

Peace parks allow wildlife to follow natural migration patterns and help conserve the magnificent native flora and fauna of the region. Very importantly, peace parks help support sustainable local economic development and regional peace and stability. Boy, are those worthy objectives. These are some of the issues President Bush discussed just last week when he visited South Africa and Botswana and several other African nations.

Africa's competitive advantage in the international tourism industry lies in its unique and diverse ecosystems that include everything from deserts to rain forests. A recent study estimated that, with adequate infrastructure, the various transfrontier conservation areas could support about 8 million visits by tourists per year. Tourism is a wonderful job creator. Leaders of southern African governments have recognized this and have shown committed enthusiasm for the peace parks. They know peace parks can help alleviate poverty by creating business opportunities for communities and jobs paid for by tourism dollars. I applaud their foresight in recognizing this path to sustainable economic development.

Economic realities and the consequences of war and political instability have helped erode conservation efforts in Africa. The incredible variety of Africa's wildlife and natural habitats should be protected and conserved for future generations. The Foundation's contributions to biodiversity conservation is significant because the space it seeks to protect covers large areas; and, in Africa, everything seems to be large.

Since December, 2001, 22 transfrontier conservation areas have been identified by the Foundation and now enjoy the support of governments in the region. This unusual, but successful, approach deserves our encouragement and support.

The process by which peace parks are created requires extensive consultations between interested parties, including governments, local communities, private landowners, and civil society. In addition, since peace parks straddle borders, their creation also requires cooperation between nations. Thus, the creation of peace parks contributes to the peace and stability for which the people of Africa yearn.

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I am pleased to be able to say that in September 2003 Botswana and South Africa will sign an agreement establishing a new peace park. African leaders such as the revered former President Dr. Nelson Mandela and the leaders of Southern African Development Community countries, strongly support the Peace Parks Foundation. Dr. Mandela himself has said of peace parks, "I know of no biological movement, no philosophy or no ideology which does not agree with the peace parks concept as we see it going into fruition today. It is a concept that can

be embraced by all. In a world beset by conflict and division," Dr. Mandela goes on to say, "peace is one of the cornerstones of the future. Peace parks are building blocks in this process, not only in our region, but potentially the entire world."

Dr. Mandela was so right.

I thank those Members who joined me in introducing this resolution, and I ask the support of all Members in adopting this resolution to honor the important achievements of the Peace Parks Foundation in helping the people of sub-Saharan Africa find peace and stability and economic benefit through their preservation of some of the world's most rare and beautiful wildlife and natural places.

Mr. PAYNE. Mr. Speaker, let me commend the gentleman from New York (Mr. BOEHLERT) for his wonderful resolution and those who support it.

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

Mr. ROYCE. Mr. Speaker, earlier this year the Africa subcommittee that I chair held a hearing on the Congo Basin Foreign Partnership, and this is an innovative international approach to the conservation of forests and wildlife in Central Africa.

This plan was first unveiled by our Secretary of State Powell last fall, and the initiative is designed to combat illegal logging through better forest management and local economic empowerment. Of course, these forests play a critical role in sustaining the environment. They absorb carbon dioxide, they cleanse the water, they hold the soil. Their plants and animals are invaluable for so many reasons, including their genetic and biochemical information, which could spark advances in medical, agricultural, and industrial technology.

Ten years ago, those forests in Africa were virtually untouched. Today, logging operations are shrinking these forests. One estimate has logging taking out Congo basin forest area at a rate of twice the size of Rhode Island each and every year. If current deforestation and wildlife depletion rates are not reversed world wide, the world will pay an incalculable environmental and social price and incalculable cultural price as well. This is the beginning of real commitment to conservation in Africa. That is what we are seeing with the Peace Parks Foundation, which deserves our support and deserves our encouragement. I urge my colleagues to support this resolution.

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

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 80.

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

A motion to reconsider was laid on the table.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

The SPEAKER pro tempore. Pursuant to House Resolution 316 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1950.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1950) to authorize appropriations for the Department of State for the fiscal years 2004 and 2005, to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 and 2005, and for other purposes, with Mr. NORWOOD (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, July 15, 2003, amendment No. 41 printed in House Report 108-206 by the gentlewoman from California (Ms. WATERS) had been disposed of.

No further amendments being in order, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LINDER) having assumed the chair, Mr. NORWOOD, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1950) to authorize appropriations for the Department of State for the fiscal years 2004 and 2005, to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 and 2005, and for other purposes, pursuant to House Resolution 316, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. FLAKE. Mr. Speaker, I demand a separate vote on amendment No. 2, as amended, the Hyde-Lantos amendment, which was agreed to in the Committee of the Whole.

The SPEAKER pro tempore. Is there any other demand for a separate vote?

If not, the Clerk will designate the amendment on which a separate vote is demanded.

The text of the amendment is as follows:

Amendment:

Strike section 1 of the bill and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Millennium Challenge Account, Peace Corps Expansion, and Foreign Relations Authorization Act of 2003".

Strike subsection (a) of section 2 of the bill and insert the following:

(a) ORGANIZATION OF ACT INTO DIVISIONS.—This Act is organized into four divisions as follows:

(1) DIVISION A.—Millennium Challenge Account Act of 2003.

(2) DIVISION B.—Peace Corps Expansion Act of 2003.

(3) DIVISION C.—Department of State Authorization Act, Fiscal Years 2004 and 2005.

(4) DIVISION D.—Defense Trade and Security Assistance Reform Act of 2003.

Redesignate division A of the bill as division C of the bill (and conform all titles, subtitles, and sections therein accordingly, and make all other related technical and conforming amendments).

Redesignate division B of the bill as division D of the bill (and conform all titles, subtitles, and sections therein accordingly, and make all other related technical and conforming amendments).

Insert after section 3 of the bill the following two new divisions (and conform the table of contents accordingly):

DIVISION A—MILLENNIUM CHALLENGE ACCOUNT

TITLE I—GENERAL PROVISIONS

SEC. 101. SHORT TITLE.

This division may be cited as the "Millennium Challenge Account Act of 2003".

SEC. 102. DEFINITIONS.

In this division:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

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

(2) BOARD.—The term "Board" means the Board of Directors of the Corporation established pursuant to section 303 of this Act.

(3) COMPACT.—The term "Compact" means the Millennium Challenge Compact described in section 204 of this Act.

(4) CORPORATION.—The term "Corporation" means the Millennium Challenge Corporation established under section 301 of this Act.

(5) COUNCIL.—The term "Council" means the Millennium Challenge Advisory Council established under section 308 of this Act.

(6) MILLENNIUM DEVELOPMENT GOALS.—The term "Millennium Development Goals" means the key development objectives described in the United Nations Millennium Declaration, as contained in United Nations General Assembly Resolution 55/2 (September 2000), which aim to eradicate extreme poverty and hunger, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria, and other infectious diseases, ensure environmental sustainability, and develop a global partnership for development.

SEC. 103. SUNSET.

All authorities under this division (other than title IV) shall terminate on October 1, 2007.

TITLE II—MILLENNIUM CHALLENGE ASSISTANCE

SEC. 201. FINDINGS; STATEMENT OF POLICY.

(a) FINDINGS.—Congress finds the following:

(1) A principal objective of United States foreign assistance programs, as stated in section 101 of the Foreign Assistance Act of 1961, is the "encouragement and sustained support of the people of developing countries in their efforts to acquire the knowledge and resources essential to development and to build the economic, political, and social institutions which will improve the quality of their lives".

(2) The expanding acceptance of free trade and open markets and the spread of democracy and the rule of law have brought a better way of life to an increasing number of people in the world.

(3) Inequalities between men and women undermine development and poverty-reduction efforts in fundamental ways. A woman's limited access to resources and restrictions on the exercise of her rights, including the right to participate in social and political processes, disables her from maximizing her contribution to her family's health, education, and general well-being.

(4) On March 14, 2002, the President noted the successes of development assistance programs: "The advances of free markets and trade and democracy and rule of law have brought prosperity to an ever-widening circle of people in this world. During our lifetime, per capita income in the poorest countries has nearly doubled. Illiteracy has been cut by one-third, giving more children a chance to learn. Infant mortality has been almost halved, giving more children a chance to live."

(5) Development is neither an easy process nor a linear one. There are successes and there are failures. Today, too many people are still living in poverty, disease has eroded many of the economic and social gains of previous decades, and many countries have not adopted policies, for a variety of reasons, that would enable them to compete in an open and equitable international economic system.

(6) More countries and more people will be able to participate in and benefit from the opportunities afforded by the global economy if the following conditions for sound and sustainable economic development are met:

(A) SECURITY.—Security is necessary for economic development. Persistent poverty and oppression can lead to hopelessness, despair, and to failed states that become havens for terrorists.

(B) POLICIES THAT SUPPORT BROAD-BASED ECONOMIC GROWTH.—Successful long-term development can only occur through broad-based economic growth that enables the poor to increase their incomes and have access to productive resources and services so that they can lead lives of decency, dignity, and hope.

(C) DEMOCRACY AND THE RULE OF LAW.—Democratic development, political pluralism, and respect for internationally recognized human rights are intrinsically linked to economic and social progress. The ability of people to participate in the economic and political processes affecting their lives is essential to sustained growth. The rule of law and a commitment to fight corruption is also critical to the development of a prosperous society.

(D) INVESTMENTS IN PEOPLE.—Economic growth and democracy can be sustained only if both men and women have the basic tools and capabilities that foster the opportunity for participation in the economic, social, and political life of their countries. Successful

development of countries requires citizens who are literate, healthy, and prepared and able to work.

(7) Economic assistance programs authorized under part I of the Foreign Assistance Act of 1961, as administered by the United States Agency for International Development and other Federal agencies, are of critical importance in assisting countries to be in a position to maximize the effectiveness of assistance authorized by this title.

(8) It is in the national interest of the United States to help those countries that are implementing the economic and political reforms necessary for development to occur.

(9) On March 14, 2002, the President stated that the "growing divide between wealth and poverty, between opportunity and misery, is both a challenge to our compassion and a source of instability . . . [w]e must confront it . . . [w]e must include every African, every Asian, every Latin American, every Muslim, in an expanding circle of development."

(10) The President has pledged that funds requested for the Millennium Challenge Account shall be in addition to, and not a substitute for, existing development and humanitarian programs.

(11) Development assistance alone is not sufficient to stimulate economic growth and development. Assistance has been shown to have a positive impact on growth and development in developing countries with sound policies and institutions. If countries have poor policies and institutions, however, it is highly unlikely that assistance will have a net positive effect.

(12) Economic development, and the achievement of the Millennium Development Goals, must be a shared responsibility between donor and recipient countries.

(b) STATEMENT OF POLICY REGARDING A NEW COMPACT FOR GLOBAL DEVELOPMENT.—It is, therefore, the policy of the United States to support a new compact for global development that—

(1) increases support by donor countries to those developing countries that are fostering democracy and the rule of law, investing in their people, and promoting economic freedom for all their people;

(2) recognizes, however, that it is the developing countries themselves that are primarily responsible for the achievement of those goals;

(3) seeks to coordinate the disparate development assistance policies of donor countries, and to harmonize the trade and finance policies of donor countries with their respective development assistance programs; and

(4) aims to reduce poverty by significantly increasing the economic growth trajectory of beneficiary countries through investing in the productive potential of the people of such countries.

SEC. 202. AUTHORIZATION OF ASSISTANCE.

(a) ASSISTANCE.—The President, acting through the Chief Executive Officer of the Millennium Challenge Corporation, is authorized to provide assistance to eligible countries to support policies and programs that advance the progress of such countries in achieving lasting economic growth and poverty reduction and are in furtherance of the purposes of this title.

(b) PRINCIPAL OBJECTIVES.—Assistance provided under subsection (a) should advance a country's progress toward promoting the following principal objectives:

(1) FOSTERING DEMOCRATIC SOCIETIES, HUMAN RIGHTS, AND THE RULE OF LAW.—The assistance should promote—

(A) political, social, and economic pluralism;

(B) respect for the rule of law;

(C) anti-corruption initiatives and law enforcement;

(D) development of institutions of democratic governance, including electoral and legislative processes;

(E) transparent and accountable public administration at all levels of government;

(F) a fair, competent, and independent judiciary; and

(G) a free and independent media.

(2) FOSTERING INVESTMENT IN EDUCATION AND HEALTH INFRASTRUCTURE AND SYSTEMS.—The assistance should foster improved educational opportunities and health conditions, particularly for women and children, including through—

(A) support for programs and personnel that promote broad-based primary education, including through the development of academic curricula, by making available textbooks and other educational materials, and through appropriate use of technology;

(B) support for programs to strengthen and build institutions, including primary health care systems, infrastructure, facilities, and personnel that provide quality health care;

(C) support for improved systems for the delivery of healthy water and sanitation services; and

(D) support for programs that reduce child mortality (including those programs that combat HIV/AIDS, malaria, tuberculosis, and other infectious diseases, consistent with sections 104(c), 104A, 104B, and 104C of the Foreign Assistance Act of 1961).

(3) PROMOTING ECONOMIC FREEDOM, BROAD-BASED ECONOMIC GROWTH, AND FOSTERING FREE MARKET SYSTEMS.—The assistance should foster the institutions and conditions needed to promote free market systems, trade, and investment, including—

(A) the reform and restructuring of banking and financial systems, including by allowing foreign competition in the banking and financial sectors, where appropriate;

(B) the development of transparent and efficient commercial codes and reduction in the regulatory burden on business;

(C) the protection of property rights, including—

(i) private property and intellectual property rights, including through the adoption and effective enforcement of intellectual property treaties or international agreements; and

(ii) the establishment and maintenance of an efficient and integrated legal property system that, among other things, facilitates the ability of the poor, particularly women, to convert physical and intellectual assets into capital, such as utilizing existing practices and customs that allow assets to be documented in a manner that makes the assets widely transferable, leveragable, and fungible, that allows individuals to hold legal title to their property, and that holds owners accountable for transactions involving their property;

(D) support for market-based policies that support increased agricultural production;

(E) a strong commitment to sound monetary and budgetary policies;

(F) the development of small businesses, private cooperatives, credit unions, and trade and labor unions;

(G) the protection of internationally recognized workers' rights; and

(H) the capacity of eligible countries to ameliorate damage to the environment and respect other environmental standards.

SEC. 203. ELIGIBILITY AND RELATED REQUIREMENTS.

(a) ASSISTANCE FOR LOW INCOME COUNTRIES.—

(1) FISCAL YEAR 2004.—A country shall be eligible to receive assistance under section 202 for fiscal year 2004 if—

(A) the country is eligible for assistance from the International Development Association, and the per capita income of the

country is equal to or less than the historical ceiling of the International Development Association for that year, as defined by the International Bank for Reconstruction and Development;

(B) subject to paragraph (3), the country is not ineligible to receive United States economic assistance by reason of the application of section 116, 490, or 620A of the Foreign Assistance Act of 1961, or by reason of the application of any other provision of law; and

(C) the Chief Executive Officer of the Corporation determines that the country has demonstrated a commitment to—

(i) bolster democracy, human rights, good governance and the rule of law;

(ii) invest in the health and education of its citizens; and

(iii) promote sound economic policies that promote economic freedom and opportunity.

(2) FISCAL YEARS 2005 AND 2006.—A country shall be eligible to receive assistance under section 202 for fiscal years 2005 and 2006 if—

(A) the per capita income of the country is equal to or less than the historical ceiling of the International Development Association for the fiscal year involved, as defined by the International Bank for Reconstruction and Development;

(B) the country meets the requirements of paragraph (1)(B); and

(C) the country meets the requirements of clauses (i) through (iii) of paragraph (1)(C), as determined by the Chief Executive Officer.

(3) RULE OF CONSTRUCTION.—For the purposes of determining whether a country is eligible for receiving assistance under section 202 pursuant to paragraph (1)(B), the exercise by the President, the Secretary of State, or any other officer or employee of the United States of any waiver or suspension of any provision of law referred to in such paragraph shall not be construed as satisfying the requirement of such paragraph.

(b) ASSISTANCE FOR LOWER MIDDLE INCOME COUNTRIES.—

(1) IN GENERAL.—In addition to countries described in subsection (a), a country shall be eligible to receive assistance under section 202 for fiscal year 2006 if the country—

(A) is classified as a lower middle income country in the then most recent edition of the World Development Report published by the International Bank for Reconstruction and Development;

(B) meets the requirements of subsection (a)(1)(B); and

(C) meets the requirements of clauses (i) through (iii) of subsection (a)(1)(C), as determined by the Chief Executive Officer.

(2) LIMITATION.—The total amount of assistance provided to countries under this subsection for fiscal year 2006 may not exceed 20 percent of the total amount of assistance provided to all countries under section 202 for fiscal year 2006.

(c) ASSISTANCE FOR SELECTED LOW INCOME COUNTRIES.—

(1) IN GENERAL.—A country shall be eligible to receive assistance for any of fiscal years 2004 through 2006 solely for the purpose of becoming eligible to receive assistance under subsection (a) if the country—

(A) meets the requirements of paragraphs (1)(B) and (2)(A) of subsection (a);

(B) demonstrates a commitment to meeting the requirements of clauses (i) through (iii) of subsection (a)(1)(C), as determined by the Chief Executive Officer; but

(C) fails to meet the eligibility criteria necessary to receive assistance under section 202, as established under subsection (e).

(2) ADMINISTRATION.—Assistance for countries eligible by reason of the application of this subsection shall be provided through the

United States Agency for International Development.

(3) ALLOCATION OF FUNDS.—Of the amount authorized to be appropriated under section 208(a) for a fiscal year, not more than 15 percent of such amount is authorized to be appropriated to the President for the fiscal year to carry out this subsection.

(d) GENERAL AUTHORITY TO DETERMINE ELIGIBILITY.—

(1) GENERAL AUTHORITY.—The Chief Executive Officer shall determine whether or not a country is eligible to receive assistance under section 202.

(2) CONGRESSIONAL NOTIFICATION.—Not later than 7 days after making a determination of eligibility for a country under paragraph (1), the Chief Executive Officer shall provide notice thereof to the appropriate congressional committees. Such notice shall include a certification of the determination of the Chief Executive Officer that the country meets the requirements of clauses (i) through (iii) of subsection (a)(1)(C) in accordance with such subsection, subsection (a)(2)(C), subsection (b)(1)(C), or subsection (c)(1)(B), as the case may be.

(e) ELIGIBILITY CRITERIA.—

(1) INITIAL CRITERIA AND METHODOLOGY.—As soon as practicable after the date of the enactment of this Act, but not later than 30 days prior to making any determination of eligibility for a country under this section, the Chief Executive Officer—

(A) shall consult in-person with the appropriate congressional committees with respect to the establishment of eligibility criteria and methodology that the Chief Executive Officer proposes to use for purposes of determining eligibility under this section;

(B) shall establish such eligibility criteria and methodology; and

(C) shall prepare and transmit to such committees a written report that contains such eligibility criteria and methodology.

(2) REVISIONS TO CRITERIA AND METHODOLOGY.—If the Chief Executive Officer proposes to use revised or different criteria from the criteria described in paragraph (1) in making a determination of eligibility for a country under this section, then, not later than 15 days prior to making such determination, the Chief Executive Officer shall consult in-person with the appropriate congressional committees with respect to such revised or different criteria and methodology in accordance with paragraph (1)(A) and shall prepare and transmit a written report in accordance with paragraph (1)(C).

(f) FORM OF ASSISTANCE; RECIPIENTS.—

(1) FORM OF ASSISTANCE.—Assistance provided under section 202 for a country shall be provided to one or more of the entities described in paragraph (2) on a nonrepayable basis and in accordance with a fair, open, and competitive selection process that results in the awarding of such assistance on a merit basis using selection criteria that are made public by the Corporation in advance and are otherwise in accordance with standard and customary best practices for the provision of similar types of assistance.

(2) RECIPIENTS.—The entities referred to in paragraph (1) are the following:

(A) The national government of the country.

(B) Regional or local governmental units of the country.

(C) Nongovernmental organizations, including for-profit, not-for-profit, and voluntary organizations.

(D) International organizations and trust funds.

(g) CONGRESSIONAL NOTIFICATION.—The Chief Executive Officer may not make any grant or enter into any contract for assistance for a country under section 202 that exceeds \$5,000,000 until 15 days after the date on

which the Chief Executive Officer provides notification of the proposed grant or contract to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

(h) PROHIBITION ON USE OF FUNDS.—The prohibitions on use of funds contained in paragraphs (1) through (3) of section 104(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(f)(1)-(3)) shall apply to funds made available to carry out this division to the same extent and in the same manner as such prohibitions apply to funds made available to carry out part I of such Act.

SEC. 204. MILLENNIUM CHALLENGE COMPACT.

(a) COMPACT.—The President, acting through the Chief Executive Officer of the Corporation, may provide assistance to an eligible country under section 202 only if the country enters into a contract with the United States, to be known as a "Millennium Challenge Compact", that establishes a multi-year plan for achieving shared development objectives in furtherance of the purposes of this title, and only if the President, acting through the Chief Executive Officer, provides to Congress notice regarding such Compact pursuant to subsection (h).

(b) ELEMENTS.—

(1) IN GENERAL.—The Compact shall take into account the national development strategy of the eligible country and shall contain—

(A) the specific objectives that the country and the United States expect to achieve;

(B) the responsibilities of the country and the United States in the achievement of such objectives;

(C) regular benchmarks to measure, where appropriate, progress toward achieving such objectives;

(D) an identification of the intended beneficiaries, disaggregated by income level, gender, and age, to the maximum extent practicable;

(E) a multi-year financial plan, including the estimated amount of contributions by the Corporation and the country and proposed mechanisms to implement the plan and provide oversight, that describes how the requirements of subparagraphs (A) through (D) will be met, including identifying the role of civil society in the achievement of such requirements;

(F) where appropriate, a description of the responsibility of other donors in the achievement of such objectives; and

(G) a plan to ensure appropriate fiscal accountability for the use of assistance provided under section 202.

(2) LOWER MIDDLE INCOME COUNTRIES.—In addition to the elements described in subparagraphs (A) through (G) of paragraph (1), with respect to a lower middle income country described in section 203(b), the Compact shall identify an appropriate contribution from the country relative to its national budget, taking into account the prevailing economic conditions, toward meeting the objectives of the Compact. Such contribution shall be in addition to government spending allocated for such purposes in the country's budget for the year immediately preceding the establishment of the Compact and shall continue for the duration of the Compact.

(c) DEFINITION.—In subsection (b), the term "national development strategy" means any strategy to achieve market-driven economic growth that has been developed by the government of the country in consultation with a wide variety of civic participation, including nongovernmental organizations, private and voluntary organizations, academia, women and student organizations, local trade and labor unions, and the business community.

(d) ADDITIONAL PROVISION RELATING TO PROHIBITION ON TAXATION.—In addition to the elements described in subsection (b), each Compact shall contain a provision that states that assistance provided by the United States under the Compact shall be exempt from taxation by the government of the eligible country.

(e) LOCAL INPUT.—In entering into a Compact, the United States and the eligible country—

(1) shall take into account the local-level perspectives of the rural and urban poor in the eligible country; and

(2) should consult with private and voluntary organizations, the business community, and other donors, in the eligible country.

(f) CONSULTATION.—During any discussions with a country for the purpose of entering into a Compact with the country, officials of the Corporation participating in such discussions shall, at a minimum, consult with appropriate officials of the United States Agency for International Development, particularly with those officials responsible for the appropriate region or country on development issues related to the Compact.

(g) COORDINATION WITH OTHER DONORS.—To the maximum extent feasible, activities undertaken to achieve the objectives of the Compact shall be undertaken in coordination with the assistance activities of other donors.

(h) CONGRESSIONAL AND PUBLIC NOTIFICATION.—Not later than 15 days prior to entering into a Compact with an eligible country, the President, acting through the Chief Executive Officer—

(1) shall consult in-person with the appropriate congressional committees with respect to the proposed Compact;

(2) shall provide notification of the proposed Compact to the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961;

(3) shall prepare and transmit to such committees a written report that contains a detailed summary of the proposed Compact and a copy of the full text of the Compact; and

(4) shall publish such detailed summary and full text of the proposed Compact in the Federal Register and on the Internet website of the Corporation.

(i) ASSISTANCE FOR DEVELOPMENT OF COMPACT.—Notwithstanding subsection (a), the Chief Executive Officer may enter into contracts or make grants for any eligible country for the purpose of facilitating the development of the Compact between the United States and the country.

SEC. 205. SUSPENSION AND TERMINATION OF ASSISTANCE.

(a) SUSPENSION OF ASSISTANCE.—

(1) IN GENERAL.—The President shall suspend assistance in whole or in part for a country under this title if the President determines that—

(A) the country is engaged in activities which are contrary to the national security interests of the United States;

(B) the elected head of state of the country or any member of the country's highest judicial tribunal has been removed from that office or forcibly detained through extra-constitutional processes; or

(C) the country has failed to adhere to its responsibilities under the Compact.

(2) REINSTATEMENT.—The President may reinstate assistance for a country under this title only if the President determines that the country has demonstrated a commitment to correcting each condition for which assistance was suspended under paragraph (1).

(3) CONGRESSIONAL NOTIFICATION.—A suspension of assistance under paragraph (1), or

a reinstatement of assistance under paragraph (2), shall be effective beginning 15 days after the date on which the President transmits to the appropriate congressional committees a report that contains the determination of the President under paragraph (1) or paragraph (2), as the case may be.

(b) TERMINATION OF ASSISTANCE.—

(1) IN GENERAL.—The President, acting through the Chief Executive Officer of the Corporation, shall terminate all assistance for a country under this title if the President determines that the country has consistently failed to adhere to its responsibilities under the Compact or has significantly failed to meet the requirements of this title.

(2) CONGRESSIONAL NOTIFICATION.—A termination of assistance under paragraph (1) shall be effective beginning 15 days after the date on which the President, acting through the Chief Executive Officer, provides notification of the proposed termination of assistance to the congressional committees specified in section 634A(a) of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

SEC. 206. ANNUAL REPORT.

(a) REPORT.—Not later than April 1, 2005, and not later than April 1 of each year thereafter, the Chief Executive Officer of the Corporation shall prepare and transmit to the appropriate congressional committees a report on the implementation of this title for the preceding year.

(b) CONTENTS.—The report shall include the following:

(1) A description and assessment of the eligibility criteria and methodology utilized by the Chief Executive Officer to determine eligibility for each country under section 203.

(2) A description of the agreed upon measures of progress contained in each Compact.

(3)(A) An analysis, on a country-by-country, project-by-project basis, of the impact of assistance provided under this title on the economic development of each country.

(B) For each country, the analysis shall—

(i) to the maximum extent possible, be done on a sector-by-sector basis, gender basis, and per capita income basis, and identify trends within each of these bases;

(ii) identify economic policy reforms conducive to economic development that are supported by assistance provided under this title;

(iii) describe, in quantified terms to the extent practicable, the progress made in achieving assistance objectives for the country;

(iv) describe the amount and nature of economic assistance provided by other major donors which further the purposes of this title; and

(v) discuss the commitment and contribution of the country to achieving the assistance objectives contained in its Compact.

(4) A description and assessment of property rights in each country, including—

(A) the total value of legal and extralegal property and business holdings;

(B) the average time required to acquire land; and

(C) the average time required to register and wind up a business enterprise.

SEC. 207. PARTICIPATION OF CERTAIN UNITED STATES BUSINESSES.

(a) PARTICIPATION.—To the maximum extent practicable, the President, acting through the Chief Executive Officer, shall ensure that United States small, minority-owned, and disadvantaged business enterprises fully participate in the provision of goods and services that are financed with funds made available under this title.

(b) REPORT.—The Chief Executive Officer shall prepare and submit to the appropriate

congressional committees an annual report that contains a description of the extent to which the requirement of subsection (a) has been met for the preceding year.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS; RELATED AUTHORITIES.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the President, acting through the Chief Executive Officer of the Corporation, to carry out this division (other than title IV) \$1,300,000,000 for fiscal year 2004, \$3,000,000,000 for fiscal year 2005, and \$5,000,000,000 for fiscal year 2006.

(b) **ADDITIONAL AUTHORITIES.**—Amounts appropriated pursuant to the authorization of appropriations under subsection (a)—

(1) may be referred to as the “Millennium Challenge Account”;

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

(3) are in addition to amounts otherwise available for such purposes.

TITLE III—MILLENNIUM CHALLENGE CORPORATION

SEC. 301. MILLENNIUM CHALLENGE CORPORATION.

(a) **ESTABLISHMENT.**—There is hereby established in the executive branch a corporation to be known as the “Millennium Challenge Corporation” that shall be responsible for carrying out title II.

(b) **GOVERNMENT CORPORATION.**—The Corporation shall be a Government corporation, as defined in section 103 of title 5, United States Code.

SEC. 302. CHIEF EXECUTIVE OFFICER.

(a) **APPOINTMENT.**—The Corporation shall be headed by an individual who shall serve as Chief Executive Officer of the Corporation, who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) **COMPENSATION AND RANK.**—

(1) **IN GENERAL.**—The Chief Executive Officer shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code, and shall have the equivalent rank of Deputy Secretary.

(2) **AMENDMENT.**—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

“Chief Executive Officer, Millennium Challenge Corporation.”.

(c) **AUTHORITIES AND DUTIES.**—The Chief Executive Officer shall exercise the powers and discharge the duties of the Corporation and any other duties, as conferred on the Chief Executive Officer by the President.

(d) **AUTHORITY TO APPOINT OFFICERS.**—The Chief Executive Officer shall appoint all officers of the Corporation.

SEC. 303. BOARD OF DIRECTORS.

(a) **IN GENERAL.**—There shall be in the Corporation a Board of Directors.

(b) **DUTIES.**—The Board may prescribe, amend, and repeal bylaws, rules, regulations, and procedures governing the manner in which the business of the Corporation may be conducted and in which the powers granted to it by law may be exercised.

(c) **MEMBERSHIP.**—

(1) **IN GENERAL.**—The Board shall consist of—

(A) the Secretary of State, the Secretary of Treasury, the Administrator of the United States Agency for International Development, the Chief Executive Officer of the Corporation, and the United States Trade Representative; and

(B) four other individuals who shall be appointed by the President, by and with the advice and consent of the Senate, of which—

(i) one individual shall be appointed from among a list of individuals submitted by the majority leader of the House of Representatives;

(ii) one individual shall be appointed from among a list of individuals submitted by the minority leader of the House of Representatives;

(iii) one individual shall be appointed from among a list of individuals submitted by the majority leader of the Senate; and

(iv) one individual shall be appointed from among a list of individuals submitted by the minority leader of the Senate.

(2) **EX-OFFICIO MEMBERS.**—In addition to members of the Board described in paragraph (1), the Director of the Office of Management and Budget, the President and Chief Executive Officer of the Overseas Private Investment Corporation, the Director of the Trade and Development Agency, and the Director of the Peace Corps shall be non-voting members, ex officio, of the Board.

(d) **TERMS.**—

(1) **OFFICERS OF FEDERAL GOVERNMENT.**—Each member of the Board described in paragraphs (1)(A) and (2) of subsection (c) shall serve for a term that is concurrent with the term of service of the individual’s position as an officer within the other Federal department or agency.

(2) **OTHER MEMBERS.**—Each member of the Board described in subsection (c)(1)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 2 years.

(3) **VACANCIES.**—A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) **CHAIRPERSON.**—The Secretary of State shall serve as the Chairperson of the Board.

(f) **QUORUM.**—A majority of the members of the Board shall constitute a quorum, which shall include at least one member of the Board described in subsection (c)(1)(B).

(g) **MEETINGS.**—The Board shall meet at the call of the Chairperson.

(h) **COMPENSATION.**—

(1) **OFFICERS OF FEDERAL GOVERNMENT.**—

(A) **IN GENERAL.**—A member of the Board described in paragraphs (1)(A) and (2) of subsection (c) may not receive additional pay, allowances, or benefits by reason of their service on the Board.

(B) **TRAVEL EXPENSES.**—Each such member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(2) **OTHER MEMBERS.**—

(A) **IN GENERAL.**—Except as provided in paragraph (2), a member of the Board described in subsection (c)(1)(B)—

(i) shall be paid compensation out of funds made available for the purposes of this title at the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties as a member of the Board; and

(ii) while away from the member’s home or regular place of business on necessary travel, as determined by the Chief Executive Officer, in the actual performance of duties as a member of the Board, shall be paid per diem, travel, and transportation expenses in the same manner as is provided under subchapter I of chapter 57 of title 5, United States Code.

(B) **LIMITATION.**—A member of the Council may not be paid compensation under subparagraph (A)(i) for more than thirty days in any calendar year.

SEC. 304. INTERAGENCY COORDINATION.

In carrying out the functions described in this title, and consistent with section 101 of the National Security Act of 1947 (50 U.S.C. 402), the President shall ensure coordination of assistance authorized under title II with

foreign economic assistance programs and activities carried out by other Federal departments and agencies.

SEC. 305. POWERS OF THE CORPORATION; RELATED PROVISIONS.

(a) **POWERS.**—The Corporation—

(1) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(2) may prescribe, amend, and repeal such rules, regulations, and procedures as are necessary for carrying out the functions of the Corporation and all Compacts;

(3) may make and perform such contracts, grants, and other agreements with any individual, corporation, or other private or public entity, however designated and wherever situated, as may be necessary for carrying out the functions of the Corporation;

(4) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation not exceeding \$95,000 in any fiscal year;

(5) may lease, purchase, or otherwise acquire, own, hold, improve, use or otherwise deal in and with such property (real, personal, or mixed) or any interest therein, wherever situated, as may be necessary for carrying out the functions of the Corporation;

(6) may accept gifts or donations of services or of property (real, personal, or mixed), tangible or intangible, in furtherance of the purposes of this division;

(7) may hire or obtain passenger motor vehicles;

(8) may use the United States mails in the same manner and on the same conditions as the Executive departments (as defined in section 101 of title 5, United States Code);

(9) may, with the consent of any Executive agency (as defined in section 105 of title 5, United States Code), use the information, services, facilities, and personnel of that agency on a full or partial reimbursement in carrying out the purposes of this division; and

(10) may sue and be sued, complain, and defend, in its corporate name in any court of competent jurisdiction.

(b) **OFFICES.**—

(1) **PRINCIPAL OFFICE.**—The Corporation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

(2) **OTHER OFFICES.**—The Corporation may establish other offices in any place or places outside the United States in which the Corporation may carry out any or all of its operations and business.

(c) **COOPERATION WITH OTHER FEDERAL DEPARTMENTS AND AGENCIES.**—In order to avoid unnecessary expense and duplication of functions, efforts, and activities between the Corporation and other Federal departments and agencies the Chief Executive Officer, or the Chief Executive Officer’s designee—

(1)(A) shall consult, to the maximum extent practicable, with the Administrator of the United States Agency for International Development, or the Administrator’s designee, in order to coordinate the activities of the Corporation and the Agency for International Development; and

(B) shall consult with the heads of other departments and agencies to ensure similar coordination of activities;

(2)(A) shall ensure proper coordination of activities of the Corporation with the provision of development assistance of relevant international financial institutions, including the International Bank for Reconstruction and Development, the International Monetary Fund, and the regional multilateral development banks; and

(B) shall provide to each United States Executive Director (or other United States representative) to the relevant international financial institutions a copy of each proposed Compact between the United States and an eligible country and a copy of each such final Compact.

(d) POSITIONS WITH FOREIGN GOVERNMENTS.—When approved by the Corporation, in furtherance of its purposes, employees of the Corporation (including individuals detailed to the Corporation) may accept and hold offices or positions to which no compensation is attached with governments or governmental agencies of foreign countries or with international organizations.

SEC. 306. TRANSPARENCY AND ACCOUNTABILITY OF THE CORPORATION.

The Corporation and its officers and employees shall be subject to the provisions of section 552 of title 5, United States Code (relating to freedom of information).

SEC. 307. DETAIL OF PERSONNEL TO THE CORPORATION; OTHER AUTHORITIES AND LIMITATIONS.

(a) DETAIL OF PERSONNEL.—Upon request of the Chief Executive Officer of the Corporation, the head of an agency may detail any employee of such agency to the Corporation on a fully or partially reimbursable basis. Any employee so detailed remains, for the purpose of preserving such employee's allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(b) LIMITATION ON TOTAL SERVICE.—

(1) IN GENERAL.—Except as provided in paragraph (2), no individual may serve in or under the Corporation (whether as an employee of the Corporation, a detailee to the Corporation, or a combination thereof) for a total period exceeding 5 years.

(2) EXCEPTIONS.—

(A) EXTENSION AUTHORITY.—The Chief Executive Officer may extend the 5-year period under paragraph (1) for up to an additional 3 years, in the case of any particular individual, if the Chief Executive Officer determines that such extension is essential to the achievement of the purposes of this division.

(B) OFFICERS.—Nothing in this subsection shall limit the period for which an individual may serve as an officer of the Corporation appointed pursuant to section 302(d) nor shall any period of service as such an officer be taken into account for purposes of applying this subsection.

(c) REEMPLOYMENT RIGHTS.—

(1) IN GENERAL.—An employee of an agency who is serving under a career or career conditional appointment (or the equivalent), and who, with the consent of the head of such agency, transfers to the Corporation, is entitled to be reemployed in such employee's former position or a position of like seniority, status, and pay in such agency, if such employee—

(A) is separated from the Corporation—

(i) by reason of the application of subsection (b); or

(ii) for any other reason, other than misconduct, neglect of duty, or malfeasance; and

(B) applies for reemployment not later than 90 days after the date of separation from the Corporation.

(2) SPECIFIC RIGHTS.—An employee who satisfies paragraph (1) is entitled to be reemployed (in accordance with such paragraph) within 30 days after applying for reemployment and, on reemployment, is entitled to at least the rate of basic pay to which such employee would have been entitled had such employee never transferred.

(d) BASIC PAY.—The Chief Executive Officer may fix the rate of basic pay of employees of the Corporation without regard to the provisions of—

(1) chapter 51 of title 5, United States Code (relating to the classification of positions), and

(2) subchapter III of chapter 53 of such title (relating to General Schedule pay rates), except that no employee of the Corporation may receive a rate of basic pay that exceeds the rate for level II of the Executive Schedule under section 5313 of such title.

(e) ASSIGNMENT TO UNITED STATES EMBASSIES.—An employee of the Corporation, including an individual detailed to or contracted by the Corporation, may be assigned to a United States diplomatic mission or consular post, or United States Agency for International Development field mission.

(f) PRIVILEGES AND IMMUNITIES.—The Secretary of State shall seek to ensure that an employee of the Corporation, including an individual detailed to or contracted by the Corporation, and the members of the family of such employee, while the employee is performing duties in any country or place outside the United States, enjoy the privileges and immunities that are enjoyed by a member of the Foreign Service, or the family of a member of the Foreign Service, as appropriate, of comparable rank and salary of such employee, if such employee or a member of the family of such employee is not a national of or permanently resident in such country or place.

(g) RESPONSIBILITY OF CHIEF OF MISSION.—An employee of the Corporation, including an individual detailed to or contracted by the Corporation, and a member of the family of such employee, shall be subject to section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) in the same manner as United States Government employees while the employee is performing duties in any country or place outside the United States if such employee or member of the family of such employee is not a national of or permanently resident in such country or place.

(h) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Corporation may allocate or transfer to the United States Agency for International Development or any other agency any part of any funds available for carrying out the purposes of this division. Such funds shall be available for obligation and expenditure for the purposes for which authorized, in accordance with authority granted in this title or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred.

(2) CONGRESSIONAL NOTIFICATION.—The Chief Executive Officer shall notify the appropriate congressional committees not later than 15 days prior to a transfer of funds under paragraph (1) that exceeds \$5,000,000.

(3) USE OF SERVICES.—For carrying out the purposes of this division, the Corporation may utilize the services and facilities of, or procure commodities from, any agency under such terms and conditions as may be agreed to by the head of the agency and the Corporation.

(i) FUNDING LIMITATION.—Of the funds allocated under subsection (h) in any fiscal year, not more than 7 percent of such funds may be used for administrative expenses.

(j) OTHER AUTHORITIES.—Except to the extent inconsistent with the provisions of this division, the administrative authorities under chapters 1 and 2 of part III of the Foreign Assistance Act of 1961 shall apply to the provision of assistance under this division to the same extent and in the same manner as such authorities apply to the provision of economic assistance under part I of such Act.

(k) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—

(1) IN GENERAL.—The Corporation shall be subject to the provisions of chapter 91 of sub-

title VI of title 31, United States Code, except that the Corporation shall not be authorized to issue obligations or offer obligations to the public.

(2) CONFORMING AMENDMENT.—Section 9101(3) of title 31, United States Code, is amended by adding at the end the following: “(Q) the Millennium Challenge Corporation.”

(1) INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the United States Agency for International Development shall serve as Inspector General of the Corporation, and, in acting in such capacity, may conduct reviews, investigations, and inspections of all aspects of the operations and activities of the Corporation.

(2) AUTHORITY OF THE BOARD.—In carrying out its responsibilities under this subsection, the Inspector General shall report to and be under the general supervision of the Board of Directors.

(3) REIMBURSEMENT AND AUTHORIZATION OF SERVICES.—

(A) REIMBURSEMENT.—The Corporation shall reimburse the United States Agency for International Development for all expenses incurred by the Inspector General in connection with the Inspector General's responsibilities under this subsection.

(B) AUTHORIZATION FOR SERVICES.—Of the amount authorized to be appropriated under section 208(a) for a fiscal year, up to \$1,000,000 is authorized to be made available to the Inspector General of the United States Agency for International Development to conduct reviews, investigations, and inspections of operations and activities of the Corporation.

(m) COMPTROLLER GENERAL.—

(1) IN GENERAL.—The Comptroller General shall conduct audits, evaluations, and investigations of the Corporation.

(2) SCOPE.—The activities and financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be evaluated, investigated, or audited by the Comptroller General in accordance with such rules and regulations as may be prescribed by the Comptroller General.

(3) ACCESS AND RECORDS.—Any evaluation, investigation, or audit shall be conducted at the place or places where pertinent information of the Corporation is normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the evaluation, investigation, or audit; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the General Accounting Office may require the retention of such books, accounts, financial records, reports, files, papers, or property for a longer period under section 3523(c) of title 31, United States Code.

(4) REPORT.—A report of such audit, evaluation, or investigation shall be made by the Comptroller General to the appropriate congressional committees and to the President, together with such recommendations with respect thereto as the Comptroller General shall deem advisable.

(n) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an Executive agency, as defined by section 105 of title 5, United States Code; and

(2) the term "detail" means the assignment or loan of an employee, without a change of position, from the agency by which such employee is employed to the Corporation.

SEC. 308. MILLENNIUM CHALLENGE ADVISORY COUNCIL.

(a) **ESTABLISHMENT.**—There is hereby established in the executive branch an advisory council to the Corporation to be known as the Millennium Challenge Advisory Council.

(b) **FUNCTIONS.**—

(1) **GENERAL FUNCTIONS.**—The Council shall advise and consult with the Chief Executive Officer of the Corporation and the Board of Directors with respect to policies and programs designed to further the purposes of this division and shall periodically report to the Congress with respect to the activities of the Corporation. In addition, the Council shall review on an annual basis the criteria and methodology used to determine eligibility of countries for assistance under title II and make recommendations to the Chief Executive Officer and the Board to improve the effectiveness of such criteria and methodology in order to achieve the purposes of this division.

(2) **ADDITIONAL FUNCTIONS.**—Members of the Council shall (subject to subsection (d)(1)) conduct on-site inspections, and make examinations, of the activities of the Corporation in the United States and in other countries in order to—

(A) evaluate the accomplishments of the Corporation;

(B) assess the potential capabilities and the future role of the Corporation;

(C) make recommendations to the Chief Executive Officer, the Board of Directors, and Congress, for the purpose of guiding the future direction of the Corporation and of helping to ensure that the purposes and programs of the Corporation are carried out in ways that are economical, efficient, responsive to changing needs in developing countries and to changing relationships among people, and in accordance with law;

(D) make such other evaluations, assessments, and recommendations as the Council considers appropriate.

(3) **PUBLIC PARTICIPATION.**—The Council may provide for public participation in its activities, consistent with section 552b of title 5, United States Code.

(c) **MEMBERSHIP.**—

(1) **IN GENERAL.**—The Council shall consist of seven individuals, who shall be appointed by the Chief Executive Officer, and who shall be broadly representative of nongovernmental entities with expertise and interest in international trade and economic development, including business and business associations, trade and labor unions, private and voluntary organizations, foundations, public policy organizations, academia, and other entities as the Chief Executive Officer determines appropriate.

(2) **ADDITIONAL REQUIREMENT.**—No member appointed under paragraph (1) may be an officer or employee of the United States Government.

(d) **COMPENSATION.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), a member of the Council—

(A) shall be paid compensation out of funds made available for the purposes of this title at the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties as a member of the Council; and

(B) while away from the member's home or regular place of business on necessary travel, as determined by the Chief Executive Officer, in the actual performance of duties as a member of the Council, shall be paid per diem, travel, and transportation expenses in the same manner as is provided under subchapter I of chapter 57 of title 5, United States Code.

(2) **LIMITATION.**—A member of the Council may not be paid compensation under paragraph (1)(A) for more than thirty days in any calendar year.

(e) **QUORUM.**—A majority of the members of the Council shall constitute a quorum for the purposes of transacting any business.

(f) **FINANCIAL INTERESTS OF MEMBERS.**—A member of the Council shall disclose to the Chairperson of the Council and the Chief Executive Officer of the existence of any direct or indirect financial interest of that member in any particular matter before the Council and may not vote or otherwise participate as a Council member with respect to that particular matter.

(g) **CHAIRPERSON.**—The Chief Executive Officer shall designate one of the members of the Council as Chairperson, who shall serve in that capacity for a term of two years. The Chief Executive Officer may renew the term of the member appointed as Chairperson under the preceding sentence.

(h) **MEETINGS, BYLAWS, AND REGULATIONS.**—

(1) **MEETINGS.**—The Council shall hold a regular meeting during each calendar quarter and shall meet at the call of the President, the Chief Executive Officer, the Chairperson of the Board, the Chairperson of the Council, or two members of the Council.

(2) **BYLAWS AND REGULATIONS.**—The Council shall prescribe such bylaws and regulations as it considers necessary to carry out its functions. Such bylaws and regulations shall include procedures for fixing the time and place of meetings, giving or waiving of notice of meetings, and keeping of minutes of meetings.

(i) **REPORT TO THE PRESIDENT, CHIEF EXECUTIVE OFFICER, AND BOARD.**—

(1) **REPORT.**—Not later than January 1, 2005, and not later than January 1 of each year thereafter that the Corporation is in existence, the Council shall submit to the President, the Chief Executive Officer, and the Board a report on its views on the programs and activities of the Corporation.

(2) **CONTENTS.**—Each report shall contain a summary of the advice and recommendations provided by the Council to the Chief Executive Officer and the Board during the period covered by the report and such recommendations (including recommendations for administrative or legislative action) as the Council considers appropriate to make to the Congress.

(3) **ADDITIONAL REQUIREMENT.**—Not later than 90 days after receiving each such report, the Chief Executive Officer shall transmit to Congress a copy of the report, together with any comments concerning the report that the Chief Executive Officer considers appropriate.

(j) **ADMINISTRATIVE ASSISTANCE.**—The Chief Executive Officer shall make available to the Council such personnel, administrative support services, and technical assistance as are necessary to carry out its functions effectively.

(k) **TERMINATION.**—Section 14(a)(2)(B) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Council. Notwithstanding section 102 of this Act, the authorities of the Council shall terminate on December 31, 2007.

SEC. 309. MILLENNIUM CHALLENGE SEED GRANTS.

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

(1) Many countries in the developing world lack the academic and public policy advocacy base essential to attaining the principal objectives of the Millennium Challenge Account.

(2) Because of widespread government repression of free speech and poverty, the countries of Africa in particular suffer an acute shortage of nongovernmental organizations which effectively study and promote the principal objectives of the Millennium Challenge Account.

(3) Many developing countries, particularly low income countries, lack the institutional capacity to enhance the quality and accuracy of data upon which the eligibility criteria in section 203 relies. Such countries may also lack the ability to monitor and evaluate development projects effectively.

(4) The Millennium Challenge Account will struggle to reach its goals unless countries in the developing world possess a home grown intellectual commitment and culture of advocacy aimed at promoting its principal objectives.

(b) **ASSISTANCE.**—The Chief Executive Officer of the Corporation is authorized to provide assistance in support of nongovernmental organizations (including universities, independent foundations, and other organizations) in low income and lower middle income countries, and, where appropriate, directly to agencies of foreign governments in low income countries, that are undertaking research, education, and advocacy efforts aimed at promoting democratic societies, human rights, the rule of law, improved educational opportunities and health conditions, particularly for women and children, and economic freedom, including research aimed at improving data related to the eligibility criteria and methodology established by this division with respect to such a country or monitoring and evaluating the impact of assistance provided under this division.

(c) **LIMITATION.**—Not more than \$10,000,000 of the amount made available to carry out this division for a fiscal year may be made available to carry out this section.

TITLE IV—PROVISIONS RELATING TO UNITED STATES ECONOMIC ASSISTANCE

SEC. 401. DEFINITION.

In this title, the term "United States economic assistance" means any bilateral economic assistance, from any budget functional category, that is provided by any department or agency of the United States to a foreign country, including such assistance that is intended—

(A) to assist the development and economic advancement of friendly foreign countries and peoples, including assistance provided under title II (relating to the Millennium Challenge Account);

(B) to promote the freedom, aspirations, or sustenance of friendly peoples under oppressive rule by unfriendly governments;

(C) to promote international trade and foreign direct investment as a means of aiding economic growth;

(D) to save lives and alleviate suffering of foreign peoples during or following war, natural disaster, or complex crisis;

(E) to assist in recovery and rehabilitation of countries or peoples following disaster or war;

(F) to protect refugees and promote durable solutions to aid refugees;

(G) to promote sound environmental practices;

(H) to assist in development of democratic institutions and good governance by the people of foreign countries;

(I) to promote peace and reconciliation or prevention of conflict;

(J) to improve the technical capacities of governments to reduce production of and demand for illicit narcotics; and

(K) to otherwise promote through bilateral foreign economic assistance the national objectives of the United States.

SEC. 402. FRAMEWORK FOR ASSISTANCE.

(a) SENSE OF CONGRESS.—It is the sense of Congress that a coherent framework for United States economic assistance should be established in accordance with this section.

(b) ELEMENTS.—The framework described in subsection (a) includes the following elements:

(1) The United States Agency for International Development, under the direction and foreign policy guidance of the Secretary of State, should be responsible for—

(A) providing assistance to countries that face natural and man-made disasters in order to provide humanitarian relief to the peoples of such countries, in coordination with refugee programs administered by the Department of State;

(B) providing assistance to countries that are suffering from conflicts or are in post-conflict situations in order to provide humanitarian relief, transition assistance, and reconstruction assistance;

(C) providing assistance to help moderate-to-poorly performing countries achieve development progress in the areas described in part I of the Foreign Assistance Act of 1961, including progress toward becoming eligible for assistance under this title, and to promote international health worldwide, as well as assisting in the development of country and regional development strategies;

(D) addressing transnational problems, such as environmental degradation, food insecurity, and health problems; and

(E) assisting other Federal departments and agencies, including the Corporation established under title III, to carry out assistance activities abroad, including providing technical assistance and advice to such departments and agencies, coordinating its assistance programs with such departments and agencies, and using its field offices to help implement such assistance.

(2) The Corporation established under title III should provide assistance to countries that have demonstrated a commitment to bolstering democracy, good governance, and the rule of law, to investing in the health and educations of their people, and to promoting sound economic policies that foster economic opportunity for their people.

(3) The Department of State should be responsible for allocating security assistance to support key foreign policy objectives of the United States and shall administer assistance in such areas as non-proliferation, anti-terrorism, counter-narcotics, and relief for refugees.

(4) Other Federal departments and agencies with expertise in international development-related activities, such as the Overseas Private Investment Corporation, the Trade and Development Agency, the Department of Agriculture, the Department of Health and Human Services, and the Centers for Disease Control and Prevention, to the extent such departments and agencies have the authority to carry out development-related programs, and in coordination with the Department of State and the United States Agency for International Development, should provide expertise in specific technical areas and shall provide assistance, including assistance provided with funds made available from the Corporation to assist United States Government international development activities.

SEC. 403. REPORT RELATING TO IMPACT AND EFFECTIVENESS OF ASSISTANCE.

(a) REPORT.—Not later than December 31, 2004, and December 31 of each third year thereafter, the President shall transmit to Congress a report which analyzes, on a country-by-country basis, the impact and effec-

tiveness of United States economic assistance furnished under the framework established in section 402 to each country during the preceding three fiscal years. The report shall include the following for each recipient country:

(1) An analysis of the impact of United States economic assistance during the preceding three fiscal years on economic development in that country, with a discussion of the United States interests that were served by the assistance. This analysis shall be done on a sector-by-sector basis to the extent possible and shall identify any economic policy reforms which were promoted by the assistance. This analysis shall—

(A) include a description, quantified to the extent practicable, of the specific objectives the United States sought to achieve in providing economic assistance for that country, and

(B) specify the extent to which those objectives were not achieved, with an explanation of why they were not achieved.

(2) A description of the amount and nature of economic assistance provided by other donors during the preceding three fiscal years, set forth by development sector to the extent possible.

(3) A discussion of the commitment of the host government to addressing the country's needs in each development sector, including a description of the resources devoted by that government to each development sector during the preceding three fiscal years.

(4) A description of the trends, both favorable and unfavorable, in each development sector.

(5) Statistical and other information necessary to evaluate the impact and effectiveness of United States economic assistance on development in the country.

(6) A comparison of the analysis provided in the report with relevant analyses by international financial institutions, other international organizations, other donor countries, or nongovernmental organizations.

(b) LISTING OF MOST AND LEAST SUCCESSFUL ASSISTANCE PROGRAMS.—The report required by this section shall identify—

(1) each country in which United States economic assistance has been most successful, as indicated by the extent to which the specific objectives the United States sought to achieve in providing the assistance for the country, as referred to in subsection (a)(1)(A), were achieved; and

(2) each country in which United States economic assistance has been least successful, as indicated by the extent to which the specific objectives the United States sought to achieve in providing the assistance for the country, as referred to in subsection (a)(1)(A), were not achieved.

For each country listed pursuant to paragraph (2), the report shall explain why the assistance was not more successful and shall specify what the United States has done as a result.

(d) DE MINIMUS EXCEPTION.—Information under subsections (a) and (b) for a fiscal year shall not be required with respect to a country for which United States economic assistance for the country for the fiscal year is less than \$5,000,000.

DIVISION B—REAUTHORIZATION AND EXPANSION OF THE PEACE CORPS

TITLE X—GENERAL PROVISIONS

SEC. 1001. SHORT TITLE.

This division may be cited as the "Peace Corps Expansion Act of 2003".

SEC. 1002. DEFINITIONS.

In this division:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional

committees" means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

(2) DIRECTOR.—The term "Director" means the Director of the Peace Corps.

(3) HOST COUNTRY.—The term "host country" means a country whose government has invited the Peace Corps to establish a Peace Corps program within the territory of the country.

(4) PEACE CORPS VOLUNTEER.—The term "Peace Corps volunteer" means a volunteer or a volunteer leader under the Peace Corps Act.

(5) RETURNED PEACE CORPS VOLUNTEER.—The term "returned Peace Corps volunteer" means a person who has been certified by the Director as having served satisfactorily as a Peace Corps volunteer.

SEC. 1003. FINDINGS.

Congress makes the following findings:

(1) The Peace Corps was established in 1961 to promote world peace and friendship through the service abroad of volunteers who are United States citizens. The spirit of service and commitment to helping others is a fundamental component of democracy.

(2) Since its establishment, more than 168,000 volunteers have served in the Peace Corps in 136 countries throughout the world.

(3) The three goals codified in the Peace Corps Act which have guided the Peace Corps and its volunteers over the years, can work in concert to promote global acceptance of the principles of international peace and nonviolent coexistence among peoples of diverse cultures and systems of government.

(4) The Peace Corps has sought to fulfill three goals—to help people in developing countries meet basic needs, promote understanding abroad of the values and ideals of the United States, and promote an understanding of other peoples by the people of the United States.

(5) After more than 40 years of operation, the Peace Corps remains the world's premier international service organization dedicated to promoting grassroots development by working with families and communities to improve health care for children, expand agricultural production, teach in schools, fight infectious diseases, protect the environment, and initiate small business opportunities.

(6) The Peace Corps remains committed to sending well trained and well supported Peace Corps volunteers overseas to promote international peace, cross-cultural awareness, and mutual understanding between the United States and other countries.

(7) The Peace Corps is an independent agency, and, therefore, no Peace Corps personnel or volunteers should be used to accomplish any goal other than the goals established by the Peace Corps Act.

(8) The Crisis Corps has been an effective tool in harnessing the skills and talents of returned Peace Corps volunteers and should be expanded, to the maximum extent practicable, to utilize the talent of returned Peace Corps volunteers.

(9) In fiscal year 2003, the Peace Corps is operating with an annual budget of \$295,000,000 in 70 countries, with more than 7,000 Peace Corps volunteers.

(10) There is deep misunderstanding and misinformation in many parts of the world, particularly in countries with substantial Muslim populations, with respect to United States values and ideals. A new or expanded Peace Corps presence in such places could foster better understanding between the people of the United States and such countries.

(11) Congress has declared, and the Peace Corps Act provides, that the Peace Corps shall maintain, to the maximum extent practicable and appropriate, a volunteer corps of at least 10,000 individuals.

(12) President George W. Bush has called for the doubling of the number of Peace Corps volunteers in service.

(13) Any expansion of the Peace Corps should not jeopardize the quality of the Peace Corps volunteer experience and, therefore, necessitates, among other things, an appropriate increase in field and headquarters support staff.

(14) In order to ensure that the proposed expansion of the Peace Corps preserves the integrity of the program and the security of volunteers, the integrated Planning and Budget System supported by the Office of Planning and Policy Analysis should continue its focus on strategic planning.

(15) A streamlined, bipartisan Peace Corps National Advisory Council composed of distinguished returned Peace Corps volunteers, former Peace Corps staff, and other individuals with diverse backgrounds and expertise can be a source of ideas and suggestions that may be useful to the Director of the Peace Corps as the Director discharges the duties and responsibilities as head of the agency.

TITLE XI—AMENDMENTS TO PEACE CORPS ACT; RELATED PROVISIONS

SEC. 1101. ADVANCING THE GOALS OF THE PEACE CORPS.

(a) RECRUITMENT OF VOLUNTEERS.—Section 2A of the Peace Corps Act (22 U.S.C. 2501-1) is amended by adding at the end the following new sentence: "As an independent agency, the Peace Corps shall be responsible for recruiting all of its volunteers."

(b) DETAILS AND ASSIGNMENTS.—Section 5(g) of the Peace Corps Act (22 U.S.C. 2504(g)) is amended by striking "Provided, That" and inserting "Provided, That such detail or assignment furthers the fulfillment of Peace Corps' development and public diplomacy goals as described in section 2: *Provided further, That*".

SEC. 1102. REPORTS AND CONSULTATIONS.

(a) ANNUAL REPORTS; CONSULTATIONS ON NEW INITIATIVES.—Section 11 of the Peace Corps Act (22 U.S.C. 2510) is amended by striking the section heading and the text of section 11 and inserting the following:

"SEC. 11. ANNUAL REPORTS; CONSULTATIONS ON NEW INITIATIVES.

"(a) ANNUAL REPORTS.—The Director shall transmit to Congress, at least once in each fiscal year, a report on operations under this Act. Each report shall contain information—

"(1) describing efforts undertaken to improve coordination of activities of the Peace Corps with activities of international voluntary service organizations, such as the United Nations volunteer program, and of host country voluntary service organizations, including—

"(A) a description of the purpose and scope of any development project which the Peace Corps undertook during the preceding fiscal year as a joint venture with any such international or host country voluntary service organizations; and

"(B) recommendations for improving coordination of development projects between the Peace Corps and any such international or host country voluntary service organizations;

"(2) describing—

"(A) any major new initiatives that the Peace Corps has under review for the upcoming fiscal year, and any major initiatives that were undertaken in the previous fiscal year that were not included in prior reports to the Congress;

"(B) the rationale for undertaking such new initiatives;

"(C) an estimate of the cost of such initiatives; and

"(D) the impact on the safety of volunteers;

"(3) describing in detail the Peace Corps plans, including budgetary plans, to have

14,000 volunteers in service by 2007 while maintaining the quality of the volunteer experience, ensuring the safety and security of all volunteers, and providing for appropriate administrative and other support; and

"(4) describing standard security procedures for any country in which the Peace Corps operates programs or is considering doing so, as well as any special security procedures contemplated because of changed circumstances in specific countries, and assessing whether security conditions would be enhanced—

"(A) by co-locating volunteers with international or local nongovernmental organizations; or

"(B) with the placement of multiple volunteers in one location.

"(b) CONSULTATIONS ON NEW INITIATIVES.—The Director of the Peace Corps shall consult with the appropriate congressional committees with respect to any major new initiatives not previously discussed in the latest annual report submitted to Congress under subsection (a) or in budget presentations. Whenever possible, such consultations should take place prior to the initiation of such initiatives, or as soon as practicable thereafter."

(b) ONE-TIME REPORT ON STUDENT LOAN FORGIVENESS PROGRAMS.—Not later than 30 days after the date of enactment of this Act, the Director shall submit to the appropriate congressional committees a report—

(1) describing the student loan forgiveness programs currently available to Peace Corps volunteers upon completion of their service;

(2) comparing such programs with other Government-sponsored student loan forgiveness programs; and

(3) recommending any additional student loan forgiveness programs which could attract more applications from low- and middle-income individuals who are carrying considerable student-loan debt burdens.

(c) ANNUAL REPORT TO CONGRESS ON THE FEDERAL EQUAL OPPORTUNITY RECRUITMENT PROGRAM (FEORP).—Not later than 90 days after the date of enactment of this Act and annually thereafter, the Director shall report on the progress of the Peace Corps in recruiting historically underrepresented groups. The Director shall prepare this report in accordance with section 7201 of title 5, United States Code, and subpart B of part 720 of title 5, Code of Federal Regulations.

(d) REPORT ON MAINTAINING THE INTEGRITY OF THE MEDICAL SCREENING AND MEDICAL PLACEMENT COORDINATION PROCESSES.—Not later than 120 days after the date of enactment of this Act, the Director shall prepare and submit to the appropriate congressional committees a report that—

(1) describes the medical screening procedures and standards of the Office of Medical Services/Screening Unit of the Peace Corps to determine whether an applicant for Peace Corps service has worldwide clearance, limited clearance, a deferral period, or is not medically, including psychologically, qualified to serve in the Peace Corps as a volunteer;

(2) describes the procedures and criteria for matching applicants for Peace Corps service with a host country to ensure that the applicant, reasonable accommodations notwithstanding, can complete at least two years of volunteer service without interruption to host country national projects due to foreseeable medical conditions; and

(3) with respect to each of fiscal years 2000 through 2002 and the first six months of fiscal year 2003, states the number of—

(A) medical screenings conducted;

(B) applicants who have received worldwide clearance, limited clearance, deferral periods, and medical disqualifications to serve;

(C) Peace Corps volunteers who the agency has had to separate from service due to the discovery of undisclosed medical information; and

(D) Peace Corps volunteers who have terminated their service early due to medical, including psychological, reasons.

SEC. 1103. SPECIAL VOLUNTEER RECRUITMENT AND PLACEMENT FOR CERTAIN COUNTRIES.

(a) REPORT.—Not later than 60 days after the date of enactment of this Act, the Director shall submit to the appropriate congressional committees a report that—

(1) describes the recruitment strategies to be employed by the Peace Corps to recruit and train volunteers with the appropriate language skills and interest in serving in host countries; and

(2) lists the countries that the Director has determined should be priorities for special recruitment and placement of Peace Corps volunteers.

(b) USE OF RETURNED PEACE CORPS VOLUNTEERS AND FORMER STAFF.—The Director is authorized and strongly urged to utilize the services of returned Peace Corps volunteers and former Peace Corps staff who have relevant language and cultural experience and may have served previously in countries with substantial Muslim populations, in order to open or reopen Peace Corps programs in such countries.

SEC. 1104. GLOBAL INFECTIOUS DISEASES INITIATIVE; COORDINATION OF HIV/AIDS ACTIVITIES.

(a) INITIATIVE.—

(1) IN GENERAL.—The Director, in cooperation with international public health experts, such as the Centers for Disease Control and Prevention, the National Institutes of Health, the World Health Organization, the Pan American Health Organization, and local public health officials, shall expand the Peace Corps' program of training for Peace Corps volunteers in the areas of education, prevention, and treatment of infectious diseases which are prevalent in host countries in order to ensure that the Peace Corps increases its contribution to the global campaign against such diseases.

(2) ADDITIONAL REQUIREMENT.—Activities for the education, prevention, and treatment of infectious diseases in host countries by the Peace Corps shall be undertaken in a manner that is consistent with activities authorized under sections 104(c), 104A, 104B, and 104C of the Foreign Assistance Act of 1961.

(b) COORDINATION OF HIV/AIDS ACTIVITIES.—

(1) IN GENERAL.—The Director should designate an officer or employee of the Peace Corps who is located in the United States to coordinate all HIV/AIDS activities within the Peace Corps. Such individual may be an individual who is an officer or employee of the Peace Corps on the date of the enactment of this Act.

(2) FIELD COORDINATION.—In addition to the position established under paragraph (1), the Director should designate an individual within each country in sub-Saharan Africa, the Western Hemisphere, and Asia in which Peace Corps volunteers carry out HIV/AIDS activities to coordinate all such activities of the Peace Corps in such countries.

(c) DEFINITIONS.—In this section:

(1) AIDS.—The term "AIDS" means the 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.

(4) INFECTIOUS DISEASES.—The term "infectious diseases" means HIV/AIDS, tuberculosis, and malaria.

SEC. 1105. PEACE CORPS NATIONAL ADVISORY COUNCIL.

Section 12 of the Peace Corps Act (22 U.S.C. 2511; relating to the Peace Corps National Advisory Council) is amended—

(1) in subsection (b)(2)—

(A) in subparagraph (C), by striking “and” after the semicolon;

(B) by redesignating subparagraph (D) as subparagraph (E); and

(C) by inserting after subparagraph (C) the following:

“(D) make recommendations for utilizing the expertise of returned Peace Corps volunteers and former Peace Corps staff in fulfilling the goals of the Peace Corps; and”;

(2) in subsection (c)(2)—

(A) in subparagraph (A)—

(i) in the first sentence—

(I) by striking “fifteen” and inserting “eleven”; and

(II) by striking “President, by and with the advice and consent of the Senate” and inserting “Director of the Peace Corps”;

(ii) by striking the second sentence and inserting the following: “Six of the members shall be former Peace Corps volunteers, at least one of whom shall have been a former staff member abroad or in the Washington headquarters, and not more than six shall be members of the same political party.”;

(B) by striking subparagraph (B);

(C) by amending subparagraph (D) to read as follows:

“(D) The members of the Council shall be appointed to 2-year terms.”;

(D) in subparagraph (H), by striking “nine” and inserting “seven”;

(E) in subparagraph (I), by striking “President shall nominate” and inserting “Director shall appoint”; and

(F) by redesignating subparagraphs (C), (D), (E), (F), (G), (H), and (I) as subparagraphs (B), (C), (D), (E), (F), (G), and (H), respectively; and

(3) by amending subsection (g) to read as follows:

“(g) CHAIR.—The Director shall designate one of the voting members of the Council as Chair, who shall serve in that capacity for a term of two years. The Director may renew the term of a voting member appointed as Chair under the preceding sentence.”.

SEC. 1106. READJUSTMENT ALLOWANCES.

The Peace Corps Act is amended—

(1) in section 5(c) (22 U.S.C. 2504(c)), by striking “\$125 for each month of satisfactory service” and inserting “\$275 for each month of satisfactory service during fiscal year 2004 and \$300 for each month of satisfactory service thereafter”; and

(2) in section 6(1) (22 U.S.C. 2505(1)), by striking “\$125 for each month of satisfactory service” and inserting “\$275 for each month of satisfactory service during fiscal year 2004 and \$300 for each month of satisfactory service thereafter”.

SEC. 1107. PROGRAMS AND PROJECTS OF RETURNED PEACE CORPS VOLUNTEERS AND FORMER STAFF.

(a) PURPOSE.—The purpose of this section is to provide support for returned Peace Corps volunteers to develop and carry out programs and projects to promote the objectives of the Peace Corps Act, as set forth in section 2(a) of that Act (22 U.S.C. 2501(a)).

(b) GRANTS TO CERTAIN NONPROFIT CORPORATIONS.—

(1) GRANT AUTHORITY.—

(A) IN GENERAL.—To carry out the purpose of this section, and subject to the availability of appropriations, the Director may award grants on a competitive basis to private nonprofit corporations for the purpose of enabling returned Peace Corps volunteers to use their knowledge and expertise to develop and carry out the programs and projects described in paragraph (2).

(B) DELEGATION OF AUTHORITY AND TRANSFER OF FUNDS.—The Director may delegate the authority to award grants under subparagraph (A) and may transfer funds authorized under this section subject to the notification procedures of section 634A of the Foreign Assistance Act of 1961 to the Chief Executive Officer of the Corporation for National and Community Service (referred to in this section as the “Corporation”).

(2) PROGRAMS AND PROJECTS.—Such programs and projects may include—

(A) educational programs designed to enrich the knowledge and interest of elementary school and secondary school students in the geography and cultures of other countries where the volunteers have served;

(B) projects that involve partnerships with local libraries to enhance community knowledge about other peoples and countries; and

(C) audio-visual projects that utilize materials collected by the volunteers during their service that would be of educational value to communities.

(3) ELIGIBILITY FOR GRANTS.—To be eligible to compete for grants under this section, a nonprofit corporation shall have a board of directors composed of returned Peace Corps volunteers and former Peace Corps staff with a background in community service, education, or health. If the grants are made by the Corporation, the nonprofit corporation shall meet all appropriate Corporation management requirements, as determined by the Corporation.

(c) GRANT REQUIREMENTS.—Such grants shall be made pursuant to a grant agreement between the Peace Corps or the Corporation and the nonprofit corporation that requires that—

(1) the grant funds will only be used to support programs and projects described in subsection (a) pursuant to proposals submitted by returned Peace Corps volunteers (either individually or cooperatively with other returned volunteers);

(2) the nonprofit corporation will give consideration to funding individual programs or projects by returned Peace Corps volunteers, in amounts of not more than \$50,000, under this section;

(3) not more than 20 percent of the grant funds made available to the nonprofit corporation will be used for the salaries, overhead, or other administrative expenses of the nonprofit corporation;

(4) the nonprofit corporation will not receive grant funds for programs or projects under this section for a third or subsequent year unless the nonprofit corporation makes available, to carry out the programs or projects during that year, non-Federal contributions—

(A) in an amount not less than \$2 for every \$3 of Federal funds provided through the grant; and

(B) provided directly or through donations from private entities, in cash or in kind, fairly evaluated, including plant, equipment, or services; and

(5) the nonprofit corporation shall manage, monitor, and submit reports to the Peace Corps or the Corporation, as the case may be, on each program or project for which the nonprofit corporation receives a grant under this section.

(d) STATUS OF THE FUND.—Nothing in this section shall be construed to make any nonprofit corporation supported under this section an agency or establishment of the Federal Government or to make the members of the board of directors or any officer or employee of such nonprofit corporation an officer or employee of the United States.

(e) FACTORS IN AWARDED GRANTS.—In determining the number of nonprofit corporations to receive grants under this section for

any fiscal year, the Peace Corps or the Corporation—

(1) shall take into consideration the need to minimize overhead costs that direct resources from the funding of programs and projects; and

(2) shall seek to ensure a broad geographical distribution of grants for programs and projects under this section.

(f) CONGRESSIONAL OVERSIGHT.—Grant recipients under this section shall be subject to the appropriate oversight procedures of Congress.

(g) FUNDING.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section up to \$10,000,000. Such sum shall be in addition to funds made available to the Peace Corps under this division.

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

(h) CRISIS CORPS.—

(1) STATEMENT OF POLICY.—Congress states that the Crisis Corps has been an effective tool in harnessing the skills and talents of returned Peace Corps volunteers.

(2) INCREASE IN NUMBER OF CRISIS CORPS ASSIGNMENTS.—The Director, in consultation with the governments of host countries and appropriate nongovernmental organizations, shall increase the number of available Crisis Corps assignments for returned Peace Corps volunteers to at least 120 assignments in fiscal year 2004, 140 assignments in fiscal year 2005, 160 assignments in fiscal year 2006, and 165 assignments in fiscal year 2007.

SEC. 1108. DECLARATION OF POLICY.

Congress declares its support for the goal announced by President Bush of doubling the number of Peace Corps volunteers to 14,000 by 2007 and supports the funding levels necessary to accomplish this growth.

SEC. 1109. PEACE CORPS IN SIERRA LEONE.

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

(1) Peace Corps service to Sierra Leone was suspended in 1994 due to a brutal civil war between the government and the Revolutionary United Front (RUF).

(2) Backed by British military intervention and a United Nations peacekeeping operation, government authority has been reestablished throughout the country and “free and fair” national elections took place in May 2002.

(3) Sierra Leone is a majority Muslim country.

(4) The Peace Corps has given the safety and security of its volunteers high priority.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Peace Corps should return its program to Sierra Leone as soon as security conditions are consistent with the safety and security of its volunteers.

SEC. 1110. AUTHORIZATION OF APPROPRIATIONS.

Section 3(b)(1) of the Peace Corps Act (22 U.S.C. 2502(b)(1)) is amended by striking “and \$365,000,000 fiscal year 2003” and inserting “\$365,000,000 for fiscal year 2003, \$366,868,000 for fiscal year 2004, \$411,800,000 for fiscal year 2005, \$455,930,000 for fiscal year 2006, and \$499,400,000 for fiscal year 2007”.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KOLBE OF ARIZONA, OR HIS DESIGNEE, AS AN AMENDMENT TO THE AMENDMENT NUMBERED 2, TO BE OFFERED BY REPRESENTATIVE HYDE OF ILLINOIS, DEBATABLE FOR 10 MINUTES

Page 56, after line 3, insert the following new section:

SEC. 310. CLARIFICATION OF ROLE OF USAID.

(a) STATUS OF USAID.—The Administrator of the United States Agency for International Development shall report to the President through, and operate under the

Crowley Johnson, Sam
Culberson Jones (OH)
Cummings Kanjorski
Cunningham Kaptur
Davis (AL) Keller
Davis (CA) Kelly
Davis (FL) Kennedy (MN)
Davis (IL) Kennedy (RI)
Davis (TN) Kildee
Davis, Tom Kilpatrick
DeFazio King (IA)
DeGette King (NY)
Delahunt Kingston
DeLauro Kirk
DeLay Kleczka
DeMint Kline
Deutsch Knollenberg
Diaz-Balart, L. Kolbe
Diaz-Balart, M. Kucinich
Dicks LaHood
Dingell Lampson
Doggett Langevin
Dooley (CA) Lantos
Doolittle Larsen (WA)
Doyle Larson (CT)
Dreier Latham
Dunn LaTourrette
Edwards Leach
Ehlers Lee
Emanuel Levin
Emerson Lewis (CA)
Engel Lewis (GA)
English Lewis (KY)
Eshoo Linder
Etheridge Lipinski
Evans LoBiondo
Everett Lofgren
Farr Lowey
Fattah Lucas (KY)
Filner Lucas (OK)
Foley Lynch
Ford Majette
Fossella Maloney
Frank (MA) Manzullo
Frelinghuysen Markey
Frost Marshall
Gallegly Matheson
Gerlach Matsui
Gibbons McCarthy (MO)
Gilchrest McCarthy (NY)
Gillmor McCollum
Gingrey McCotter
Gonzalez McCrery
Goodlatte Simpson
Gordon McGovern
Goss McHugh
Granger McIntyre
Graves McKeon
Green (TX) McNulty
Green (WI) Meehan
Greenwood Meek (FL)
Grijalva Menendez
Gutknecht Mica
Harman Michaud
Harris Miller (MI)
Hart Miller (NC)
Hastings (FL) Miller, George
Hastings (WA) Moore
Hayes Moran (VA)
Hefley Murphy
Hensarling Murtha
Herger Musgrave
Hill Myrick
Hinchey Nadler
Hinojosa Napolitano
Hobson Neal (MA)
Hoeffel Nethercutt
Hoekstra Neugebauer
Holden Ney
Holt Northup
Honda Norwood
Hooley (OR) Nunes
Hostettler Nussle
Houghton Oberstar
Hoyer Olver
Hulshof Ortiz
Hunter Osborne
Hyde Ose
Inslee Otter
Isakson Owens
Israel Oxley
Issa Pallone
Jackson (IL) Pascrell
Jackson-Lee Pastor
(TX) Payne
John Pearce
Johnson (CT) Pelosi
Johnson (IL) Pence
Johnson, E. B. Peterson (MN)

Peterson (PA)
Pickering
Pitts
Platts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rangel
Regula
Rehberg
Renzi
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sabo
Sanchez, Linda
T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)

Weller
Wexler
Whitfield
Wicker

Wilson (NM)
Wilson (SC)
Wolf
Woolsey

Wu
Wynn
Young (AK)
Young (FL)

NOES—42

Garrett (NJ)
Goode
Gutierrez
Hall
Istook
Jenkins
Jones (NC)
Kind
McInnis
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Obey
Paul

Akin
Barrett (SC)
Bartlett (MD)
Brown-Waite,
Ginny
Coble
Costello
Cubin
Davis, Jo Ann
Deal (GA)
Duncan
Feehey
Flake
Forbes
Franks (AZ)

Berkley
Ferguson
Fletcher
Gephardt

Hayworth
Janklow
Jefferson
Meeks (NY)

NOT VOTING—10

Millender-
McDonald
Reynolds

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LIN-
DER) (during the vote). Members are ad-
vised 2 minutes remain in this vote.

□ 1305

Mr. TAYLOR of North Carolina
changed his vote from "aye" to "no."
Ms. LINDA T. SANCHEZ of Cali-
fornia, Mr. BERRY and Mr. GREEN-
WOOD changed their vote from "no" to
"aye."

So the bill was passed.

The result of vote was announced as
above recorded.

The title of the bill was amended so
as to read: "A bill to establish the Mil-
lennium Challenge Account to provide
increased support for certain devel-
oping countries; to authorize the ex-
pansion of the Peace Corps; to author-
ize appropriations for the Department
of State for fiscal years 2004 and 2005;
and to authorize appropriations under
the Arms Export Control Act and the
Foreign Assistance Act of 1961 for secu-
rity assistance for fiscal years 2004 and
2005, and for other purposes."

A motion to reconsider was laid on
the table.

PERSONAL EXPLANATION

Mr. HAYWORTH. Mr. Speaker, as you know, I was absent today for medical reasons. If I had been in attendance, I would have voted "yes" on rollcall vote No. 368. If I had been in attendance, I would have voted "yes" on rollcall vote No. 369.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN EN-GROSSMENT OF H.R. 1950, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

Mr. HYDE. Mr. Speaker, I ask unani-
mous consent that in the engrossment
of the bill, H.R. 1950, the Clerk be au-
thorized to correct section numbers,
cross-references, and punctuation, and
to make such stylistic, clerical, tech-
nical, conforming, and other changes
as may be necessary to reflect the ac-
tions of the House in amending the bill.

The SPEAKER pro tempore. Is there
objection to the request of the gen-
tleman from Illinois?
There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 1308, JOBS AND GROWTH TAX RELIEF RECONCILIATION ACT OF 2003

The SPEAKER pro tempore. The un-
finished business is the question on the
motion to instruct conferees on the
bill, H.R. 1308.

The Clerk will designate the motion.
The Clerk designated the motion.

The SPEAKER pro tempore. The
question is on the motion to instruct
offered by the gentlewoman from Con-
necticut (Ms. DELAURO) on which the
yeas and nays are ordered.

The vote was taken by electronic de-
vice, and there were—yeas 206, nays
220, not voting 9, as follows:

[Roll No. 370]
YEAS—206

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)

Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee
(TX)
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Menendez
Michaud

Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda
T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylour (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)