTS.**—Participants in the program shall—

(1) provide basic health care services for those infected and affected by HIV/AIDS, tuberculosis, and malaria in the area in which they are serving;

(2) provide on-the-job training to medical and other personnel in the area in which they are serving to strengthen the basic health care system of the affected countries;

(3) provide health care educational training for residents of the area in which they are serving;

(4) serve for a period of up to two years; and

(5) meet the eligibility requirements in subsection (d).

(c) **ELIGIBILITY REQUIREMENTS.**—To be eligible to participate in the program, a candidate shall—

(1) be a national of the United States who is a trained health care professional and who meets the educational and licensure requirements necessary to be such a professional such as a physician, nurse, nurse practitioner, pharmacist, or other individual determined to be appropriate by the President; or

(2) a retired commissioned officer of the Public Health Service Corps.

(d) **RECRUITMENT.**—The President shall ensure that information on the program is widely distributed, including the distribution of information to schools for health professionals, hospitals, clinics, and nongovernmental organizations working in the areas of international health and aid.

(e) **PLACEMENT OF PARTICIPANTS.**—To the maximum extent practicable, participants in the program shall serve in the poorest areas of the affected countries, where health care needs are likely to be the greatest. The decision on the placement of a participant should be made in consultation with relevant officials of the affected country at both the national and local level as well as with local community leaders and organizations.

(f) **EXTENDED PERIOD OF SERVICE.**—The President may extend the period of service of a participant by an additional period of 6 to 12 months.

(g) **INCENTIVES.**—The President may offer such incentives as the President determines to be necessary to encourage individuals to participate in the program, such as partial payment of principal, interest, and related expenses on government and commercial loans for educational expenses relating to professional health training and, where possible, deferment of repayments on such loans, the provision of retirement benefits that would otherwise be jeopardized by participation in the program, and other incentives.

(h) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the President shall submit a report to the designated congressional committees on steps taken to establish the program, including—

(1) the process of recruitment, including the venues for recruitment, the number of candidates recruited, the incentives offered, if any, and the cost of those incentives;

(2) the process, including the criteria used, for the selection of participants;

(3) the number of participants placed, the countries in which they were placed, and why those countries were selected; and

(4) the potential for expansion of the program.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—In addition to amounts otherwise available for such purpose, there is authorized to be appropriated to the President \$10,000,000 for the fiscal year 2003 and \$20,000,000 for the fiscal year 2004 to carry out the program.

(2) **AVAILABILITY OF FUNDS.**—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

**SEC. 405. DEPARTMENT OF DEFENSE HIV/AIDS PREVENTION ASSISTANCE PROGRAM.**

(a) **EXPANSION OF PROGRAM.**—The Secretary of Defense is authorized to expand, in accordance with this section, the Department of Defense program of HIV/AIDS prevention educational activities undertaken in connection with the conduct of United States military training, exercises, and humanitarian assistance in sub-Saharan African countries.

(b) **ELIGIBLE COUNTRIES.**—The Secretary of Defense may carry out the program in all eligible countries. A country shall be eligible for activities under the program if the country—

(1) is a country suffering a public health crisis (as defined in subsection (e)); and

(2) participates in the military-to-military contacts program of the Department of Defense.

(c) **PROGRAM ACTIVITIES.**—The Secretary of Defense shall provide for the activities under the program—

(1) to focus, to the extent possible, on military units that participate in peace keeping operations; and

(2) to include HIV/AIDS-related voluntary counseling and testing and HIV/AIDS-related surveillance.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—Of the amount authorized to be appropriated to the Department of Defense for operation and maintenance of the Defense Health Program for the fiscal year 2003, \$30,000,000 may be available for carrying out the program described in subsection (a) as expanded pursuant to this section.

(2) **AVAILABILITY OF FUNDS.**—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(e) **COUNTRY SUFFERING A PUBLIC HEALTH CRISIS DEFINED.**—In this section, the term “country suffering a public health crisis” means a country that has rapidly rising rates of incidence of HIV/AIDS or in which HIV/AIDS is causing significant family, community, or societal disruption.

**SEC. 406. REPORT ON TREATMENT ACTIVITIES BY RELEVANT EXECUTIVE BRANCH AGENCIES.**

(a) **IN GENERAL.**—Not later than 15 months after the date of enactment of this Act, the President shall submit to designated congressional committees a report on the programs and activities of the United States Agency for International Development, the Centers for Disease Control and Prevention, and other relevant Executive branch agencies that are directed to the treatment of individuals in foreign countries infected with HIV or living with AIDS.

(b) **REPORT ELEMENTS.**—The report shall include—

(1) a description of the activities of relevant Executive branch agencies with respect to—

(A) the treatment of opportunistic infections;

(B) the use of antiretrovirals;

(C) the status of research into successful treatment protocols for individuals in the developing world; and

(D) technical assistance and training of local health care workers (in countries affected by the pandemic) to administer antiretrovirals, manage side effects, and monitor patients' viral loads and immune status;

(2) information on existing pilot projects, including a discussion of why a given population was selected, the number of people treated, the cost of treatment, the mechanisms established to ensure that treatment is being administered effectively and safely, and plans for scaling up pilot projects (including projected timelines and required resources); and

(3) an explanation of how those activities relate to efforts to prevent the transmission of the HIV infection.

**Subtitle B—Assistance for Children and Families**

**SEC. 411. FINDINGS.**

Congress makes the following findings:

(1) Approximately 2,000 children around the world are infected each day with HIV through mother-to-child transmission. Transmission can occur during pregnancy, labor, and delivery or through breast feeding. Over ninety percent of these cases are in developing nations with little or no access to public health facilities.

(2) Mother-to-child transmission is largely preventable with the proper application of pharmaceuticals, therapies, and other public health interventions.

(3) The drug nevirapine, reduces mother-to-child transmission by nearly 50 percent. Universal availability of this drug could prevent up to 400,000 infections per year and dramatically reduce the number of AIDS-related deaths.

(4) At the United Nations Special Session on HIV/AIDS in June 2001, the United States committed to the specific goals with respect to the prevention of mother-to-child transmission, including the goals of reducing the proportion of infants infected with HIV by 20 percent by the year 2005 and by 50 percent by the year 2010, as specified in the Declaration of Commitment on HIV/AIDS adopted by the United Nations General Assembly at the Special Session.

(5) Several United States Government agencies including the United States Agency for International Development and the Centers for Disease Control are already supporting programs to prevent mother-to-child transmission in resource-poor nations and have the capacity to expand these programs rapidly by working closely with foreign governments and nongovernmental organizations.

(6) Efforts to prevent mother-to-child transmission can provide the basis for a broader response that includes care and treatment of mothers, fathers, and other family members that are infected with HIV or living with AIDS.

(7) HIV/AIDS has devastated the lives of countless children and families across the globe. Since the epidemic began, an estimated 13,200,000 children under the age of 15 have been orphaned by AIDS, that is they have lost their mother or both parents to the disease. The Joint United Nations Program on HIV/AIDS (UNAIDS) estimates that this number will double by the year 2010.

(8) HIV/AIDS also targets young people between the ages of 15 to 24, many of whom carry the burden of caring for family members living with HIV/AIDS. An estimated 10,300,000 young people are now living with HIV/AIDS. One-half of all new infections are occurring among this age group.

**SEC. 412. POLICY AND REQUIREMENTS.**

(a) **POLICY.**—The United States Government's response to the global HIV/AIDS pandemic should place high priority on the prevention of mother-to-child transmission, the care and treatment of family members and caregivers, and the care of children orphaned by AIDS. To the maximum extent possible, the United States Government should seek to leverage its funds by seeking matching contributions from the private sector, other national governments, and international organizations.

(b) **REQUIREMENTS.**—The 5-year United States Government strategy required by section 101 of this Act shall—

(1) provide for meeting or exceeding the goal set by the United Nations General Assembly Declaration of Commitment on HIV/

AIDS to reduce the rate of mother-to-child transmission of HIV by 20 percent by 2005 and by 50 percent by 2010;

(2) include programs to make available testing and treatment to HIV-positive women and their family members, including drug treatment and therapies to prevent mother-to-child transmission; and

(3) expand programs designed to care for children orphaned by AIDS.

**SEC. 413. ANNUAL REPORTS ON PREVENTION OF MOTHER-TO-CHILD TRANSMISSION OF THE HIV INFECTION.**

(a) **IN GENERAL.**—Beginning 270 days after the date of enactment of this Act, and annually thereafter for the ensuing eight years, the President shall submit to designated congressional committees a report on the activities of relevant Executive branch agencies during the reporting period to assist in the prevention of mother-to-child transmission of the HIV infection.

(b) **REPORT ELEMENTS.**—Each report shall include—

(1) a statement of whether or not all relevant Executive branch agencies have adopted the targets set by the United Nations General Assembly at the Special Session for HIV/AIDS, held June 25 to 27, 2001, with respect to mother-to-child transmission of the HIV infection;

(2) a description of efforts made by the United States Agency for International Development and the Centers for Disease Control and Prevention to expand those activities, including—

(A) information on the number of sites supported for the prevention of mother-to-child transmission of the HIV infection;

(B) the specific activities supported;

(C) the number of women tested and counseled; and

(D) the number of women receiving preventative drug therapies;

(3) a statement of the percentage of funds expended out of the budget of each relevant Executive branch agency for activities to prevent mother-to-child transmission of the HIV infection and, in the case of United States Agency for International Development, whether or not its expenditures on bilateral assistance have met the 8.3 percent target in section 104(c)(6)(D) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(6)(D)), as in effect immediately before the date of enactment of this Act, with respect to strategies to prevent mother-to-child transmission of the HIV infection;

(4) a discussion of the extent to which the programs of the relevant Executive branch agencies are meeting targets set by the United Nations General Assembly; and

(5) a description of efforts made by the Centers for Disease Control and Prevention and the United States Agency for International Development to expand care and treatment services for families at established sites for the prevention of mother-to-child transmission of HIV infection.

(c) **REPORTING PERIOD DEFINED.**—In this section, the term “reporting period” means, in the case of the initial report, the period since the date of enactment of this Act and, in the case of any subsequent report, the period since the date of submission of the most recent report.

**SEC. 414. PILOT PROGRAM OF ASSISTANCE FOR CHILDREN AND FAMILIES AFFECTED BY HIV/AIDS.**

(a) **IN GENERAL.**—The President, acting through the United States Agency for International Development, shall establish a program of assistance that would demonstrate the feasibility of the provision of care and treatment to orphans and other children and young people affected by HIV/AIDS in foreign countries.

(b) **PROGRAM REQUIREMENTS.**—The program shall—

(1) build upon and be integrated into programs administered as of the date of enactment of this Act by the United States Agency for International Development for children affected by HIV/AIDS;

(2) work in conjunction with indigenous community-based programs and activities, particularly those that offer proven services for children;

(3) reduce the stigma of HIV/AIDS to encourage vulnerable children infected with HIV or living with AIDS and their family members and caregivers to avail themselves of voluntary counseling and testing, and related programs, including treatments;

(4) provide, in conjunction with other relevant Executive branch agencies, the range of services for the care and treatment, including the provision of antiretrovirals and other necessary pharmaceuticals, of children, parents, and caregivers infected with HIV or living with AIDS;

(5) provide nutritional support and food security, and the improvement of overall family health;

(6) work with parents, caregivers, and community-based organizations to provide children with educational opportunities; and

(7) provide appropriate counseling and legal assistance for the appointment of guardians and the handling of other issues relating to the protection of children.

(c) **REPORT.**—Not later than 18 months after the date of enactment of this Act, the President, acting through the United States Agency for International Development, shall submit a report on the implementation of this section to the appropriate congressional committees. The report shall include a plan for scaling up the program over the following year.

**(d) AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—In addition to amounts otherwise available for such purpose, there is authorized to be appropriated to the President \$15,000,000 for the fiscal year 2003 and \$30,000,000 for the fiscal year 2004 to carry out the program.

(2) **AVAILABILITY OF FUNDS.**—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

**TITLE V—BUSINESS PRINCIPLES**

**SEC. 501. PRINCIPLES FOR UNITED STATES FIRMS OPERATING IN COUNTRIES AFFECTED BY THE HIV/AIDS PANDEMIC.**

(a) **FINDINGS.**—Congress finds that the global spread of HIV/AIDS presents not only a health crisis but also a crisis in the workplace that affects—

(1) the productivity, earning power, and longevity of individual workers;

(2) the productivity, competitiveness, and financial solvency of individual businesses; and

(3) the economic productivity and development of individual communities and the United States as a whole.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that United States firms operating in countries affected by the HIV/AIDS pandemic can make significant contributions to the United States effort to respond to this pandemic through the voluntary adoption of the principles and practices described in subsection (c).

(c) **PRINCIPLES AND PRACTICES.**—The principles and practices referred to in subsection (b) are the following:

(1) With respect to employment and health policies and practices, the treatment of HIV/AIDS in the same manner as any other illness.

(2) The promotion of policies and practices that eliminate discrimination and stigmatization against employees on the basis of real or perceived HIV/AIDS status, including—

(A) assessing employees on merit and ability to perform;

(B) not subjecting employees to personal discrimination or abuse; and

(C) imposing disciplinary measures where discrimination occurs.

(3) A prohibition on compulsory HIV/AIDS testing for recruitment, promotion, or career development.

(4) An assurance of the confidentiality of an employee's HIV/AIDS status.

(5) Permission for employees with HIV/AIDS-related illnesses to work as long as they are medically fit and, when they are no longer able to work and sick leave has been exhausted, an assurance that the employment relationship will be terminated in accordance with antidiscrimination and labor laws and respect for general procedures and full benefits.

(6) An assurance that employment practices will comply, at a minimum, with national and international employment and labor laws and codes.

(7) The involvement of employees and individuals infected with HIV or living with AIDS, drawn from the workplace or the community, in the development and assessment of HIV/AIDS policies and programs for the workplace.

(8) An offer to all employees of access to culturally appropriate preventive education programs and services to support those programs.

(9) An assurance that programs offered in the workplace will support and be integrated into larger community-based responses to the problems posed by HIV/AIDS.

(10) Work with community leaders to expand the availability of treatment for those employees and others infected with HIV or living with AIDS.

#### **TITLE VI—ADDITIONAL AUTHORITIES**

##### **SEC. 601. AUTHORITY OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

(a) IN GENERAL.—Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

##### **“PART R—HIV/AIDS, TUBERCULOSIS, AND MALARIA PREVENTION, CARE AND TREATMENT IN DEVELOPING COUNTRIES**

##### **“SEC. 399AA. GENERAL AUTHORITY OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION.**

“(a) PURPOSE.—It is the purpose of this section to provide the Secretary, acting through the Director of the Centers for Disease Control and Prevention, with the authority to act internationally to carry out prevention, care, treatment, support, capacity development, and other activities (determined appropriate by the Secretary) for HIV/AIDS, tuberculosis, and malaria in countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries.

“(b) ACTIVITIES AND ASSISTANCE.—In carrying out the purpose described in subsection (a), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, in coordination with the Administrator of the United States Agency for International Development and the Administrator of the Health Resources and Services Administration, may provide support and assistance under this section relating to—

“(1) HIV prevention services provided through—

“(A) education and voluntary counseling and testing activities, including rapid testing, the development and application of confidentiality protections with respect to such counseling and testing, and the integration of such activities into programs serving women and children;

“(B) programs to reduce the mother-to-child transmission of HIV, including the

treatment and care of HIV-infected women, their children, and families, and including the involvement of fathers in such programs;

“(C) activities involving behavioral interventions for youth, women, and other vulnerable populations;

“(D) programs to prevent the transmission of HIV and other pathogens at health care facilities (including the use of universal precautions, equipment sterilization, post-exposure prophylaxis for health care workers and other individuals determined to be appropriate, and other interventions appropriate to the resources available), and to support the use of post exposure prophylaxis, when indicated, for patients;

“(E) activities to ensure a safe blood supply;

“(F) programs to provide prevention, care, treatment, and patient management services for sexually transmitted infections to infected individuals and individuals at risk of infection; and

“(G) activities, including laboratory support, to collect and maintain accurate HIV/AIDS surveillance and epidemiologic data, to target and monitor programs, and to measure the effectiveness of interventions;

“(2) HIV/AIDS care and treatment services provided through—

“(A) programs to provide care and treatment, integrated with prevention services to further reduce the transmission of HIV, for individuals living with HIV/AIDS, including the treatment of opportunistic infections (including tuberculosis) and the provision of antiretroviral therapies and nutritional services;

“(B) programs to provide support services that are needed to enhance the effectiveness of health services and to promote family stability, including services for family members affected by, but not infected with, HIV such as children orphaned by AIDS; and

“(C) programs that link care and treatment services to proven prevention programs, including linkages with voluntary counseling and testing efforts (including rapid testing);

“(3) infrastructure and training through—

“(A) activities to improve the health infrastructure and institutional capacity within participating countries, including the training of appropriate personnel, and to assist such countries in expanding and improving the availability of health care facilities, to enable such countries to develop and manage HIV/AIDS education, prevention, care and treatment programs and to conduct evaluations of such programs; and

“(B) activities to provide laboratory support as well as technical assistance and training to increase the capacity for the diagnosis, care, and treatment of HIV/AIDS and related health conditions (including rapid testing);

“(4) HIV/AIDS treatment protocols through—

“(A) the provision of support and assistance to countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries for the development of treatment protocols for the delivery of HIV/AIDS treatment and prevention services; and

“(B) the provision of assistance to countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries, and to be ready to implement the protocols described in subparagraph (A); and

“(5) other activities determined appropriate by the Secretary.

“(c) UTILIZATION OF EXISTING CAPACITIES.—In carrying out activities under subsection (b), the Secretary, acting through the Director of the Centers for Disease Control and

Prevention and in coordination with the Administrator of the United States Agency for International Development and the Administrator of the Health Resources and Services Administration, shall, to the maximum extent practicable, utilize existing indigenous capacity in developing countries, including coordinating with relevant government ministries and carrying out activities in partnership with non-governmental organizations and affected communities.

“(d) HEALTH RESOURCES AND SERVICES ADMINISTRATION.—In carrying out activities under paragraphs (2) and (3) of subsection (b), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall enter into interagency agreements, monetary transfers, and contracts with the Administrator of the Health Resources and Services Administration to ensure that such activities benefit from the specialized expertise of such Administration related to the assessment of needs as well as the development and implementation of community-based systems of care and appropriate infrastructure, including the training of health care providers and community workers.

“(e) BLOOD SUPPLY.—In carrying out activities under subsection (b)(1)(E), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall assist participating countries in developing national, regional, or local systems to—

“(1) monitor, manage, and test the blood supply to ensure that such supply is screened for HIV;

“(2) increase recruitment and retention of appropriate blood donors; and

“(3) provide for technology transfer and capacity building in proven best blood safety practices appropriate to local conditions, including anemia prevention efforts.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$400,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal year 2004. Of the amount appropriated under the preceding sentence for each fiscal year, the Secretary shall make available \$45,000,000 in fiscal year 2003 and \$30,000,000 in fiscal year 2004 to carry out section 399DD. Amounts appropriated under this subsection shall remain available until expended.

##### **“SEC. 399BB. GENERAL AUTHORITY OF THE HEALTH RESOURCES AND SERVICES ADMINISTRATION.**

“(a) PURPOSE.—It is the purpose of this section to provide the Secretary, acting through the Administrator of the Health Resources and Services Administration, with the authority to act internationally to carry out prevention, care, treatment, support, capacity development, and other activities (determined appropriate by the Secretary) for HIV/AIDS, tuberculosis, and malaria in countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries.

“(b) ACTIVITIES AND ASSISTANCE.—In carrying out the purpose described in subsection (a), the Secretary, acting through the Administrator of the Health Resources and Services Administration, in coordination with the Director of the Centers for Disease Control and Prevention and the Administrator of the United States Agency for International Development, may provide assistance under this section relating to—

“(1) activities to assist communities in assessing the strengths and capabilities of the existing system of care and treatment relating to HIV/AIDS and other opportunistic infections, including critical unmet needs;



“(2) activities to assist communities in the development and implementation of appropriate systems of care that provide for a continuum of HIV/AIDS-related services for prevention, treatment, palliative care, and hospice services based on an assessment under paragraph (1);

“(3) activities to improve the health-related infrastructure and institutional capacity of participating countries, including the training of health care providers and community workers, to enable such countries to develop and manage HIV/AIDS education, prevention, care and treatment programs and to conduct evaluations of such programs;

“(4) activities to assist in the development of training modules and curricula on HIV/AIDS and associated conditions as part of the professional training programs for physicians, nurses, dentists, pharmacists, and other health care providers;

“(5) activities to improve the coordination between American medical centers and hospitals and indigenous hospitals and clinics in participating countries; and

“(6) other activities determined appropriated by the Secretary.

“(c) UTILIZATION OF EXISTING CAPACITIES.—In carrying out activities under subsection (b), the Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the Centers for Disease Control and Prevention and the Administrator of the United States Agency for International Development, shall, to the maximum extent practicable, utilize existing indigenous capacity in countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries, including coordinating with relevant government ministries and carrying out activities in partnership with non-governmental organizations and affected communities.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$40,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal year 2004. Amounts appropriated under this subsection shall remain available until expended.

**“SEC. 399CC. HIV/AIDS TRAINING PARTNERSHIP.**

“(a) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health and in coordination with the Administrator of the Health Resources and Services Administration, shall award supplemental grants to eligible entities to enable such entities to provide support for clinical education and training in the delivery of HIV/AIDS care and treatment services.

“(b) ELIGIBLE ENTITIES.—To be eligible to receive a supplemental grant under subsection (a), an entity shall—

“(1) be a recipient of an international HIV/AIDS clinical research, education, or training grant awarded by the National Institutes of Health or the Health Resources and Services Administration;

“(2) provide assurances to the Secretary that the entity has developed a partnership with a hospital-based or community-based health care entity in the host country for the purpose of providing services under each grant; and

“(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the activities to be carried out with amounts received under the grant.

“(c) USE OF FUNDS.—An entity shall use amounts received under a supplemental grant under subsection (a) to provide clinical education and training in the delivery of

HIV/AIDS care and treatment services. Such education and training shall be designed to develop health care provider capacity to deliver HIV/AIDS care and treatment services in a variety of institutional and community-based settings.

“(d) PRIORITY.—In awarding grants under subsection (a), the Secretary shall give priority to applicants that will carry out activities that assess existing provider capacity and address the training needs of a range of health care providers (from physicians to nurses to other health care providers).

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$50,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal year 2004. Amounts appropriated under this subsection shall remain available until expended.

**“SEC. 399DD. FAMILY SURVIVAL PARTNERSHIPS.**

“(a) PURPOSE.—The purpose of this section is to provide support, through a public-private partnership, for the provision of medical care and support services to HIV positive parents and their children identified through existing programs to prevent mother-to-child transmission of HIV in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary.

“(b) GRANTS.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, is authorized to award a grant to an eligible administrative organization to enable the organization to award subgrants to eligible entities to expand activities to prevent the mother-to-child transmission of HIV by providing medical care and support services to HIV infected parents and their children.

“(2) ADMINISTRATIVE ORGANIZATION.—To be eligible to receive a grant under paragraph (1), an administrative organization shall—

“(A) have a demonstrable record in managing large scale maternal and child health programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary, and sufficient HIV/AIDS expertise;

“(B) have established relationships with major international organizations and multilateral institutions;

“(C) provide an assurance to the Secretary that the organization will contribute (either directly or through private sector financial support) non-Federal funds to the costs of the activities to be carried out under this section in an amount that is not less than the amount of funds provided to the organization under a grant this section; and

“(D) prepare and submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

“(3) USE OF FUNDS.—Amounts provided under a grant awarded under paragraph (1) shall be used—

“(A) to award subgrants to eligible entities to enable such entities to carry out activities described in subsection (c);

“(B) for administrative support and subgrant management;

“(C) for administrative data collection and reporting concerning grant activities;

“(D) for the monitoring and evaluation of grant activities;

“(E) for training and technical assistance for subgrantees; and

“(F) to promote sustainability.

“(c) SUBGRANTS.—

“(1) IN GENERAL.—An organization awarded a grant under subsection (b) shall use amounts received under the grant to award subgrants to eligible entities.

“(2) ELIGIBILITY.—To be eligible to receive a subgrant under paragraph (1), an entity shall—

“(A) be a local health organization, an international organization, or a partnership of such organizations;

“(B) demonstrate to the awarding organization that such entity—

“(i) is currently administering a proven intervention to prevent mother-to-child transmission of HIV in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary;

“(ii) serves a catchment area with a minimum HIV seroprevalence of 3 percent in pregnant women;

“(iii) has demonstrated support for the proposed program from relevant government entities;

“(iv) is able to provide HIV care, including antiretroviral treatment when medically indicated, to HIV positive women, men, and children with the support of the project funding; and

“(v) has the ability to enroll a minimum of 250 HIV infected women per service site, based on the current uptake rate, into existing HIV mother-to-child transmission programs; and

“(C) prepare and submit to the awarding organization an application at such time, in such manner, and containing such information as the organization may require.

“(3) LOCAL HEALTH AND INTERNATIONAL ORGANIZATIONS.—For purposes of paragraph (2)(A)—

“(A) the term ‘local health organization’ means a public sector health system, non-governmental organization, institution of higher education, community-based organization, or non-profit health system that provides directly, or has a clear link with a provider for the indirect provision of, primary health care services; and

“(B) the term ‘international organization’ means—

“(i) a non-profit international entity;

“(ii) an international charitable institution;

“(iii) a private voluntary international entity; or

“(iv) a multilateral institution.

“(4) SELECTION OF SUBGRANT RECIPIENTS.—In awarding subgrants under this subsection, the organization shall—

“(A) consider applicants from a range of health care settings, program approaches, and geographic locations; and

“(B) if appropriate, award not less than 1 grant to an applicant to fund a national system of health care delivery to HIV positive families.

“(5) USE OF SUBGRANT FUNDS.—An eligible entity awarded a subgrant under this subsection shall use subgrant funds to expand activities to prevent mother-to-child transmission of HIV by providing medical treatment and care and support services to parents and their children, including—

“(A) providing treatment and therapy, when medically indicated, to HIV-infected women, their children, and families;

“(B) the hiring and training of local personnel, including physicians, nurses, other health care providers, counselors, social workers, outreach personnel, laboratory technicians, data managers, and administrative support personnel;

“(C) paying laboratory costs, including costs related to necessary equipment and diagnostic testing and monitoring (including rapid testing), complete blood counts, standard chemistries, and liver function testing for infants, children, and parents, and costs related to the purchase of necessary laboratory equipment;

“(D) purchasing pharmaceuticals for HIV-related conditions, including antiretroviral therapies;

“(E) funding support services including adherence and psychosocial support services;

“(F) operational support activities; and

“(G) conducting community outreach and capacity building activities, including activities to raise the awareness of individuals of the program carried out by the subgrantee, other communications activities in support of the program, local advisory board functions, and transportation necessary to ensure program participation.

“(d) REPORTS.—Not later than 6 months after the date of enactment of this section, and annually thereafter, an administrative organization awarded a grant under subsection (b)(1) shall submit to the Secretary and the appropriate committees of Congress, a report that includes—

“(1) the progress of programs funded under this section;

“(2) the benchmarks of success of programs funded under this section; and

“(3) recommendations of how best to proceed with the programs funded under this section upon the expiration of funding under subsection (e).

“(e) FUNDING.—In making amounts available under section 399AA(f) to carry out this section, the Secretary shall ensure that not less than—

“(1) \$45,000,000 is made available to carry out this section for fiscal year 2003; and

“(2) \$30,000,000 is made available to carry out this section for fiscal year 2004.

“(f) LIMITATION ON ADMINISTRATIVE EXPENSES.—An administrative organization shall ensure that not more than 12 percent of the amount of a grant received under this section by the organization is used for the administrative activities described in subparagraphs (B), (C), (D), and (E) of subsection (b)(3) and subsection (b)(5)(E).

**“SEC. 399EE. INTRA-AGENCY COORDINATION OF GLOBAL HIV/AIDS INITIATIVES.**

“(a) IN GENERAL.—The Secretary, acting through the Director of the Office of Global Health Affairs (referred to in this section as the ‘Director’) of the Department of Health and Human Services (referred to in this section as the ‘Department’), shall ensure—

“(1) the coordination of all Department programs related to the prevention, treatment, and monitoring of HIV/AIDS, tuberculosis, and malaria in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary (referred to in this section as ‘Department programs’); and

“(2) that global HIV/AIDS, tuberculosis, and malaria activities are conducted in a coordinated, strategic fashion, utilizing the expertise from the various agencies within the Department, to the maximum extent practicable.

“(b) DUTIES.—In carrying out this section, the Secretary shall—

“(1) review all Departmental programs to ensure proper coordination and compatibility of the activities, strategies, and policies of such programs; and

“(2) ensure that the Departmental programs utilize the best possible practices for HIV/AIDS prevention, treatment, and monitoring to improve the effectiveness of Department programs in countries in which the Department operates.

“(c) REPORT.—

“(1) IN GENERAL.—The Director shall prepare an annual report that—

“(A) describes the actions that are being taken to coordinate the multiple roles and policies of, and foster collaboration among, the offices and agencies of the Department that contribute to global HIV/AIDS activities;

“(B) describes the respective roles and activities of each of the offices and agencies of the Department;

“(C) contains any recommendations for legislative and funding actions that are needed to create a coherent, effective departmental approach to global HIV/AIDS that achieves the goals for Department programs; and

“(D) describes the progress made towards meeting the HIV/AIDS goals and outcomes as identified by the Director.

“(2) SUBMISSION TO CONGRESS.—Not later than 1 year after the date of enactment of this part, and annually thereafter, the Secretary shall submit the report described in paragraph (1) to the appropriate committees of Congress.”.

(b) EXTENSION OF TUBERCULOSIS PREVENTION PROGRAM.—Section 317E(g) of the Public Health Service Act (42 U.S.C. 247b-6(g)) is amended—

(1) in paragraph (1)(A), by striking “2002” and inserting “2004”;

(2) in paragraph (2), by striking “2002” and inserting “2004”; and

(3) by adding at the end the following:

“(3) COORDINATION.—Activities under this section shall, to the extent practicable, be coordinated with related activities carried out under title VI of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 (and the amendments made by that title).”.

**SEC. 602. MICROBICIDE RESEARCH AT THE NATIONAL INSTITUTES OF HEALTH.**

Subpart I of part D of title XXIII of the Public Health Service Act (42 U.S.C. 300cc-40 et seq.) is amended by inserting after section 2351 the following:

**“SEC. 2351A. MICROBICIDES FOR PREVENTING TRANSMISSION OF HIV AND OTHER SEXUALLY TRANSMITTED INFECTIONS.**

“(a) EXPANSION AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director of the Office of AIDS Research and in coordination with other relevant institutes and offices, shall expand, intensify, and coordinate the activities of all appropriate institutes and components of the National Institutes of Health with respect to research on the development of microbicides to prevent the transmission of HIV and other sexually transmitted infections (in this section referred to as ‘microbicide research’).

“(b) RESEARCH PLAN.—The Secretary, acting through the Director of the Office of AIDS Research and in consultation with the Director of the Institute of Allergy and Infectious Diseases, shall expedite the implementation of the strategic plan for the conduct and support of microbicide research, and shall annually review and as appropriate revise the plan. In developing, implementing, and reviewing the plan, the Director of the Office of AIDS Research shall coordinate with the heads of other Federal agencies, including the Director of the Centers for Disease Control and Prevention and the Administrator of the United States Agency for International Development, involved in microbicide research, with the microbicide research community, and with health advocates.

“(c) MICROBICIDE RESEARCH AND DEVELOPMENT TEAMS.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall award grants or contracts to public and private entities for the development and operation of multidisciplinary teams to conduct research on innovative microbicide concepts, including combination microbicides.

“(2) PEER REVIEW REQUIREMENT.—The Director shall award a grant or contract to an entity under paragraph (1) only if the grant

or contract has been recommended after technical and scientific peer review in accordance with regulations under section 492.

“(d) REPORT.—Not later than 1 year after the date of the initial submission of the research plan under subsection (b), and annually thereafter, the Secretary, acting through the Director of the Office of AIDS Research and in consultation with the Director of the Institute of Allergy and Infectious Diseases, shall submit to the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate a report that describes the activities of the National Institutes of Health regarding microbicide research. Each such report shall include—

“(1) an updated research plan;

“(2) a description and evaluation of the progress made, during the period for which such report is prepared, in research on microbicides;

“(3) a summary and analysis of expenditures made, during the period for which the report is made, for activities with respect to microbicides research conducted and supported by the National Institutes of Health, including the number of full-time equivalent employees; and

“(4) recommendations as the Director of the Office of AIDS Research considers appropriate.

“(f) DEFINITION.—In this section, the term ‘HIV’ means the human immunodeficiency virus. Such term includes acquired immune deficiency syndrome.”.

**SEC. 603. AUTHORITY OF THE DEPARTMENT OF LABOR.**

(a) PURPOSE.—It is the purpose of this section to provide the Secretary of Labor with the authority to carry out workplace-based HIV/AIDS programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary.

(b) ACTIVITIES AND ASSISTANCE.—In carrying out the purpose described in subsection (a), the Secretary of Labor, in coordination with the Secretary of Health and Human Services and the Administrator of the United States Agency for International Development, may provide assistance under this section relating to—

(1) the establishment and implementation of workplace HIV/AIDS prevention and education programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary, including programs that emphasize protections against discrimination and the creation of supportive environments for individuals living with HIV/AIDS;

(2) the development and implementation of on-site care and wellness programs that enhance the health and productivity of the workforce in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary;

(3) activities to strengthen collaboration among governments, business, and labor leaders to respond to the HIV/AIDS pandemic; and

(4) other activities determined appropriated by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal year 2004. Amounts appropriated under this subsection shall remain available until expended.

**SEC. 604. AUTHORITY FOR INTERNATIONAL PROGRAMS.**

Section 307 of the Public Health Service Act (42 U.S.C. 242l) is amended—

(1) in subsection (b)—  
(A) in paragraph (6), by adding “and” at the end;

(B) in paragraph (7), by striking “; and” and inserting a period;

(C) in the flush sentence after paragraph (7), by inserting “new” before “facility in any foreign country”; and

(D) by striking paragraph (8); and  
(2) by adding at the end the following:

“(d)(1) The Secretary is authorized to utilize the authority contained in section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669), subject to the limitations set forth in subsection (e).

“(2) The Secretary is authorized to use the authority contained in section 1 of the Act of April 18, 1930 (46 Stat. 177; 22 U.S.C. 291) and section 1 of the Foreign Service Buildings Act (22 U.S.C. 292) directly or through contract, grant, or cooperative agreement to lease, alter, or renovate facilities in foreign countries as necessary to conduct programs of assistance for international health activities, including activities relating to HIV/AIDS and other infectious diseases, chronic and environmental diseases, and other health activities abroad.

“(e) In exercising the authority set forth in paragraphs (1) and (2) of subsection (d), the Secretary shall consult with the Secretary of State to ensure that planned activities are within the legal strictures of the State Department Basic Authorities Act of 1956 and other applicable laws.”.

**SA 4298.** Mr. REID (for Mr. KERRY (for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS)) proposed an amendment to the bill H.R. 2069, To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan African and other developing countries; as follows:

Amend the title to read as follows: “An Act to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria; to amend the Public Health Service Act with respect to the authority of the Department of Health and Human Services to act internationally with respect to HIV/AIDS, tuberculosis, and malaria; and for other purposes.”.

**NOTICES OF HEARINGS/MEETINGS****COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will conduct a hearing on July 16, 2002 in SD-562 at 10 a.m. The purpose of this hearing will be to discuss the proposed ban on packer ownership and also the enforcement of the packers and stockyards act.

**COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will conduct a hearing on July 17, 2002 in SH-216 at 2 p.m. The purpose of this hearing will be to discuss homeland security.

**COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry Subcommittee on Production and Price Competitiveness will conduct a hearing on July 18, 2002 in SR-328A at 2 p.m. The purpose of this hearing will be to discuss S. 532, the Pesticide Harmonization Act.

**HONORING THE 19 UNITED STATES SERVICEMEN WHO DIED IN THE TERRORIST BOMBING OF THE KHOBAR TOWERS MILITARY HOUSING COMPOUND IN DHAHRAN, SAUDI ARABIA**

Mr. REID. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H. Con. Res. 161 and the Senate now proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 161) honoring the 19 United States servicemen who died in the terrorist bombing of the Khobar Towers military housing compound in Dhahran, Saudi Arabia, on June 25, 1996.

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD, without further intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 161) was agreed to.

The preamble was agreed to.

**COMMENDING THE DISTRICT OF COLUMBIA NATIONAL GUARD, THE NATIONAL GUARD BUREAU, AND THE ENTIRE DEPARTMENT OF DEFENSE**

Mr. REID. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H. Con. Res. 378 and that the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 378) commending the District of Columbia National Guard, the National Guard Bureau, and the entire Department of Defense for the assistance provided to the United States Capitol Police and the entire Congressional community in response to the terrorist and anthrax attacks of September and October 2001.

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD, without further intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 378) was agreed to.

The preamble was agreed to.

**ORDER FOR RECORD TO REMAIN OPEN**

Mr. REID. Mr. President, I ask unanimous consent that the RECORD remain open today until 2 p.m. for the submission of statements and the introduction of legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

**ORDERS FOR MONDAY, JULY 15, 2002**

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon, Monday, July 15; that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 1 p.m., with Senators permitted to speak for up to 10 minutes each, with the first half of the time under the control of the minority, that is, Senator LOTT or his designee, and the second half under the control of Senator DASCHLE or his designee; that at 1 p.m., the Senate resume consideration of the accounting reform bill under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

**ORDER FOR ADJOURNMENT**

Mr. REID. Mr. President, following the remarks of the Senator from West Virginia, Mr. BYRD, I ask unanimous consent the Senate stand in adjournment under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Montana, asks unanimous consent that further proceedings under the quorum call be dispensed with.

Without objection, it is so ordered.