

of agencies under subchapter I of chapter 57 of title 5, United States Code, paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States for any period during which such individual is more than 100 miles away from home in connection with such services."

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2002.

SEC. 110. TAX RELIEF AND ASSISTANCE FOR FAMILIES OF SPACE SHUTTLE COLUMBIA HEROES.

(a) **INCOME TAX RELIEF.**—

(1) **IN GENERAL.**—Subsection (d) of section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death) is amended by adding at the end the following new paragraph:

"(5) **RELIEF WITH RESPECT TO ASTRONAUTS.**—The provisions of this subsection shall apply to any astronaut whose death occurs in the line of duty, except that paragraph (3)(B) shall be applied by using the date of the death of the astronaut rather than September 11, 2001."

(2) **CONFORMING AMENDMENTS.**—

(A) Section 5(b)(1) is amended by inserting ", astronauts," after "Forces".

(B) Section 6013(f)(2)(B) is amended by inserting ", astronauts," after "Forces".

(3) **CLERICAL AMENDMENTS.**—

(A) The heading of section 692 is amended by inserting ", **ASTRONAUTS,**" after "**FORCES**".

(B) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 is amended by inserting ", astronauts," after "Forces".

(4) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply with respect to any astronaut whose death occurs after December 31, 2002.

(b) **DEATH BENEFIT RELIEF.**—

(1) **IN GENERAL.**—Subsection (i) of section 101 (relating to certain death benefits) is amended by adding at the end the following new paragraph:

"(4) **RELIEF WITH RESPECT TO ASTRONAUTS.**—The provisions of this subsection shall apply to any astronaut whose death occurs in the line of duty."

(2) **CLERICAL AMENDMENT.**—The heading for subsection (i) of section 101 is amended by inserting "**OR ASTRONAUTS**" after "**VICTIMS**".

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to amounts paid after December 31, 2002, with respect to deaths occurring after such date.

(c) **ESTATE TAX RELIEF.**—

(1) **IN GENERAL.**—Section 2201(b) (defining qualified decedent) is amended by striking "and" at the end of paragraph (1)(B), by striking the period at the end of paragraph (2) and inserting ", and", and by adding at the end the following new paragraph:

"(3) any astronaut whose death occurs in the line of duty."

(2) **CLERICAL AMENDMENTS.**—

(A) The heading of section 2201 is amended by inserting "**, DEATHS OF ASTRONAUTS,**" after "**FORCES**".

(B) The item relating to section 2201 in the table of sections for subchapter C of chapter 11 is amended by inserting ", deaths of astronauts," after "Forces".

(3) **EFFECTIVE DATE.**—The amendments made by this subsection shall apply to estates of decedents dying after December 31, 2002.

TITLE II—REVENUE PROVISION

SEC. 201. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19

U.S.C. 58c(j)(3)) is amended by striking "March 31, 2004" and inserting "March 1, 2005".

SA 2052. Mr. MCCONNELL (for Mr. MCCAIN) proposed an amendment to the bill H.R. 3365, an act to amend title 10, United States Code, and the Internal Revenue Code of 1986 to increase the death gratuity payable with respect to deceased members of the Armed Forces and to exclude such gratuity from gross income, to provide additional tax relief for members of the Armed Forces and their families, and for other purposes; as follows:

Amend the title so as to read: "An Act to amend title 10, United States Code, and the Internal Revenue Code of 1986 to increase the death gratuity payable with respect to deceased members of the Armed Forces and to exclude such gratuity from gross income, to provide additional tax relief for members of the Armed Forces and their families, and for other purposes."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON FINANCIAL MANAGEMENT, THE BUDGET AND INTERNATIONAL SECURITY

Mr. BURNS. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs Subcommittee on Financial Management, the Budget, and International Security be authorized to meet on Monday, November 3, at 10:30 a.m. for a hearing titled, "Mutual Funds: Trading Practices and Abuses that Harm Investors."

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

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Dennis O'Connor of my staff be granted floor privileges for the duration of today's session.

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

Mr. REED. Mr. President, I ask unanimous consent that Thomas Heibert, a fellow in my office, be granted the privileges of the floor for this debate.

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

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

On Thursday, October 30, 2003, the Senate passed H.R. 2800, as follows:

H.R. 2800

Resolved, That the bill from the House of Representatives (H.R. 2800) entitled "An Act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes," do pass with the following amendment: Strike out all after the enacting clause and insert: *That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2004, and for other purposes, namely:*

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES INSPECTOR GENERAL OF THE EXPORT-IMPORT BANK

For necessary expenses of the Office of Inspector General of the Export-Import Bank of the United States in carrying out the provisions of the Inspector General Act of 1978, as amended, \$1,000,000.

EXPORT-IMPORT BANK LOANS PROGRAM ACCOUNT

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of the enactment of this Act: Provided further, That notwithstanding section 1(c) of Public Law 103-428, as amended, sections 1(a) and (b) of Public Law 103-428 shall remain in effect through October 1, 2004.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$30,000 for official reception and representation expenses for members of the Board of Directors, \$74,395,000: Provided, That the Export-Import Bank may accept, and use, payment or services provided by transaction participants for legal, financial, or technical services in connection with any transaction for which an application for a loan, guarantee or insurance commitment has been made: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2004.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed \$35,000) shall not exceed \$41,385,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, \$24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Non-Credit Account: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years

2004 and 2005: Provided further, That such sums shall remain available through fiscal year 2012 for the disbursement of direct and guaranteed loans obligated in fiscal year 2004, and through fiscal year 2013 for the disbursement of direct and guaranteed loans obligated in fiscal year 2005.

In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Non-credit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT
TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, \$50,000,000, to remain available until September 30, 2005.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2004, unless otherwise specified herein, as follows:

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND HEALTH PROGRAMS FUND
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, health, and family planning/reproductive health activities, in addition to funds otherwise available for such purposes, \$1,435,500,000, to remain available until September 30, 2005: Provided, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health, nutrition, water and sanitation programs which directly address the needs of mothers and children, and related education programs; (4) assistance for displaced and orphaned children; (5) programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases; and (6) family planning/reproductive health: Provided further, That none of the funds appropriated under this heading may be made available for nonproject assistance, except that funds may be made available for such assistance for ongoing health activities: Provided further, That of the funds appropriated under this heading, not to exceed \$150,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of child survival, maternal and family planning/reproductive health, and infectious disease programs: Provided further, That the following amounts should be allocated as follows: \$345,000,000 for child survival and maternal health; \$30,000,000 for vulnerable children; \$500,000,000 for HIV/AIDS including not less than \$22,000,000 which should be made available to support the development of microbicides as a means for combating HIV/AIDS; \$185,000,000 for other infectious diseases; and \$375,500,000 for family planning/reproductive health, including in areas where population growth threatens biodiversity or endangered species: Provided further, That of the funds appropriated under this heading that are available for HIV/AIDS programs and activities, \$18,000,000 should be made available for the International AIDS Vaccine Initiative: Provided further, That of the funds appropriated under this heading, \$60,000,000 should be made available for a United States contribution to The Vaccine Fund, and up to \$6,000,000 may be transferred to and merged with funds appropriated by this Act under the heading "Operating Expenses of the United States Agency for International Development" for costs directly related to international health,

but funds made available for such costs may not be derived from amounts made available for contribution under this and the preceding proviso: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions: Provided further, That none of the funds made available under this Act may be used to lobby for or against abortion: Provided further, That in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensive information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committees on Appropriations a report containing a description of such violation and the corrective action taken by the Agency: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section

104 of the Foreign Assistance Act of 1961: Provided further, That to the maximum extent feasible, taking into consideration cost, timely availability, and best health practices, funds appropriated in this Act or prior appropriations Acts that are made available for condom procurement shall be made available only for the procurement of condoms manufactured in the United States: Provided further, That information provided about the use of condoms as part of projects or activities that are funded from amounts appropriated by this Act shall be medically accurate and shall include the public health benefits and failure rates of such use.

DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103, 105, 106, and 131, and chapter 10 of part I of the Foreign Assistance Act of 1961, \$1,423,000,000, to remain available until September 30, 2005: Provided, That none of the funds appropriated under title II of this Act that are managed by or allocated to the United States Agency for International Development's Global Development Secretariat, may be made available except through the regular notification procedures of the Committees on Appropriations: Provided further, That \$220,000,000 should be allocated for basic education: Provided further, That none of the funds appropriated under this heading may be made available for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna: Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed \$32,500, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That of the aggregate amount of the funds appropriated by this Act that are made available for agriculture and rural development programs, \$40,000,000 should be made available for plant biotechnology research and development: Provided further, That not less than \$2,300,000 should be made available for core support for the International Fertilizer Development Center: Provided further, That of the funds appropriated under this heading, not less than \$1,000,000 shall be made available for support of the United States Telecommunications Training Institute: Provided further, That of the funds appropriated under this heading, not less than \$20,000,000 should be made available for the American Schools and Hospitals Abroad program: Provided further, That of the funds appropriated under this heading, up to \$3,000,000 should be made available for support of the International Real Property Foundation: Provided further, That of the funds appropriated by this Act, \$100,000,000 shall be made available for drinking water supply projects and related activities.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$235,500,000, to remain available until expended.

FAMINE FUND

For necessary expenses for famine prevention and relief, including for mitigation of the effects of famine, pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, \$100,000,000, to remain available until expended: Provided, That funds appropriated under this heading shall be available for obligation subject to prior consultation with the Committees on Appropriations.

TRANSITION INITIATIVES

For necessary expenses for international disaster rehabilitation and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, \$55,000,000, to remain available until expended, to support transition to democracy and to long-term development of countries in crisis: Provided, That such support may

include assistance to develop, strengthen, or preserve democratic institutions and processes, revitalize basic infrastructure, and foster the peaceful resolution of conflict: Provided further, That the United States Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to beginning a new program of assistance: Provided further, That if the President determines that is important to the national interests of the United States to provide transition assistance in excess of the amount appropriated under this heading, up to \$5,000,000 of the funds appropriated by this Act to carry out the provisions of part I of the Foreign Assistance Act of 1961 may be used for purposes of this heading and under the authorities applicable to funds appropriated under this heading: Provided further, That funds made available pursuant to the previous proviso shall be made available subject to prior consultation with the Committees on Appropriations.

DEVELOPMENT CREDIT AUTHORITY
(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans and loan guarantees, as authorized by sections 108 and 635 of the Foreign Assistance Act of 1961, up to \$21,000,000, to remain available until September 30, 2005, and to be derived by transfer from funds appropriated by this Act to carry out part I of such Act and under the heading "Assistance for Eastern Europe and the Baltic States": Provided, That such costs, including the cost of modifying such direct and guaranteed loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That funds made available by this paragraph and under this heading in prior Acts making appropriations for foreign operations, export financing, and related programs, may be used for the cost of modifying any such guaranteed loans under this Act or prior Acts.

In addition, for administrative expenses to carry out credit programs administered by the United States Agency for International Development, \$8,000,000, to remain available until September 30, 2004, which may be transferred to and merged with the appropriation for Operating Expenses of the United States Agency for International Development.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT
AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, \$43,859,000.

OPERATING EXPENSES OF THE UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, \$604,100,000, of which up to \$25,000,000 may remain available until September 30, 2005: Provided, That none of the funds appropriated under this heading and under the heading "Capital Investment Fund" may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the United States Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: Provided further, That contracts or agreements entered into with funds appropriated under this heading may entail commitments for the expenditure of such funds through fiscal year 2005: Provided further, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed \$1,000,000.

CAPITAL INVESTMENT FUND

For necessary expenses for overseas construction and related costs, and for the procurement and enhancement of information technology

and related capital investments, pursuant to section 667, \$100,000,000, to remain available until expended: Provided, That this amount is in addition to funds otherwise available for such purposes: Provided further, That the Administrator of the United States Agency for International Development shall assess fair and reasonable rental payments for the use of space by employees of other United States Government agencies in buildings constructed using funds appropriated under this heading, and such rental payments shall be deposited into this account as an offsetting collection: Provided further, That the rental payments collected pursuant to the previous proviso and deposited as an offsetting collection shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations: Provided further, That the assignment of United States Government employees or contractors to space in buildings constructed using funds appropriated under this heading shall be subject to the concurrence of the Administrator of the United States Agency for International Development: Provided further, That funds appropriated under this heading shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations.

OPERATING EXPENSES OF THE UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT OF-
FICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961, \$35,000,000, to remain available until September 30, 2005, which sum shall be available for the Office of the Inspector General of the United States Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE
ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, \$2,415,000,000, to remain available until September 30, 2005: Provided, That of the funds appropriated under this heading, not less than \$480,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act: Provided further, That not less than \$575,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than \$200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That of the funds made available pursuant to the previous proviso, \$2,000,000 shall be made available for the Ibn Khaldun Center for Development: Provided further, That the Government of Egypt should promptly provide the United States Embassy in Cairo with assurances that it will honor contracts entered into with United States companies in a timely manner: Provided further, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement in an amount proportional to the fiscal year 1999 agreement: Provided further, That of the funds appropriated under this heading, not less than \$250,000,000 shall be made available for assistance for Jordan: Provided further, That of the funds appropriated under this heading, up to \$5,000,000 may be made available for the Yitzhak Rabin Center for Israel Studies in Tel Aviv, Israel, and up to \$5,000,000 may be made available for the Center for Human Dignity Museum of Tolerance in Jerusalem, Israel: Provided further, That of the funds appropriated under this heading, up to \$1,000,000 should be used to

further legal reforms in the West Bank and Gaza, including judicial training on commercial disputes and ethics: Provided further, That of the funds appropriated under this heading that are made available for assistance for Pakistan, not less than \$10,000,000 should be made available to support programs and activities conducted by indigenous organizations that seek to further educational, health, employment, and other opportunities for the people of Pakistan: Provided further, That of the funds made available for indigenous organizations pursuant to the previous proviso, \$4,000,000 should be made available for the Pakistan Human Development Fund and \$1,000,000 for the Amanut Society: Provided further, That \$15,000,000 of the funds appropriated under this heading shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicomunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus: Provided further, That \$35,000,000 of the funds appropriated under this heading shall be made available for assistance for Lebanon, of which not less than \$4,000,000 shall be made available only for American educational institutions for scholarships and other programs: Provided further, That notwithstanding section 634(a) of this Act, funds appropriated under this heading that are made available for assistance for the Central Government of Lebanon shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the Government of Lebanon should enforce the custody and international pickup orders, issued during calendar year 2001, of Lebanon's civil courts regarding abducted American children in Lebanon: Provided further, That of the funds appropriated under this heading, not less than \$10,000,000 shall be made available for programs and activities in rural Mexico to promote microcredit lending, small business and entrepreneurial development, and private property ownership in rural communities, and to support small farmers who have been affected by adverse economic conditions: Provided further, That funds made available pursuant to the previous proviso may be made available only if the case involving three Americans arrested in Oaxaca, Mexico on October 6, 2003, in connection with a private property dispute is resolved satisfactorily, and such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, not less than \$25,000,000 shall be made available for assistance for the Democratic Republic of Timor-Leste to support subsistence agriculture and other income generating opportunities, expand basic education and vocational training, strengthen the judiciary, promote good governance and the sustainable use of natural resources, and improve health care and other basic human services and physical infrastructure, of which up to \$1,000,000 may be available for administrative expenses of the United States Agency for International Development: Provided further, That of the funds made available under this heading, not less than \$2,500,000 shall be made available, in addition to amounts otherwise available for such purposes, as a United States contribution to the Office of the United Nations High Commissioner for Human Rights, to support its activities including human rights training for peacekeepers, activities to address trafficking in persons, monitoring and field activities: Provided further, That of the funds appropriated under this heading, not less than \$250,000 shall be made available to support the Commission to Investigate Illegal Groups and Clandestine Security Apparatus in Guatemala: Provided further, That of the funds appropriated under this heading, not less than \$2,500,000 shall be made

available for assistance for countries to implement and enforce the Kimberly Process Certification Scheme: Provided further, That funds appropriated under this heading may be used, notwithstanding any other provision of law, to provide assistance to the National Democratic Alliance of Sudan to strengthen its ability to protect civilians from attacks, slave raids, and aerial bombardment by the Sudanese Government forces and its militia allies, and the provision of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That in the previous proviso, the term "assistance" includes non-lethal, non-food aid such as blankets, medicine, fuel, mobile clinics, water drilling equipment, communications equipment to notify civilians of aerial bombardment, non-military vehicles, tents, and shoes: Provided further, That of the funds appropriated under this heading, not less than \$2,500,000 shall be made available during fiscal year 2004 for a contribution to the Special Court for Sierra Leone: Provided further, That of the funds appropriated under this heading, not less than \$3,500,000 should be made available for East Asia and Pacific Environment Initiatives: Provided further, That of the funds appropriated under this heading, \$10,000,000 shall be made available to continue to support the provision of wheelchairs for needy persons in developing countries: Provided further, That of the funds appropriated under this heading, \$3,000,000 should be made available for the Foundation for Security and Sustainability: Provided further, That of the funds appropriated under this heading, not less than \$350,000 should be made available, notwithstanding any other provision of law, for the National Endowment for Democracy to support democracy and human rights in North Korea: Provided further, That of the funds appropriated under this heading, up to \$1,000,000 should be made available for a program to promote greater understanding and interaction among youth in Albania, Kosovo, Montenegro and Macedonia: Provided further, That of the funds made available under this heading and the heading "Office of Transition Initiatives", not less than \$5,000,000 shall be made available for disarmament, demobilization, and reintegration of child soldiers in Liberia: Provided further, That of the funds appropriated under this heading, up to \$15,000,000 should be made available as a United States contribution to the Organization of American States for expenses related to the OAS Special Mission in Haiti and the implementation of OAS Resolution 822 and subsequent resolutions related to improving security and the holding of elections to resolve the political impasse created by the disputed May 2000 election: Provided further, That with respect to funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, the responsibility for policy decisions and justifications for the use of such funds, including whether there will be a program for a country that uses those funds and the amount of each such program, shall be the responsibility of the Secretary of State and the Deputy Secretary of State and this responsibility shall not be delegated.

ACTIVITIES TO COMBAT HIV/AIDS GLOBALLY FUND

For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 for the prevention, treatment, and control of, and research on, HIV/AIDS, \$700,000,000, to remain available until expended: Provided, That of the funds appropriated under this heading, up to \$250,000,000 may be made available, notwithstanding any other provision of law, except for the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 7601 et seq.) as amended by section 699J of this Act, for a United States contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria: Provided further,

That such contribution shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That of the funds appropriated under this heading, \$150,000,000 is made available for the International Mother and Child HIV Prevention Initiative: Provided further, That funds made available for HIV/AIDS programs and activities under the headings "Child Survival and Health Programs Fund", "Economic Support Fund", "Assistance for Eastern Europe and the Baltic States" and "Assistance for the Independent States of the Former Soviet Union" in this Act may be transferred to and merged with funds appropriated under this heading: Provided further, That of the funds appropriated under this heading, \$20,000,000 may be apportioned directly to the Peace Corps to remain available until expended for necessary expenses to carry out activities to combat HIV/AIDS, tuberculosis and malaria: Provided further, That of the funds appropriated under this heading, funds shall be made available to the World Health Organization's HIV/AIDS, Tuberculosis and Malaria Cluster: Provided further, That of the funds appropriated under this heading, not more than \$8,000,000 may be made available for administrative expenses of the office of the "Coordinator of United States Government Activities to Combat HIV/AIDS Globally" of the Department of State: Provided further, That of the funds appropriated under this heading, not less than \$28,000,000 shall be made available for a United States contribution to UNAIDS: Provided further, That the Coordinator should seek to ensure that an appropriate percent of the budget for prevention and treatment programs of the Global Fund to Fight AIDS, Tuberculosis and Malaria is made available to support technical assistance to ensure the quality of such programs: Provided further, That of the funds appropriated under this heading, not less than \$29,000,000 shall be made available for injection safety programs, including national planning, the provision and international transport of nonreusable autodisposable syringes or other safe injection equipment, public education, training of health providers, waste management, and publication of quantitative results: Provided further, That of the funds appropriated under this heading, not less than \$46,000,000 shall be made available for blood safety programs, including the establishment and support of national blood services, the provision of rapid HIV test kits, staff training, and quality assurance programs.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, \$445,000,000, to remain available until September 30, 2005, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: Provided, That of the funds appropriated under this heading that are made available for assistance for Bulgaria, \$3,000,000 should be made available to enhance safety at nuclear power plants: Provided further, That of the funds appropriated under this heading, and under the headings "Assistance for the Independent States of the Former Soviet Union" and "Economic Support Fund", not less than \$50,000,000 shall be made available for programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, and malaria.

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

States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

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

(d) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the United States Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(e) The provisions of section 629 of this Act shall apply to funds made available under subsection (d) and to funds appropriated under this heading: Provided, That notwithstanding any provision of this or any other Act, including provisions in this subsection regarding the application of section 629 of this Act, local currencies generated by, or converted from, funds appropriated by this Act and by previous appropriations Acts and made available for the economic revitalization program in Bosnia may be used in Eastern Europe and the Baltic States to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989.

(f) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1-A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between state sponsors of terrorism and terrorist organizations and Bosnian officials has not been terminated.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapters 11 and 12 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, \$596,000,000, to remain available until September 30, 2005: Provided, That the provisions of such chapters shall apply to funds appropriated by this paragraph: Provided further, That of the funds made available for the Southern Caucasus region, notwithstanding any other provision of law, funds may be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: Provided further, That of the funds appropriated under this heading, \$20,000,000 shall be made available solely for assistance for the Russian Far East: Provided further, That \$5,000,000 shall be made available to promote freedom of the media and an independent media in Russia: Provided further, That not less than \$3,000,000 shall be made available for programs and activities authorized under section 307 of the FREEDOM Support Act (Public Law 102-511): Provided further, That of the funds appropriated under this heading, \$500,000 shall be made available to support democracy building programs in Russia through the Sakharov Archives: Provided further, That, notwithstanding

any other provision of law, funds appropriated under this heading in this Act or prior Acts making appropriations for foreign operations, export financing, and related programs, that are made available pursuant to the provisions of section 807 of Public Law 102-511 shall be subject to a 6 percent ceiling on administrative expenses.

(b) Of the funds appropriated under this heading that are made available for assistance for Ukraine, not less than \$20,000,000 shall be made available for nuclear reactor safety initiatives, of which \$14,000,000 should be for simulator-related projects; and not less than \$2,000,000 shall be made available for coal mine safety programs.

(c) Of the funds appropriated under this heading, \$75,000,000 should be made available for assistance for Georgia.

(d) Of the funds appropriated under this heading, not less than \$75,000,000 shall be made available for assistance for Armenia.

(e)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 60 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation:

(A) has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability; and

(B) is providing full access to international non-government organizations providing humanitarian relief to refugees and internally displaced persons in Chechnya.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases, child survival activities, or assistance for victims of trafficking in persons; and

(B) activities authorized under title V (Non-proliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(f) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104-201 or non-proliferation assistance;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

INDEPENDENT AGENCIES

INTER-AMERICAN FOUNDATION

For necessary expenses to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, \$16,334,000, to remain available until September 30, 2005.

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, \$18,689,000, to remain available until September 30, 2005: Provided, That funds made available to grantees may be invested pending expenditure for project purposes when authorized by the board of directors of the Foundation: Provided further, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board

of directors of the Foundation may waive the \$250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations after each time such waiver authority is exercised.

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$310,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 2005: Provided further, That during fiscal year 2004 and any subsequent fiscal year, the Director of the Peace Corps may make appointments or assignments, or extend current appointments or assignments, to permit United States citizens to serve for periods in excess of 5 years in the case of individuals whose appointment or assignment, such as regional safety security officers and employees within the Office of the Inspector General, involves the safety of Peace Corps volunteers: Provided further, That the Director of the Peace Corps may make such appointments or assignments notwithstanding the provisions of section 7 of the Peace Corps Act limiting the length of an appointment or assignment, the circumstances under which such an appointment or assignment may exceed 5 years, and the percentage of appointments or assignments that can be made in excess of 5 years.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, \$284,550,000, to remain available until expended: Provided, That during fiscal year 2004, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading, \$20,000,000 should be made available for anti-trafficking in persons programs, including trafficking prevention, protection and assistance for victims, and prosecution of traffickers: Provided further, That of the funds appropriated under this heading, \$7,105,000 should be made available for the International Law Enforcement Academy in Roswell, New Mexico, of which \$2,105,000 should be made available for construction and completion of a new facility: Provided further, That of the funds appropriated under this heading, not more than \$25,117,000 may be available for administrative expenses: Provided further, That \$5,000,000 of amounts made available under this heading shall be for combating piracy of United States intellectual property.

ANDEAN COUNTERDRUG INITIATIVE

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961 to support counterdrug activities in the Andean region of South America, \$660,000,000, to remain available until expended: Provided, That in addition to the funds appropriated under this heading and subject to the regular notification procedures of the Committees on Appropriations, the President may make available up to an additional \$37,000,000 for the Andean Counterdrug Initiative, which may be derived from funds appropriated under the heading "International Narcotics Control and Law Enforcement" in this Act and in prior Acts making appropriations for foreign operations, export financing, and related programs: Provided further, That in fiscal year 2004, funds available to the Depart-

ment of State for assistance to the Government of Colombia shall be available to support a unified campaign against narcotics trafficking, against activities by organizations designated as terrorist organizations such as the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), and the United Self-Defense Forces of Colombia (AUC), and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations: Provided further, That this authority shall cease to be effective if the Secretary of State has credible evidence that the Colombian Armed Forces are not conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations: Provided further, That the President shall ensure that if any helicopter procured with funds under this heading is used to aid or abet the operations of any illegal self-defense group or illegal security cooperative, such helicopter shall be immediately returned to the United States: Provided further, That the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall provide to the Committees on Appropriations not later than 45 days after the date of the enactment of this Act and prior to the initial obligation of funds appropriated under this heading, a report on the proposed uses of all funds under this heading on a country-by-country basis for each proposed program, project, or activity: Provided further, That of the funds appropriated under this heading, not less than \$250,000,000 shall be apportioned directly to the United States Agency for International Development, to be used for alternative development/institution building including judicial reform, of which not less than \$165,000,000 shall be made available for such purposes in Colombia: Provided further, That of the funds appropriated under this heading, not less than \$25,000,000 shall be made available for judicial reform in Colombia: Provided further, That of the funds appropriated under this heading, in addition to funds made available pursuant to the previous proviso, not less than \$2,500,000 shall be made available to protect human rights defenders in Colombia, not less than \$3,500,000 shall be made available for the United Nations Office of the High Commissioner for Human Rights in Colombia, not less than \$10,000,000 shall be made available for assistance for the Colombian Attorney General's Human Rights Unit, and not less than \$2,500,000 shall be made available for assistance for the human rights unit of the Colombian Procuraduria: Provided further, That not more than 20 percent of the funds appropriated by this Act that are used for the procurement of chemicals for aerial coca and poppy fumigation programs may be made available for such programs unless the Secretary of State, after consultation with the Administrator of the Environmental Protection Agency (EPA), certifies to the Committees on Appropriations that: (1) the herbicide mixture is being used in accordance with EPA label requirements for comparable use in the United States and any additional controls recommended by the EPA for this program, and with the Colombian Environmental Management Plan for aerial fumigation; and (2) the herbicide mixture, in the manner it is being used, does not pose unreasonable risks or adverse effects to humans or the environment: Provided further, That such funds may not be made available unless the Secretary of State certifies to the Committees on Appropriations that complaints of harm to health or licit crops caused by such fumigation are evaluated and fair compensation is being paid for meritorious claims: Provided further, That such funds may not be made available for such purposes unless programs are being implemented by the United States Agency for International Development, the Government

of Colombia, or other organizations, in consultation with local communities, to provide alternative sources of income in areas where security permits for small-acreage growers whose illicit crops are targeted for fumigation: Provided further, That of the funds appropriated under this heading, not less than \$2,500,000 shall be made available for continued training, equipment, and other assistance for the Colombian National Park Service: Provided further, That none of the funds appropriated by this Act shall be made available for aerial fumigation within Colombia's national parks: Provided further, That section 482(b) of the Foreign Assistance Act of 1961 shall not apply to funds appropriated under this heading: Provided further, That assistance provided with funds appropriated under this heading that is made available notwithstanding section 482(b) of the Foreign Assistance Act of 1961, as amended, and funds appropriated by this Act that are made available for Colombia, shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the provisions of section 3204(b) through (d) of Public Law 106-246, as amended by Public Law 107-115, shall be applicable to funds appropriated for fiscal year 2004: Provided further, That no United States Armed Forces personnel or United States civilian contractor employed by the United States will participate in any combat operation in connection with assistance made available by this Act for Colombia: Provided further, That funds appropriated under this heading that are available for the Bolivian military and police may be made available if the Secretary of State determines and reports to the Committees on Appropriations that (1) the Bolivian Government is vigorously investigating and prosecuting members of the Bolivian military and police who have been credibly alleged to have committed gross violations of human rights and is promptly punishing those found to have committed such violations; and (2) the Bolivian military and police are cooperating with such investigations and prosecutions: Provided further, That of the funds appropriated under this heading, not more than \$16,285,000 may be available for administrative expenses of the Department of State, and not more than \$4,500,000 may be available, in addition to amounts otherwise available for such purposes, for administrative expenses of the United States Agency for International Development.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, \$760,197,000, which shall remain available until expended: Provided, That not more than \$21,000,000 may be available for administrative expenses: Provided further, That not less than \$50,000,000 of the funds made available under this heading shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel: Provided further, That funds appropriated under this heading may be made available for a headquarters contribution to the International Committee of the Red Cross only if the Secretary of State determines (and so reports to the appropriate committees of Congress) that the Magen David Adom Society of Israel is not being denied participation in the activities of the International Red Cross and Red Crescent Move-

ment: Provided further, That funds made available under this heading should be made available to international organizations for assistance for refugees from North Korea: Provided further, That funds made available under this heading should be made available for assistance for persons in Thailand who fled Burma for humanitarian or other reasons: Provided further, That none of the funds appropriated by this Act shall be provided to the central Government of Nepal until the Secretary of State determines and reports to the Committees on Appropriations that the Government of Nepal is cooperating with the United Nations High Commissioner for Refugees and other appropriate international organizations on issues concerning the protection of refugees from Tibet.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)), \$40,000,000, to remain available until expended: Provided, That funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of such Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism, demining and related programs and activities, \$385,200,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, chapter 9 of part II of the Foreign Assistance Act of 1961, section 504 of the FREEDOM Support Act, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, the destruction of small arms, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, and section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided, That of this amount not to exceed \$35,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That of the funds appropriated under this heading, \$19,300,000 shall be made available for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided further, That notwithstanding the previous proviso, funds earmarked in the previous proviso that are not made available during fiscal year 2004 for a contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission and that are not necessary to make the United States contribution to the Commission in the amount assessed for fiscal year 2004 shall be made available for a voluntary contribution to the International Atomic Energy Agency and shall remain available until September 30, 2005: Provided further, That of the funds made available for demining and related activities, not to exceed \$690,000, in addi-

tion to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program: Provided further, That the Secretary of State is authorized to provide not to exceed \$250,000 for public-private partnerships for mine action by grant, cooperative agreement, or contract.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), \$12,000,000, to remain available until September 30, 2006, which shall be available notwithstanding any other provision of law.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961, and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461), and of canceling amounts owed, as a result of loans or guarantees made pursuant to the Export-Import Bank Act of 1945, by countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113, \$195,000,000, to remain available until expended: Provided, That not less than \$20,000,000 of the funds appropriated under this heading shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: Provided further, That \$75,000,000 of the funds appropriated under this heading may be used by the Secretary of the Treasury to pay to the Heavily Indebted Poor Countries (HIPC) Trust Fund administered by the International Bank for Reconstruction and Development amounts for the benefit of countries that are eligible for debt reduction pursuant to title V of H.R. 3425 as enacted into law by section 1000(a)(5) of Public Law 106-113: Provided further, That amounts paid to the HIPC Trust Fund may be used only to fund debt reduction under the enhanced HIPC initiative by—

- (1) the Inter-American Development Bank;
- (2) the African Development Fund;
- (3) the African Development Bank; and
- (4) the Central American Bank for Economic Integration:

Provided further, That funds may not be paid to the HIPC Trust Fund for the benefit of any country if the Secretary of State has credible evidence that the government of such country is engaged in a consistent pattern of gross violations of internationally recognized human rights or in military or civil conflict that undermines its ability to develop and implement measures to alleviate poverty and to devote adequate human and financial resources to that end: Provided further, That on the basis of final appropriations, the Secretary of the Treasury shall consult with the Committees on Appropriations concerning which countries and international financial institutions are expected to benefit from a United States contribution to the HIPC Trust Fund during the fiscal year: Provided further, That the Secretary of the Treasury shall inform the Committees on Appropriations not less than 15 days in advance of the signature of an agreement by the United States to make payments to

the HIPC Trust Fund of amounts for such countries and institutions: Provided further, That the Secretary of the Treasury may disburse funds designated for debt reduction through the HIPC Trust Fund only for the benefit of countries that—

(1) have committed, for a period of 24 months, not to accept new market-rate loans from the international financial institution receiving debt repayment as a result of such disbursement, other than loans made by such institutions to export-oriented commercial projects that generate foreign exchange which are generally referred to as “enclave” loans; and

(2) have documented and demonstrated their commitment to redirect their budgetary resources from international debt repayments to programs to alleviate poverty and promote economic growth that are additional to or expand upon those previously available for such purposes:

Provided further, That any limitation of subsection (e) of section 411 of the Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated under this heading: Provided further, That none of the funds made available under this heading in this or any other appropriations Act shall be made available for Sudan or Burma unless the Secretary of the Treasury determines and notifies the Committees on Appropriations that a democratically elected government has taken office.

TITLE III—MILLENNIUM CHALLENGE ASSISTANCE

SEC. 301. SHORT TITLE. This title may be cited as the “Millennium Challenge Act of 2003”.

SEC. 302. FINDINGS AND PURPOSES. (a) FINDINGS.—Congress makes the following findings:

(1) On March 14, 2002, President George W. Bush stated that “America supports the international development goals in the U.N. Millennium Declaration, and believes that the goals are a shared responsibility of developed and developing countries.” The President also called for a “new compact for global development, defined by new accountability for both rich and poor nations” and pledged support for increased assistance from the United States through the establishment of a Millennium Challenge Account for countries that govern justly, invest in their own people, and encourage economic freedom.

(2) The elimination of extreme poverty and the achievement of the other international development goals of the United Nations Millennium Declaration adopted by the United Nations General Assembly on September 8, 2000, are important objectives and it is appropriate for the United States to make development assistance available in a manner that will assist in achieving such goals.

(3) The availability of financial assistance through a Millennium Challenge Account, linked to performance by developing countries, can contribute significantly to the achievement of the international development goals of the United Nations Millennium Declaration.

(b) PURPOSES.—The purposes of this title are—

(1) to provide United States assistance for global development through the Millennium Challenge Corporation, as described in section 305; and

(2) to provide such assistance in a manner that promotes economic growth and the elimination of extreme poverty and strengthens good governance, economic freedom, and investments in people.

SEC. 303. DEFINITIONS. In this title:

(1) BOARD.—The term “Board” means the Millennium Challenge Board established by section 304(c).

(2) CANDIDATE COUNTRY.—The term “candidate country” means a country that meets the criteria set out in section 306.

(3) CEO.—The term “CEO” means the chief executive officer of the Corporation established by section 304(b).

(4) CORPORATION.—The term “Corporation” means the Millennium Challenge Corporation established by section 304(a).

(5) ELIGIBLE COUNTRY.—The term “eligible country” means a candidate country that is determined, under section 307, as being eligible to receive assistance under this title.

(6) MILLENNIUM CHALLENGE ACCOUNT.—The term “Millennium Challenge Account” means the account established under section 322.

SEC. 304. ESTABLISHMENT AND MANAGEMENT OF THE MILLENNIUM CHALLENGE CORPORATION. (a) ESTABLISHMENT OF THE CORPORATION.—There is established in the executive branch a corporation within the meaning of section 103 of title 5, United States Code, to be known as the Millennium Challenge Corporation with the powers and authorities described in this title.

(b) CEO OF THE CORPORATION.—

(1) IN GENERAL.—There shall be a chief executive officer of the Corporation who shall be responsible for the management of the Corporation.

(2) APPOINTMENT.—The President shall appoint, by and with the advice and consent of the Senate, the CEO.

(3) RELATIONSHIP TO THE SECRETARY OF STATE.—The CEO shall report to and be under the direct authority and foreign policy guidance of the Secretary of State. The Secretary of State shall coordinate the provision of United States foreign assistance.

(4) DUTIES.—The CEO shall, in consultation with the Board, direct the performance of all functions and the exercise of all powers of the Corporation, including ensuring that assistance under this title is coordinated with other United States economic assistance programs.

(5) EXECUTIVE LEVEL II.—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

“Chief Executive Officer, Millennium Challenge Corporation.”.

(c) MILLENNIUM CHALLENGE BOARD.—

(1) ESTABLISHMENT OF THE BOARD.—There is established a Millennium Challenge Board.

(2) COMPOSITION.—The Board shall be composed of the following members:

(A) The Secretary of State, who shall serve as the Chair of the Board.

(B) The Secretary of the Treasury.

(C) The Administrator of the United States Agency for International Development.

(D) The CEO.

(E) The United States Trade Representative.

(2) FUNCTIONS OF THE BOARD.—The Board shall perform the functions specified to be carried out by the Board in this title.

SEC. 305. AUTHORIZATION FOR MILLENNIUM CHALLENGE ASSISTANCE. (a) AUTHORITY.—The Corporation is authorized to provide assistance to an eligible entity consistent with the purposes of this title set out in section 302(b) to conduct programs or projects consistent with the objectives of a Millennium Challenge Contract. Assistance provided under this title may be provided notwithstanding any other provision of law, except that the Corporation is prohibited from providing assistance to any entity for any project which is likely to—

(1) cause the substantial loss of United States jobs or the displacement of United States production; or

(2) pose an unreasonable or major environmental, health, or safety hazard.

(b) EXCEPTION.—Assistance under this title may not be used for military assistance or training.

(c) FORM OF ASSISTANCE.—Assistance under this title may be provided in the form of grants to eligible entities.

(d) COORDINATION.—The provision of assistance under this title shall be coordinated with other United States foreign assistance programs.

(e) APPLICATIONS.—An eligible entity seeking assistance under this title to conduct programs or projects consistent with the objectives of a Millennium Challenge Contract shall submit a

proposal for the use of such assistance to the Board in such manner and accompanied by such information as the Board may reasonably require.

SEC. 306. CANDIDATE COUNTRY. (a) IN GENERAL.—A country is a candidate country for the purposes of this title—

(1) during fiscal year 2004, if such country is eligible to receive loans from the International Development Association;

(2) during fiscal year 2005, if the per capita income of such country is less than the historical per capita income cutoff of the International Development Association for that year; and

(3) during any fiscal year after 2005—

(A) for which more than \$5,000,000,000 has been appropriated to the Millennium Challenge Account, if the country is classified as a lower middle income country by the World Bank on the first day of such fiscal year; or

(B) for which not more than \$5,000,000,000 has been appropriated to such Millennium Challenge Account, the per capita income of such country is less than the historical per capita income cutoff of the International Development Association for that year.

(b) LIMITATION ON ASSISTANCE TO CERTAIN CANDIDATE COUNTRIES.—In a fiscal year in which subparagraph (A) of subsection (a)(3) applies with respect to determining candidate countries, not more than 20 percent of the amounts appropriated to the Millennium Challenge Account shall be available for assistance to countries that would not be candidate countries if subparagraph (B) of subsection (a)(3) applied during such year.

SEC. 307. ELIGIBLE COUNTRY. (a) DETERMINATION BY THE BOARD.—The Board shall determine whether a candidate country is an eligible country by evaluating the demonstrated commitment of the government of the candidate country to—

(1) just and democratic governance, including a demonstrated commitment to—

(A) promote political pluralism and the rule of law;

(B) respect human and civil rights;

(C) protect private property rights;

(D) encourage transparency and accountability of government; and

(E) limit corruption;

(2) economic freedom, including a demonstrated commitment to economic policies that—

(A) encourage citizens and firms to participate in global trade and international capital markets;

(B) promote private sector growth and the sustainable use of natural resources; and

(C) strengthen market forces in the economy; and

(3) investments in the people of such country, including improving the availability of educational opportunities and health care for all citizens of such country.

(b) ASSESSING ELIGIBILITY.—

(1) IN GENERAL.—To evaluate the demonstrated commitment of a candidate country for the purposes of subsection (a), the CEO shall recommend objective and quantifiable indicators, to be approved by the Board, of a candidate country’s performance with respect to the criteria described in paragraphs (1), (2), and (3) of such subsection. In recognition of the essential role of women in developing countries, the CEO shall ensure that such indicators, where appropriate, take into account and assess the role of women and girls. The approved indicators shall be used in selecting eligible countries.

(2) ANNUAL PUBLICATION OF INDICATORS.—

(A) INITIAL PUBLICATION.—Not later than 45 days prior to the final publication of indicators under subparagraph (B) in any year, the Board shall publish in the Federal Register and make available on the Internet the indicators that the Board proposes to use for the purposes of paragraph (1) in such year.

(B) FINAL PUBLICATION.—Not later than 15 days prior to the selection of eligible countries

in any year, the Board shall publish in the Federal Register and make available on the Internet the indicators that are to be used for the purposes of paragraph (1) in such year.

(3) **CONSIDERATION OF PUBLIC COMMENT.**—The Board shall consider any comments on the proposed indicators published under paragraph (2)(A) that are received within 30 days after the publication of such indicators when selecting the indicators to be used for the purposes of paragraph (1).

SEC. 308. ELIGIBLE ENTITY. (a) **ASSISTANCE.**—Any eligible entity may receive assistance under this title to carry out a project in an eligible country for the purpose of making progress toward achieving an objective of a Millennium Challenge Contract.

(b) **DETERMINATIONS OF ELIGIBILITY.**—The Board shall determine whether a person or governmental entity is an eligible entity for the purposes of this section.

(c) **ELIGIBLE ENTITIES.**—For the purposes of this section, an eligible entity is—

(1) a government, including a local or regional government; or

(2) a nongovernmental organization or other private entity.

SEC. 309. MILLENNIUM CHALLENGE CONTRACT. (a) **IN GENERAL.**—The Board shall invite the government of an eligible country to enter into a Millennium Challenge Contract with the Corporation. A Millennium Challenge Contract shall establish a multiyear plan for the eligible country to achieve specific objectives consistent with the purposes set out in section 302(b).

(b) **CONTENT.**—A Millennium Challenge Contract shall include—

(1) specific objectives to be achieved by the eligible country during the term of the Contract;

(2) a description of the actions to be taken by the government of the eligible country and the United States Government for achieving such objectives;

(3) the role and contribution of private entities, nongovernmental organizations, and other organizations in achieving such objectives;

(4) a description of beneficiaries, to the extent possible disaggregated by gender;

(5) regular benchmarks for measuring progress toward achieving such objectives;

(6) a schedule for achieving such objectives;

(7) a schedule of evaluations to be performed to determine whether the country is meeting its commitments under the Contract;

(8) a statement that the Corporation intends to consider the eligible country's performance in achieving such objectives in making decisions about providing continued assistance under the Contract;

(9) the strategy of the eligible country to sustain progress made toward achieving such objectives after the expiration of the Contract;

(10) a plan to ensure financial accountability for any assistance provided to a person or government in the eligible country under this title; and

(11) a statement that nothing in the Contract may be construed to create a legally binding or enforceable obligation on the United States Government or on the Corporation.

(c) **REQUIREMENT FOR CONSULTATION.**—The Corporation shall seek to ensure that the government of an eligible country consults with private entities and nongovernmental organizations in the eligible country for the purpose of ensuring that the terms of a Millennium Challenge Contract entered into by the Corporation and the eligible country—

(1) reflect the needs of the rural and urban poor in the eligible country; and

(2) provide means to assist poor men and women in the eligible country to escape poverty through their own efforts.

(d) **REQUIREMENT FOR APPROVAL BY THE BOARD.**—A Millennium Challenge Contract shall be approved by the Board before the Corporation enters into the Contract.

SEC. 310. SUSPENSION OF ASSISTANCE TO AN ELIGIBLE COUNTRY. The Secretary of State shall

direct the CEO to suspend the provision of assistance to an eligible country under a Millennium Challenge Contract during any period for which such eligible country is ineligible to receive assistance under a provision of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.).

SEC. 311. DISCLOSURE. (a) **REQUIREMENT FOR DISCLOSURE.**—The Corporation shall make available to the public on a continuous basis and on the earliest possible date, but not later than 15 days after the information is available to the Corporation, the following information:

(1) A list of the candidate countries determined to be eligible countries during any year.

(2) The text of each Millennium Challenge Contract entered into by the Corporation.

(3) For assistance provided under this title—

(A) the name of each entity to which assistance is provided;

(B) the amount of assistance provided to the entity; and

(C) a description of the program or project for which assistance was provided.

(4) For each eligible country, an assessment of—

(A) the progress made during each year by an eligible country toward achieving the objectives set out in the Millennium Challenge Contract entered into by the eligible country; and

(B) the extent to which assistance provided under this title has been effective in helping the eligible country to achieve such objectives.

(b) **DISSEMINATION.**—The information required to be disclosed under subsection (a) shall be made available to the public by means of publication in the Federal Register and posting on the Internet, as well as by any other methods that the Board determines appropriate.

SEC. 312. MILLENNIUM CHALLENGE ASSISTANCE TO CANDIDATE COUNTRIES. (a) **AUTHORITY.**—Notwithstanding any other provision of this title and subject to the limitation in subsection (c), the Corporation is authorized to provide assistance to a candidate country that meets the conditions in subsection (b) for the purpose of assisting such country to become an eligible country.

(b) **CONDITIONS.**—Assistance under subsection (a) may be provided to a candidate country that is not an eligible country under section 307 because of—

(1) the unreliability of data used to assess its eligibility under section 307; or

(2) the failure of the government of the candidate country to perform adequately with respect to only 1 of the indicators described in subsection (a) of section 307.

(c) **LIMITATION.**—The total amount of assistance provided under subsection (a) in a fiscal year may not exceed 10 percent of the funds made available to the Millennium Challenge Account during such fiscal year.

SEC. 313. ANNUAL REPORT TO CONGRESS. Not later than January 31 of each year, the President shall submit to Congress a report on the assistance provided under this title during the prior fiscal year. The report shall include—

(1) information regarding obligations and expenditures for assistance provided to each eligible country in the prior fiscal year;

(2) a discussion, for each eligible country, of the objectives of such assistance;

(3) a description of the coordination of assistance under this title with other United States foreign assistance and related trade policies;

(4) a description of the coordination of assistance under this title with the contributions of other donors; and

(5) any other information the President considers relevant to assistance provided under this title.

SEC. 314. POWERS OF THE CORPORATION. (a) **POWERS.**—The Corporation—

(1) shall have perpetual succession unless dissolved by an Act of Congress;

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

(3) may prescribe, amend, and repeal such rules, regulations, and procedures as may be necessary for carrying out the functions of the Corporation;

(4) may make and perform such contracts, grants, and other agreements with any person or government however designated and wherever situated, as may be necessary for carrying out the functions of the Corporation;

(5) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation;

(6) may lease, purchase, or otherwise acquire, improve, and use such real property wherever situated, as may be necessary for carrying out the functions of the Corporation;

(7) may accept cash gifts or donations of services or of property (real, personal, or mixed), tangible or intangible, for the purpose of carrying out the provisions of this title;

(8) may use the United States mails in the same manner and on the same conditions as the executive departments of Government;

(9) may contract with individuals for personal services, who shall not be considered Federal employees for any provision of law administered by the Office of Personnel Management;

(10) may hire or obtain passenger motor vehicles; and

(11) shall have such other powers as may be necessary and incident to carrying out this title.

(b) **CONTRACTING AUTHORITY.**—The functions and powers authorized by this title may be performed without regard to any provision of law regulating the making, performance, amendment, or modification of contracts, grants, and other agreements.

SEC. 315. COORDINATION WITH USAID. (a) **REQUIREMENT FOR COORDINATION.**—An employee of the Corporation assigned to a United States diplomatic mission or consular post or a United States Agency for International Development field mission in a foreign country shall, in a manner that is consistent with the authority of the Chief of Mission, coordinate the performance of the functions of the Corporation in such country with the officer in charge of the United States Agency of International Development programs located in such country.

(b) **USAID PROGRAMS.**—The Administrator of the United States Agency for International Development shall seek to ensure that appropriate programs of the Agency play a primary role in preparing candidate countries to become eligible countries under section 307.

SEC. 316. PRINCIPAL OFFICE. The Corporation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

SEC. 317. PERSONNEL AUTHORITIES. (a) **REQUIREMENT TO PRESCRIBE A HUMAN RESOURCES MANAGEMENT SYSTEM.**—The CEO shall, jointly with the Director of the Office of Personnel Management, prescribe regulations that establish a human resources management system, including a retirement benefits program, for the Corporation.

(b) **RELATIONSHIP TO OTHER LAWS.**—

(1) **INAPPLICABILITY OF CERTAIN LAWS.**—Except as provided in paragraph (2), the provisions of title 5, United States Code, and of the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.) shall not apply to the human resource management program established pursuant to paragraph (1).

(2) **APPLICATION OF CERTAIN LAWS.**—The human resources management system established pursuant to subsection (a) may not waive, modify, or otherwise affect the application to employees of the Corporation of the following provisions:

(A) Section 2301 of title 5, United States Code.

(B) Section 2302(b) of such title.

(C) Chapter 63 of such title (relating to leave).

(D) Chapter 72 of such title (relating to anti-discrimination).

(E) Chapter 73 of such title (relating to suitability, security, and conduct).

(F) Chapter 81 of such title (relating to compensation for work injuries).

(G) Chapter 85 of such title (relating to unemployment compensation).

(H) Chapter 87 of such title (relating to life insurance).

(I) Chapter 89 of such title (relating to health insurance).

(J) Chapter 90 of such title (relating to long-term care insurance).

(3) RELATIONSHIP TO RETIREMENT BENEFITS LAWS.—The retirement benefits program referred to in subsection (a) shall permit the employees of the Corporation to be eligible, unless the CEO determines otherwise, for benefits under—

(A) subchapter III of chapter 83 and chapter 84 of title 5, United States Code (relating to retirement benefits); or

(B) chapter 8 of title 1 of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.) (relating to the Foreign Service Retirement and Disability System).

(c) APPOINTMENT AND TERMINATION.—Except as otherwise provided in this section, the CEO may, without regard to any civil service or Foreign Service law or regulation, appoint and terminate employees as may be necessary to enable the Corporation to perform its duties.

(d) COMPENSATION.—

(1) AUTHORITY TO FIX COMPENSATION.—Subject to the provisions of paragraph (2), the CEO may fix the compensation of employees of the Corporation.

(2) LIMITATIONS ON COMPENSATION.—The compensation for an employee of the Corporation may not exceed the lesser of—

(A) the rate of compensation established under title 5, United States Code, or any Foreign Service law for an employee of the Federal Government who holds a position that is comparable to the position held by the employee of the Corporation; or

(B) the rate of pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(e) TERM OF EMPLOYMENT.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no individual may be employed by the Corporation for a total period of employment that exceeds 5 years.

(2) EXCEPTED POSITIONS.—The CEO, and not more than 3 other employees of the Corporation who are designated by the CEO, may be employed by the Corporation for an unlimited period of employment.

(3) WAIVER.—The CEO may waive the maximum term of employment described in paragraph (1) if the CEO determines that such waiver is essential to the achievement of the purposes of this title.

(f) AUTHORITY FOR TEMPORARY EMPLOYEES.—The CEO may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(g) DETAIL OF FEDERAL EMPLOYEES TO THE CORPORATION.—Any Federal Government employee may be detailed to the Corporation on a fully or partially reimbursable or on a nonreimbursable basis, and such detail shall be without interruption or loss of civil service or Foreign Service status or privilege.

(h) REINSTATEMENT.—An employee of the Federal Government serving under a career or career conditional appointment, or the equivalent, in a Federal agency who transfers to or converts to an appointment in the Corporation with the consent of the head of the agency is entitled to be returned to the employee's former position or a position of like seniority, status, and pay without grade or pay reduction in the agency if the employee—

(1) is being separated from the Corporation for reasons other than misconduct, neglect of duty, or malfeasance; and

(2) applies for return to the agency not later than 30 days before the date of the termination of the employment in the Corporation.

SEC. 318. PERSONNEL OUTSIDE THE UNITED STATES. (a) 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 a United States Agency for International Development field mission.

(b) 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.

(c) 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.

SEC. 319. USE OF SERVICES OF OTHER AGENCIES. The Corporation may utilize the information services, facilities and personnel of, or procure commodities from, any agency of the United States Government on a fully or partially reimbursable or nonreimbursable basis under such terms and conditions as may be agreed to by the head of such agency and the Corporation for carrying out this title.

SEC. 320. ADMINISTRATIVE AUTHORITIES. The Corporation is authorized to use any of the administrative authorities contained in the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a et seq.) and the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) unless such authority is inconsistent with a provision of this title.

SEC. 321. APPLICABILITY OF CHAPTER 91 OF TITLE 31, UNITED STATES CODE. The Corporation shall be subject to chapter 91 of title 31, United States Code.

SEC. 322. ESTABLISHMENT OF THE MILLENNIUM CHALLENGE ACCOUNT. There is established on the books of the Treasury an account to be known as the Millennium Challenge Account that shall be administered by the CEO under the direction of the Board. All amounts made available to carry out the provisions of this title shall be deposited into such Account and such amounts shall be available to carry out such provisions.

SEC. 323. AUTHORIZATION OF APPROPRIATIONS. (a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of this title \$1,000,000,000 for fiscal year 2004, \$2,300,000,000 for fiscal year 2005, and \$5,000,000,000 for fiscal year 2006.

(b) AVAILABILITY.—Funds appropriated under subsection (a)—

(1) are authorized to remain available until expended, subject to appropriations acts; and

(2) are in addition to funds otherwise available for such purposes.

(c) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Corporation may allocate or transfer to any agency of the United States Government any of the funds available for carrying out this title. 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) NOTIFICATION.—The notification requirements of section 634A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1(a)) shall apply to any allocation or transfer of funds made pursuant to paragraph (1).

SEC. 324. APPROPRIATIONS. (a) IN GENERAL.—There is hereby appropriated \$1,000,000,000 for fiscal year 2004, to remain available until expended, to carry out the provisions of this title to provide assistance for countries that have demonstrated commitment to—

(1) just and democratic governance;

(2) economic freedom; and

(3) investing in the well-being of their own people.

(b) NOTIFICATION.—Funds appropriated under this title shall be available for obligation only pursuant to the regular notification procedures of the Committees on Appropriations.

TITLE IV—MILITARY ASSISTANCE
FUNDS APPROPRIATED TO THE PRESIDENT
INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, \$91,700,000, of which up to \$3,000,000 may remain available until expended: Provided, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: Provided further, That funds appropriated under this heading for military education and training for Guatemala may only be available for expanded international military education and training, and funds made available for Algeria, Cambodia, Nigeria and Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations.

FOREIGN MILITARY FINANCING PROGRAM
(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, \$4,384,000,000: Provided, That of the funds appropriated under this heading, not less than \$2,160,000,000 shall be available for grants only for Israel, and not less than \$1,300,000,000 shall be made available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than \$568,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That of the funds appropriated by this paragraph, \$206,000,000 shall be made available for assistance for Jordan: Provided further, That of the funds appropriated by this paragraph, \$27,000,000 shall be made available for assistance for Poland: Provided further, That of the funds appropriated by this paragraph, \$2,500,000 shall be made available for assistance for Armenia: Provided further, That of the funds appropriated by this paragraph, \$15,000,000 shall be transferred to and merged with funds appropriated under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs", and made available, in addition to amounts otherwise available for such purposes, as follows: \$10,000,000, to remain available until expended, shall be made available to carry out the provisions of section 504 of the FREEDOM Support

Act for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament; \$2,000,000 shall be made available to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for the Small Arms/Light Weapons Destruction program; and \$3,000,000 shall be made available as an additional contribution to the International Atomic Energy Agency: Provided further, That of the funds appropriated by this paragraph, not less than \$17,000,000 shall be transferred to and merged with funds appropriated under the heading "Andean Counterdrug Initiative" and made available for aircraft and related assistance for the Colombian National Police: Provided further, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 615 of this Act: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Sudan, Guatemala and Liberia: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: Provided further, That the authority contained in the previous proviso or any other provision of law relating to the use of funds for programs under this heading, including provisions contained in previously enacted appropriations Acts, shall not apply to activities relating to the clearance of unexploded ordnance resulting from United States Armed Forces testing or training exercises: Provided further, That the previous proviso shall not apply to San Jose Island, Republic of Panama: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That not more than \$40,500,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than \$361,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2004 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Commit-

tees on Appropriations: Provided further, That foreign military financing program funds estimated to be outlaid for Egypt during fiscal year 2004 shall be transferred to an interest bearing account for Egypt in the Federal Reserve Bank of New York within 30 days of enactment of this Act.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, \$84,900,000: Provided, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE V—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, \$170,997,000 to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL

DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, \$976,825,000, to remain available until expended.

CONTRIBUTION TO THE MULTILATERAL

INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, \$1,124,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL

SUBSCRIPTIONS

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$16,340,000.

CONTRIBUTION TO THE INTER-AMERICAN

INVESTMENT CORPORATION

For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, \$898,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE ENTERPRISE FOR THE

AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the fund, \$30,614,000, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended, \$136,921,000, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT

BANK

For payment to the African Development Bank by the Secretary of the Treasury, \$5,105,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL

SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed \$79,610,000.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in re-

sources of the African Development Fund, \$118,081,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR

RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, \$35,431,000, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL

SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$122,085,000.

CONTRIBUTION TO THE INTERNATIONAL FUND FOR

AGRICULTURAL DEVELOPMENT

For the United States contribution by the Secretary of the Treasury to increase the resources of the International Fund for Agricultural Development, \$15,004,000, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, \$322,550,000: Provided, That of the funds appropriated under this heading, \$120,000,000 shall be made available for a contribution to the United Nations Children's Fund, \$11,428,500 shall be made available for a contribution to the United Nations Environment Program, \$5,465,875 shall be made available for the United Nations Voluntary Fund for Victims of Torture, \$3,621,250 shall be made available for the Organization of American States Fund for Strengthening Democracy, \$1,937,975 shall be made available for International Contributions for Scientific, Educational and Cultural Activities, \$1,000,000 shall be made available for the United Nations Center for Human Settlements, \$1,500,000 shall be made available for the United Nations Fund for Human Rights, \$6,732,750 shall be made available for International Conservation Programs, and \$5,600,000 shall be made available for the Intergovernmental Panel on Climate Change/United Nations Framework Convention on Climate Change: Provided further, That none of the funds appropriated under this heading may be made available to the International Atomic Energy Agency (IAEA).

TITLE VI—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF

AVAILABILITY

SEC. 601. Except for the appropriations entitled "International Disaster Assistance" and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

PRIVATE AND VOLUNTARY ORGANIZATIONS

SEC. 602. (a) None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: Provided, That the Administrator of the United States Agency for International Development, after informing the Committees on Appropriations, may, on a case-by-case basis, waive the restriction contained in this subsection, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

(b) Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995.

LIMITATION ON RESIDENCE EXPENSES

SEC. 603. Of the funds appropriated or made available pursuant to this Act, not to exceed \$100,500 shall be for official residence expenses of the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 604. Of the funds appropriated or made available pursuant to this Act, not to exceed \$5,000 shall be for entertainment expenses of the United States Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 605. Of the funds appropriated or made available pursuant to this Act, not to exceed \$125,000 shall be available for representation allowances for the United States Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed \$2,000 shall be available for entertainment expenses and not to exceed \$125,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed \$50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of \$4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed \$2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 606. None of the funds appropriated or made available (other than funds for "Non-proliferation, Anti-terrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 607. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Libya, North Korea, Iran, Sudan, or Syria: Provided, That, for the purposes of section 501 of Public Law 106-570, the terms "areas outside of control of the Government of Sudan" and "area in Sudan outside of control of the Government of Sudan" shall, upon conclusion of a peace agreement between the Government of Sudan and the Sudan People's Liberation Movement, have the same meaning and application as was the case immediately prior to the conclusion of such agreement: Provided further, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 608. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to the government of any country whose duly elected head of government is deposed by decree or military coup: Provided, That assistance may be resumed to such government if the President determines and certifies to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office: Provided further, That the provisions of this section shall not apply to assistance to promote democratic elections or public participation in democratic processes: Provided further, That funds made available pursuant to the previous provisos shall be subject to the regular notification procedures of the Committees on Appropriations.

TRANSFERS

SEC. 609. (a) TRANSFERS BETWEEN ACCOUNTS.—None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, not less than five days prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

(b) AUDIT OF INTER-AGENCY TRANSFERS.—Any agreement for the transfer or allocation of funds appropriated by this Act, or prior Acts, entered into between the United States Agency for International Development and another agency of the United States Government under the authority of section 632(a) of the Foreign Assistance Act of 1961 or any comparable provision of law, shall expressly provide that the Office of the Inspector General for the agency receiving the transfer or allocation of such funds shall perform periodic program and financial audits of the use of such funds: Provided, That funds transferred under such authority may be made available for the cost of such audits.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 610. Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this section may not be used in fiscal year 2004.

AVAILABILITY OF FUNDS

SEC. 611. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, 11, and 12 of part I, section 667, chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, section 23 of the Arms Export Control Act, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available for an additional four years from the date on which the availability of such funds would otherwise have expired, if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 612. No part of any appropriation contained in this Act shall be used to furnish assistance to the government of any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to the government of such country by the United States pursuant to a program for which funds are appropriated under this Act unless the President determines, following consultations with the Committees on Appropriations, that assistance to such country is in the national interest of the United States.

COMMERCE AND TRADE

SEC. 613. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

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

- (1) activities designed to increase food security in developing countries where such activities will not have a significant impact on the export of agricultural commodities of the United States; or
- (2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 614. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 615. For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for "Child Survival and Health Programs Fund", "Development Assistance",

“International Organizations and Programs”, “Trade and Development Agency”, “International Narcotics Control and Law Enforcement”, “Andean Counterdrug Initiative”, “Assistance for Eastern Europe and the Baltic States”, “Assistance for the Independent States of the Former Soviet Union”, “Economic Support Fund”, “Peacekeeping Operations”, “Capital Investment Fund”, “Operating Expenses of the United States Agency for International Development”, “Operating Expenses of the United States Agency for International Development Office of Inspector General”, “Non-proliferation, Anti-terrorism, Demining and Related Programs”, “Foreign Military Financing Program”, “International Military Education and Training”, “Peace Corps”, and “Migration and Refugee Assistance”, shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Committees on Appropriations for obligation under any of these specific headings unless the Committees on Appropriations of both Houses of Congress are previously notified 15 days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 616. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2005.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 617. (a) None of the funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” shall be made available for assistance for a government of an Independent State of the former Soviet Union—

(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures. Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization, demining or non-proliferation programs.

(d) Funds appropriated under the heading “Assistance for the Independent States of the Former Soviet Union” for the Russian Federation, Armenia, Georgia, and Ukraine shall be subject to the regular notification procedures of the Committees on Appropriations.

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

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

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the heading “Assistance for the Independent States of the Former Soviet Union” and under comparable headings in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 618. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the For-

ign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 619. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2004, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 620. None of the funds appropriated by this Act shall be obligated or expended for Colombia, Liberia, Serbia, Sudan, Zimbabwe, Pakistan, or the Democratic Republic of the Congo except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 621. For the purpose of this Act, “program, project, and activity” shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the United States Agency for International Development “program, project, and activity” shall also be considered to include central, country, regional, and program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND HEALTH ACTIVITIES

SEC. 622. Up to \$15,500,000 of the funds made available by this Act for assistance under the heading “Child Survival and Health Programs Fund”, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the United States Agency for International Development for the purpose of carrying out activities under that heading: Provided, That up to \$3,500,000 of the funds made available by this Act for assistance under the heading “Development Assistance” may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: Provided further, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, HIV/AIDS may be made available notwithstanding any other provision of law except for the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (117 Stat. 711; 22 U.S.C. 7601

et seq.) as amended by section 699J of this Act: Provided further, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs: Provided further, That of the funds appropriated under title II of this Act, not less than \$445,000,000 shall be made available for family planning/reproductive health.

AFGHANISTAN

SEC. 623. Of the funds appropriated by this Act, \$600,000,000 shall be made available for assistance for Afghanistan, of which not less than \$395,000,000 shall be made available for humanitarian, reconstruction, and related assistance: Provided, That of the funds made available pursuant to this section, not less than \$164,000,000 should be from funds appropriated under the heading "Economic Support Fund" for rehabilitation of primary roads, implementation of the Bonn Agreement and women's development programs: Provided further, That of the funds made available pursuant to this section, not less than \$5,000,000 shall be made available for a reforestation program in Afghanistan which should utilize, as appropriate, the technical expertise of American universities: Provided further, That funds made available pursuant to the previous proviso should be matched, to the maximum extent possible, with contributions from American and Afghan businesses: Provided further, That of the funds made available pursuant to this section, not less than \$4,500,000 shall be made available for the Afghan Independent Human Rights Commission and not less than \$2,500,000 shall be made available for the Afghan Judicial Reform Commission: Provided further, That of the funds made available pursuant to this section, not less than \$25,000,000 shall be made available to support activities of the Afghan Ministry of Women's Affairs, including to improve the capacity and effectiveness of the Ministry, and to support programs aimed at addressing the needs of Afghan women in consultation with other Afghan ministries: Provided further, That funds made available pursuant to this section shall be made available for training and equipment to improve the capacity of women-led Afghan nongovernmental organizations and to support the activities of such organizations: Provided further, That not less than \$2,500,000 shall be made available for assistance for Afghan communities and families that suffer losses as a result of the military operations.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 624. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees if such defense articles are significant military equipment (as defined in section 47(9) of the Arms Export Control Act) or are valued (in terms of original acquisition cost) at \$7,000,000 or more, or if notification is required elsewhere in this Act for the use of appropriated funds for specific countries that would receive such excess defense articles: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 625. Funds appropriated by this Act, except funds appropriated under the headings "Trade and Development Agency", "International Military Education and Training", "Foreign Military Financing Program", "Migration and Refugee Assistance", "Peace Corps", "Millennium Challenge Assistance",

and "Nonproliferation, Anti-Terrorism, Demining and Related Programs", may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

DEMOCRACY PROGRAMS

SEC. 626. (a) Notwithstanding any other provision of law, of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$35,000,000 shall be made available for assistance for activities to support democracy, human rights, and the rule of law in the People's Republic of China, Hong Kong and Tibet: Provided, That not to exceed \$4,000,000 shall be provided to nongovernmental organizations to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in the Tibetan Autonomous Region and in other Tibetan communities in China, of which up to \$3,000,000 may be made available for the Bridge Fund of the Rockefeller Philanthropic Advisors to support such activities: Provided further, That funds appropriated under the heading "Economic Support Fund" should be made available for assistance for Taiwan for the purposes of furthering political and legal reforms: Provided further, That such funds shall only be made available to the extent that they are matched from sources other than the United States Government: Provided further, That funds made available pursuant to the authority of this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.

(b) In addition to the funds made available in subsection (a), of the funds appropriated by this Act under the heading "Economic Support Fund" not less than \$25,000,000 shall be made available for programs and activities to foster democracy, human rights, civic education, women's development, press freedoms, and the rule of law in countries with a significant Muslim population, and where such programs and activities would be important to United States efforts to respond to, deter, or prevent acts of international terrorism: Provided, That funds made available pursuant to the authority of this subsection should support new initiatives or bolster ongoing programs and activities in those countries: Provided further, That not less than \$3,000,000 of such funds shall be made available for programs and activities that provide professional training for journalists: Provided further, That notwithstanding any other provision of law, not to exceed \$5,000,000 of such funds may be used in coordination with the Middle East Partnership Initiative for making grants to educational, humanitarian and nongovernmental organizations and individuals inside Iran to support the advancement of democracy and human rights in Iran: Provided further, That funds made available pursuant to this subsection shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) Of the funds made available under subsection (a), not less than \$15,000,000 shall be made available for the Human Rights and Democracy Fund of the Bureau of Democracy, Human Rights and Labor, Department of State, to support the activities described in subsection (a), and of the funds made available under subsection (b), not less than \$15,000,000 shall be made available for such Fund to support the activities described in subsection (b): Provided, That funds made available in this section for such Fund are in addition to the \$17,000,000 requested by the President for the Fund for fiscal year 2004.

(d) Of the funds made available under subsection (a), not less than \$10,000,000 shall be made available for the National Endowment for Democracy to support the activities described in subsection (a), and of the funds made available under subsection (b), not less than \$5,000,000

shall be made available for the National Endowment for Democracy to support the activities described in subsection (b): Provided, That the funds appropriated by this Act that are made available for the National Endowment for Democracy may be made available notwithstanding any other provision of law or regulation, and the Secretary of State shall provide a report to the Committees on Appropriations within 120 days of the date of enactment of this Act on the status of the allocation, obligation, and expenditure of such funds.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 627. (a) Funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

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

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

DEBT-FOR-DEVELOPMENT

SEC. 628. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the United States Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 629. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the United States Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated; and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

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

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

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

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

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

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

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

(5) REPORTING REQUIREMENT.—The Administrator of the United States Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

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

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

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

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

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 630. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the Inter-

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

DISCRIMINATION AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

SEC. 631. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or who have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

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

SEC. 632. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 633. None of the funds appropriated by this Act may be obligated or expended to provide—

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

(b) assistance for any program, project, or activity that contributes to the violation of internationally recognized workers rights, as defined in section 507(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That the application of section 507(4) (D) and (E) of such Act should be commensurate with the level of development of the recipient country and sector, and shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

SPECIAL AUTHORITIES

SEC. 634. (a) AFGHANISTAN, PAKISTAN, LEBANON, MONTENEGRO, VICTIMS OF WAR, DISPLACED CHILDREN, AND DISPLACED BURMESE.—Funds appropriated by this Act that are made available for assistance for Afghanistan may be made available notwithstanding section 612 of this Act or any similar provision of law and section 660 of the Foreign Assistance Act of 1961, and funds appropriated in titles I and II of this Act that are made available for Lebanon, Montenegro, Pakistan, and for victims of war, displaced children, and displaced Burmese, and to assist victims of trafficking in persons and, subject to the regular notification procedures of the Committees on Appropriations, to combat such trafficking, may be made available notwithstanding any other provision of law.

(b) TROPICAL FORESTRY AND BIODIVERSITY CONSERVATION ACTIVITIES.—Funds appropriated

by this Act to carry out the provisions of sections 103 through 106, and chapter 4 of part II, of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and energy programs aimed at reducing greenhouse gas emissions: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) PERSONAL SERVICES CONTRACTORS.—Funds appropriated by this Act to carry out chapter 1 of part I, chapter 4 of part II, and section 667 of the Foreign Assistance Act of 1961, and title II of the Agricultural Trade Development and Assistance Act of 1954, may be used by the United States Agency for International Development to employ up to 25 personal services contractors in the United States, notwithstanding any other provision of law, for the purpose of providing direct, interim support for new or expanded overseas programs and activities managed by the agency until permanent direct hire personnel are hired and trained: Provided, That not more than 10 of such contractors shall be assigned to any bureau or office: Provided further, That such funds appropriated to carry out title II of the Agricultural Trade Development and Assistance Act of 1954, may be made available only for personal services contractors assigned to the Office of Food for Peace.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100-204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(e) CONTINGENCIES.—During fiscal year 2004, the President may use up to \$50,000,000 under the authority of section 451 of the Foreign Assistance Act, notwithstanding the funding ceiling in section 451(a).

(f) SMALL BUSINESS.—In entering into multiple award indefinite-quantity contracts with funds appropriated by this Act, the United States Agency for International Development may provide an exception to the fair opportunity process for placing task orders under such contracts when the order is placed with any category of small or small disadvantaged business.

(g) SHIPMENT OF HUMANITARIAN ASSISTANCE.—During fiscal year 2004, of the amounts made available by the United States Agency for International Development to carry out the provisions of section 123(b) of the Foreign Assistance Act of 1961, funds may be made available to nongovernmental organizations for administrative costs necessary to implement a program to obtain available donated space on commercial ships for the shipment of humanitarian assistance overseas.

(h) RECONSTITUTING CIVILIAN POLICE AUTHORITY.—In providing assistance with funds appropriated by this Act under section 660(b)(6) of the Foreign Assistance Act of 1961, support for a nation emerging from instability may be deemed to mean support for regional, district, municipal, or other sub-national entity emerging from instability, as well as a nation emerging from instability.

(i) WORLD FOOD PROGRAM.—Of the funds managed by the Bureau for Democracy, Conflict, and Humanitarian Assistance of the United States Agency for International Development, from this or any other Act, not less than \$6,000,000 shall be made available as a general contribution to the World Food Program, notwithstanding any other provision of law.

(j) WAIVER.—The prohibition in section 694 of this Act may be waived on a country by country basis if the President determines that doing so is

in the national security interest of the United States: Provided, That prior to exercising such waiver authority, the President shall submit a report to the Committees on Appropriations describing:

(1) the steps the Administration is taking to obtain the cooperation of the government in surrendering the indictee in question to the Special Court for Sierra Leone (SCSL) or the International Criminal Tribunal for Rwanda (ICTR); (2) a strategy for bringing the indictee before ICTR or SCSL; and

(3) the justification for exercising the waiver authority.

ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 635. It is the sense of the Congress that—

(1) the Arab League boycott of Israel, and the secondary boycott of American firms that have commercial ties with Israel, is an impediment to peace in the region and to United States investment and trade in the Middle East and North Africa;

(2) the Arab League boycott, which was regrettably reinstated in 1997, should be immediately and publicly terminated, and the Central Office for the Boycott of Israel immediately disbanded;

(3) the three Arab League countries with diplomatic and trade relations with Israel should return their ambassadors to Israel, should refrain from downgrading their relations with Israel, and should play a constructive role in securing a peaceful resolution of the Israeli-Arab conflict;

(4) the remaining Arab League states should normalize relations with their neighbor Israel;

(5) the President and the Secretary of State should continue to vigorously oppose the Arab League boycott of Israel and find concrete steps to demonstrate that opposition by, for example, taking into consideration the participation of any recipient country in the boycott when determining to sell weapons to said country; and

(6) the President should report to Congress annually on specific steps being taken by the United States to encourage Arab League states to normalize their relations with Israel to bring about the termination of the Arab League boycott of Israel, including those to encourage allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ADMINISTRATION OF JUSTICE ACTIVITIES

SEC. 636. Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 637. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, 11, and 12 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading "Assistance for Eastern Europe and the Baltic States": Provided, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of

those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2004, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

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

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

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

EARMARKS

SEC. 638. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

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

CEILINGS AND EARMARKS

SEC. 639. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements or prohibitions contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 640. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: Provided, That not to exceed \$750,000 may be made available to carry out the provisions of section 316 of Public Law 96-533.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 641. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act

to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

NONGOVERNMENTAL ORGANIZATIONS—DOCUMENTATION

SEC. 642. None of the funds appropriated or made available pursuant to this Act shall be available to a nongovernmental organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the United States Agency for International Development.

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

SEC. 643. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 6(j) of the Export Administration Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

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

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

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 644. (a) Subject to subsection (c), of the funds appropriated by this Act that are made available for assistance for a foreign country, an amount equal to 110 percent of the total amount of the unpaid fully adjudicated parking fines and penalties owed by such country shall be withheld from obligation for such country until the Secretary of State submits a certification to the appropriate congressional committees stating that such parking fines and penalties are fully paid.

(b) Funds withheld from obligation pursuant to subsection (a) may be made available for other programs or activities funded by this Act, after consultation with and subject to the regulation notification procedures of the appropriate congressional committees, provided that no such funds shall be made available for assistance to a foreign country that has not paid the total amount of the fully adjudicated parking fines and penalties owed by such country.

(c) Subsection (a) shall not include amounts that have been withheld under any other provision of law.

(d) The Secretary of State may waive the requirements set forth in subsection (a) with respect to a country if the Secretary—

(1) determines that the waiver is in the national security interests of the United States; and

(2) submits to the appropriate congressional committees a written justification for such determination that includes a description of the steps being taken to collect the parking fines and penalties owed by such country.

(e) In this section:

(1) The term “appropriate congressional committees” means the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives.

(2) The term “fully adjudicated” includes circumstances in which the person to whom the vehicle is registered—

(A)(i) has not responded to the parking violation summons; or

(ii) has not followed the appropriate adjudication procedure to challenge the summons; and

(B) the period of time for payment or challenge the summons has lapsed.

(3) The term “parking fines and penalties” means parking fines and penalties—

(A) owed to—

(i) the District of Columbia; or

(ii) New York, New York; and

(B) incurred during the period April 1, 1997 through September 30, 2003.

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

SEC. 645. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 646. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to \$30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish or authorize to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: Provided further, That funds made available for tribunals other than Yugoslavia, Rwanda, or the Special Court for Sierra Leone shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

SEC. 647. Notwithstanding any other provision of law, demining equipment available to the United States Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 648. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or

any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 649. None of the funds appropriated or otherwise made available by this Act under the heading “International Military Education and Training” or “Foreign Military Financing Program” for Informational Program activities or under the headings “Child Survival and Health Programs Fund”, “Development Assistance”, and “Economic Support Fund” may be obligated or expended to pay for—

(1) alcoholic beverages; or

(2) entertainment expenses for activities that are substantially of a recreational character, including but not limited to entrance fees at sporting events, theatrical and musical productions, and amusement parks.

TIBET

SEC. 650. The Secretary of Treasury should instruct the United States executive director to each international financial institution to use the voice and vote of the United States to support projects in Tibet if such projects do not provide incentives for the migration and settlement of non-Tibetans into Tibet or facilitate the transfer of ownership of Tibetan land and natural resources to non-Tibetans; are based on a thorough needs-assessment; foster self-sufficiency of the Tibetan people and respect Tibetan culture and traditions; and are subject to effective monitoring.

HAITI

SEC. 651. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the Coast Guard.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 652. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States and that the Palestinian Authority has taken steps to arrest terrorists, confiscate weapons and dismantle the terrorist infrastructure.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

(d) REPORT.—Whenever the waiver authority pursuant to subsection (b) is exercised, the President shall submit a report to the Committees on Appropriations detailing the steps the Palestinian Authority has taken to arrest terrorists, confiscate weapons and dismantle the terrorist infrastructure. The report shall also include a description of how funds will be spent and the accounting procedures in place to ensure that they are properly disbursed.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

SEC. 653. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: Provided, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: Provided further, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

ENVIRONMENT PROGRAMS

SEC. 654. (a) FUNDING.—Of the funds appropriated by this Act, not less than \$485,000,000 shall be made available for environment programs: Provided, That of the funds appropriated under the heading “Development Assistance”, not less than \$165,000,000 shall be made available for programs and activities which directly protect biodiversity, including forests, in developing countries: Provided further, That of the funds made available under the previous proviso, \$1,500,000 shall be made available to improve the capacity of indigenous groups and local environmental organizations and law enforcement agencies to protect the biodiversity of indigenous reserves in the Amazon Basin region of Brazil, which amount shall be in addition to the amount requested in this Act for assistance for Brazil for fiscal year 2004: Provided further, That not later than one year after enactment of this Act, the Secretary of State, in coordination with the Administrator of the United States Agency for International Development and other appropriate departments and agencies, and after consultation with appropriate governments and nongovernmental organizations, shall submit to the Committees on Appropriations a strategy for biodiversity conservation in the Amazon Basin region of South America: Provided further, That of the funds appropriated under the headings “Development Assistance” and “Andean Counterdrug Initiative”, not less than \$5,000,000 shall be made available in fiscal year 2004 to develop the strategy described in the previous proviso: Provided further, That funds appropriated by this Act under the heading “Child Survival and Health Programs Fund” should be used to fund child survival, health, and family planning activities of integrated population-health-environment programs, including in areas where biodiversity and endangered species are threatened, and funds appropriated by this Act under the heading “Development Assistance” should be used to fund environment, conservation, natural resource management, and sustainable agriculture activities of such integrated programs: Provided further, That of the funds appropriated by this Act, not less than \$185,000,000 shall be made available to support policies and programs in developing countries and countries in transition that directly (1) promote a wide range of energy conservation, energy efficiency and clean energy programs and activities, including the transfer of clean and environmentally sustainable energy technologies; (2) measure, monitor, and reduce greenhouse gas emissions; (3) increase carbon sequestration activities; and (4) enhance climate change mitigation and adaptation programs.

(b) CLIMATE CHANGE REPORT.—Not later than 45 days after the date on which the President’s fiscal year 2005 budget request is submitted to

Congress, the President shall submit a report to the Committees on Appropriations describing in detail the following—

(1) all Federal agency obligations and expenditures, domestic and international, for climate change programs and activities in fiscal year 2004, including an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix; and

(2) all fiscal year 2003 obligations and estimated expenditures, fiscal year 2004 estimated expenditures and estimated obligations, and fiscal year 2005 requested funds by the United States Agency for International Development, by country and central program, for each of the following: (i) to promote the transfer and deployment of a wide range of United States clean energy and energy efficiency technologies; (ii) to assist in the measurement, monitoring, reporting, verification, and reduction of greenhouse gas emissions; (iii) to promote carbon capture and sequestration measures; (iv) to help meet such countries' responsibilities under the Framework Convention on Climate Change; and (v) to develop assessments of the vulnerability to impacts of climate change and mitigation and adaptation response strategies.

REGIONAL PROGRAMS FOR EAST ASIA AND THE PACIFIC

SEC. 655. Funds appropriated by this Act under the heading "Economic Support Fund" that are allocated for "Regional Democracy" and "ASEAN Regional" assistance for East Asia and the Pacific shall be made available for the Human Rights and Democracy Fund of the Bureau for Democracy, Human Rights and Labor, Department of State to support democracy programs in Iraq.

ZIMBABWE

SEC. 656. The Secretary of the Treasury shall instruct the United States executive director to each international financial institution to vote against any extension by the respective institution of any loans, to the Government of Zimbabwe, except to meet basic human needs or to promote democracy, unless the Secretary of State determines and certifies to the Committees on Appropriations that the rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association.

NIGERIA

SEC. 657. None of the funds appropriated under the headings "International Military Education and Training" and "Foreign Military Financing Program" may be made available for assistance for Nigeria until the President certifies to the Committees on Appropriations that the Nigerian Minister of Defense, the Chief of the Army Staff, and the Minister of State for Defense/Army are suspending from the Armed Forces those members, of whatever rank, against whom there is credible evidence of gross violations of human rights in Benue State in October 2001, and the Government of Nigeria and the Nigerian Armed Forces are taking effective measures to bring such individuals to justice: Provided, That the President may waive such prohibition if he determines that doing so is in the national security interest of the United States: Provided further, That prior to exercising such waiver authority, the President shall submit a report to the Committees on Appropriations describing the involvement of the Nigerian Armed Forces in the incident in Benue State, the measures that are being taken to bring such individuals to justice, and whether any Nigerian Armed Forces units involved with the incident in Benue State are receiving United States assistance.

BURMA

SEC. 658. (a) The Secretary of the Treasury shall instruct the United States executive director to each appropriate international financial institution in which the United States partici-

pates, to oppose and vote against the extension by such institution of any loan or financial or technical assistance or any other utilization of funds of the respective bank to and for Burma.

(b) Of the funds appropriated under the heading "Economic Support Fund", not less than \$15,000,000 shall be made available to support democracy activities in Burma, along the Burma-Thailand border, for activities of Burmese student groups and other organizations located outside Burma, and for the purpose of supporting the provision of humanitarian assistance to displaced Burmese along Burma's borders: Provided, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That not more than 60 days after enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development, shall submit a report to the Committees on Appropriations detailing the amount and rate of disbursement of fiscal years 2002 and 2003 funding for HIV/AIDS programs and activities in Burma, the amount of funds expended by the State Peace and Development Council (SPDC) on HIV/AIDS programs and activities in calendar years 2001, 2002, and 2003, and the extent to which international nongovernmental organizations are able to conduct HIV/AIDS programs throughout Burma, including the ability of expatriate staff to freely travel through the country and to conduct programmatic oversight independent of SPDC handling and monitoring: Provided further, That funds made available by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) It is the sense of the Senate that the United Nations Security Council should debate and consider sanctions against Burma as a result of the threat to regional stability and peace posed by the repressive and illegitimate rule of the State Peace and Development Council.

ENTERPRISE FUND RESTRICTIONS

SEC. 659. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

CAMBODIA

SEC. 660. (a) The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to meet basic human needs.

(b)(1) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia.

(2) Paragraph (1) shall not apply to assistance for basic education, reproductive and maternal and child health, cultural and historic preservation, programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, malaria, polio and other infectious diseases, programs to combat human trafficking that are provided through nongovernmental organizations, and for the Ministry of Women and Veterans Affairs to combat human trafficking.

(c) Of the funds appropriated by this Act under the heading "Economic Support Fund", \$7,000,000 shall be made available, notwithstanding subsection (b), for assistance for democratic opposition political parties in Cambodia.

(d) Funds appropriated by this Act to carry out provisions of section 541 of the Foreign Assistance Act of 1961 may be made available notwithstanding subsection (b) only if at least 15 days prior to the obligation of such funds, the Secretary of State provides to the Committees on Appropriations a list of those individuals who have been credibly alleged to have ordered or

carried out extrajudicial and political killings that occurred during the March 1997 grenade attack against the Khmer Nation Party, the July 1997 coup d'etat, and election related violence that occurred during the 1998, 2002, and 2003 elections in Cambodia.

(e) None of the funds appropriated or otherwise made available by this Act may be used to provide assistance to any tribunal established by the Government of Cambodia unless the Secretary of State certifies to the Committees on Appropriations that the perpetrators of the March 1997 grenade attack and election-related killings, including former parliamentarian Om Radsady, have been arrested and prosecuted.

FOREIGN MILITARY TRAINING REPORT

SEC. 661. (a) Notwithstanding any other provision of law, the Secretary of Defense and the Secretary of State shall jointly provide to the Congress by May 1, 2004, a report on all military training provided to foreign military personnel (excluding sales and training provided to the military personnel of countries belonging to the North Atlantic Treaty Organization (NATO) or of a country that has concluded a protocol with NATO for accession to NATO) under programs administered by the Department of Defense and the Department of State during fiscal year 2003 and those proposed for fiscal year 2004. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.

(b) For purposes of this section a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.

ENTERPRISE FUNDS IN THE MIDDLE EAST REGION

SEC. 662. (a) Funds appropriated by this Act under the heading "Economic Support Fund" may be made available, notwithstanding any other provision of law, to establish and operate one or more enterprise funds in the Middle East region for the purpose of supporting the private sectors in that region: Provided, That provisions contained in section 201 of the Support for East European Democracy (SEED) Act of 1989 (excluding the authorizations of appropriations provided in subsection (b) of that section) shall apply with respect to such enterprise funds: Provided further, That prior to obligating any funds for purposes other than the administrative support of any such enterprise fund, and every six months after the establishment of such fund, the President shall certify and report to the Committees on Appropriations that—

(1) the enterprise fund has taken all appropriate steps to ensure that amounts appropriated by this Act that are provided to the fund for the purpose of assisting the development of the private sector are not provided to or through any individual or entity that the management of the fund knows or has reason to believe advocates, plans, sponsors, or engages in, or has engaged in, terrorist activity;

(2) the enterprise fund furthers United States commercial interests in the region; and

(3) the enterprise fund is managed in a fiscally responsible manner.

PALESTINIAN STATEHOOD

SEC. 663. (a) LIMITATION ON ASSISTANCE.—None of the funds appropriated by this Act may be provided to support a Palestinian state unless the Secretary of State determines and certifies to the appropriate congressional committees that—

(1) a new leadership of a Palestinian governing entity, that has not supported acts of terrorism, has been democratically elected through credible and competitive elections;

(2) the elected governing entity of a new Palestinian state—

(A) has demonstrated a firm commitment to peaceful co-existence with the State of Israel;

(B) has taken appropriate measures to counter terrorism and terrorist financing in the West Bank and Gaza, including the dismantling of terrorist infrastructures;

(C) has established a new Palestinian security entity that is fully cooperative with appropriate Israeli and other appropriate security organizations; and

(D) has taken appropriate measures to enact a constitution assuring the rule of law and other reforms assuring transparent and accountable governance.

(b) **WAIVER.**—The President may waive subsection (a) if he determines that it is in the national security interests of the United States to do so.

(c) **EXEMPTION.**—The restriction in subsection (a) shall not apply to assistance intended to help reform the Palestinian Authority and affiliated institutions, or a newly elected governing entity, in order to help meet the requirements of subsection (a), consistent with the provisions of section 652 of this Act (“Limitation on Assistance to the Palestinian Authority”).

COLOMBIA

SEC. 664. (a) DETERMINATION AND CERTIFICATION REQUIRED.—Notwithstanding any other provision of law, funds appropriated by this Act that are available for assistance for the Colombian Armed Forces, may be made available as follows:

(1) Up to 50 percent of such funds may be obligated prior to a determination and certification by the Secretary of State pursuant to paragraph (2).

(2) Up to 25 percent of such funds may be obligated only after the Secretary of State certifies and reports to the appropriate congressional committees that:

(A) The Commander General of the Colombian Armed Forces is suspending from the Armed Forces those members, of whatever rank, who, according to the Minister of Defense or the Procuraduría General de la Nación, have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations.

(B) The Colombian Government is vigorously investigating and prosecuting those members of the Colombian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, including extra-judicial killings, or to have aided or abetted paramilitary organizations, and is promptly punishing those members of the Colombian Armed Forces found to have committed such violations of human rights or to have aided or abetted paramilitary organizations.

(C) The Colombian Armed Forces have made substantial progress in cooperating with civilian prosecutors and judicial authorities in such cases (including providing requested information, such as the identity of persons suspended from the Armed Forces and the nature and cause of the suspension, and access to witnesses, relevant military documents, and other requested information).

(D) The Colombian Armed Forces have made substantial progress in severing links (including denying access to military intelligence, vehicles, and other equipment or supplies, and ceasing other forms of active or tacit cooperation) at the command, battalion, and brigade levels, with paramilitary organizations, especially in regions where these organizations have a significant presence.

(E) The Colombian Armed Forces are dismantling paramilitary leadership and financial net-

works by arresting commanders and financial backers, especially in regions where these networks have a significant presence.

(3) The balance of such funds may be obligated after July 31, 2004, if the Secretary of State certifies and reports to the appropriate congressional committees, after such date, that the Colombian Armed Forces are continuing to meet the conditions contained in paragraph (2) and are conducting vigorous operations to restore government authority and respect for human rights in areas under the effective control of paramilitary and guerrilla organizations.

(b) **CONSULTATIVE PROCESS.**—At least 10 days prior to making the certifications required by subsection (a), the Secretary of State shall consult with internationally recognized human rights organizations regarding progress in meeting the conditions contained in that subsection.

(c) **DEFINITIONS.**—In this section:

(1) **AIDED OR ABETTED.**—The term “aided or abetted” means to provide any support to paramilitary groups, including taking actions which allow, facilitate, or otherwise foster the activities of such groups.

(2) **PARAMILITARY GROUPS.**—The term “paramilitary groups” means illegal self-defense groups and illegal security cooperatives.

ILLEGAL ARMED GROUPS

SEC. 665. (a) DENIAL OF VISAS TO SUPPORTERS OF COLOMBIAN ILLEGAL ARMED GROUPS.—Subject to subsection (b), the Secretary of State shall not issue a visa to any alien who the Secretary determines, based on credible evidence—

(1) has willfully provided any support to the Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army (ELN), or the United Self-Defense Forces of Colombia (AUC), including taking actions or failing to take actions which allow, facilitate, or otherwise foster the activities of such groups; or

(2) has committed, ordered, incited, assisted, or otherwise participated in the commission of gross violations of human rights, including extra-judicial killings, in Colombia.

(b) **WAIVER.**—Subsection (a) shall not apply if the Secretary of State determines and certifies to the appropriate congressional committees, on a case-by-case basis, that the issuance of a visa to the alien is necessary to support the peace process in Colombia or for urgent humanitarian reasons.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 666. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

IRAQ

SEC. 667. Notwithstanding any other provision of law, funds appropriated under the heading “Economic Support Fund” may be made available for assistance for Iraq: Provided, That the provisions of section 620G of the Foreign Assistance Act of 1961, or any other provision of law that applies to countries that have supported terrorism, shall not apply with respect to countries that provide assistance to Iraq: Provided further, That funds appropriated by this Act or prior appropriations Acts for Iraq should be made available for the removal and safe disposal in Iraq of unexploded ordnance, low level radioactive waste, and other environmental hazards: Provided further, That not less than \$10,000,000 of the funds appropriated by this Act or prior appropriations Acts that are available for assistance for Iraq should be made available for investigations of human rights violations by the former Iraq regime including the excavation of mass graves: Provided further, That funds made available under this section are made available subject to the regular notification procedures of the Committees on Appropriations.

WEST BANK AND GAZA PROGRAM

SEC. 668. (a) OVERSIGHT.—For fiscal year 2004, 30 days prior to the initial obligation of funds

for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading “Economic Support Fund” for the West Bank and Gaza.

(b) **VETTING.**—Prior to the obligation of funds appropriated by this Act under the heading “Economic Support Fund” for assistance for the West Bank and Gaza, the Secretary of State shall take all appropriate steps to ensure that such assistance is not provided to or through any individual or entity that the Secretary knows or has reason to believe advocates, plans, sponsors, engages in, or has engaged in, terrorist activity. The Secretary of State shall, as appropriate, establish procedures specifying the steps to be taken in carrying out this subsection.

(c) **AUDITS.**—(1) The Administrator of the United States Agency for International Development shall ensure that Federal or non-Federal audits of all contractors and grantees, and significant subcontractors and subgrantees, under the West Bank and Gaza Program, are conducted at least on an annual basis to ensure, among other things, compliance with this section.

(2) Of the funds appropriated by this Act under the heading “Economic Support Fund” that are made available for assistance for the West Bank and Gaza, up to \$1,000,000 may be used by the Office of the Inspector General of the United States Agency for International Development for audits, inspections, and other activities in furtherance of the requirements of this subsection. Such funds are in addition to funds otherwise available for such purposes.

INDONESIA

SEC. 669. Funds appropriated by this Act under the heading “Foreign Military Financing Program” may be made available for assistance for Indonesia, and licenses may be issued for the export of lethal defense articles for the Indonesian Armed Forces, only if the President certifies to the appropriate congressional committees that—

(1) the Indonesia Minister of Defense is suspending from the Armed Forces those members, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, or to have aided or abetted militia groups;

(2) the Indonesian Government is prosecuting those members of the Indonesian Armed Forces, of whatever rank, who have been credibly alleged to have committed gross violations of human rights, or to have aided or abetted militia groups, and is punishing those members of the Indonesian Armed Forces found to have committed such violations of human rights or to have aided or abetted militia groups;

(3) the Indonesian Armed Forces are cooperating with civilian prosecutors and judicial authorities in Indonesia and with the joint United Nations-East Timor Serious Crimes Unit (SCU) in such cases (including extraditing those indicted by the SCU to East Timor and providing access to witnesses, relevant military documents, and other requested information);

(4) the Indonesian Government and Armed Forces are cooperating with the Federal Bureau of Investigation’s investigation of the killings and wounding of American and Indonesian citizens in Papua on August 31, 2002; and

(5) the Minister of Defense is making publicly available audits of receipts and expenditures of the Indonesian Armed Forces.

RESTRICTIONS ON ASSISTANCE TO GOVERNMENTS DESTABILIZING WEST AFRICA

SEC. 670. (a) None of the funds appropriated by this Act may be made available for assistance for the government of any country for which the Secretary of State determines there is credible

evidence that such government has aided or abetted, within the previous 6 months, in the illicit distribution, transportation, or sale of diamonds mined in Sierra Leone or Liberia.

(b) Whenever the prohibition on assistance required under subsection (a) is exercised, the Secretary of State shall notify the Committees on Appropriations in a timely manner.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 671. (a) **AUTHORITY TO REDUCE DEBT.**—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89-808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95-501).

(b) LIMITATIONS.—

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

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

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

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

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

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

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

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

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

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

(e) **CERTAIN PROHIBITIONS INAPPLICABLE.**—A reduction of debt pursuant to subsection (a) shall not be considered assistance for the purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 672. (a) **LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.**—

(1) **AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.**—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in sec-

tion 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with the local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) **TERMS AND CONDITIONS.**—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) **ADMINISTRATION.**—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) **LIMITATION.**—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) **DEPOSIT OF PROCEEDS.**—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) **ELIGIBLE PURCHASERS.**—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) **DEBTOR CONSULTATIONS.**—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

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

CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

SEC. 673. Funds appropriated in Public Law 107-115 and Public Law 108-7 that were available for the United Nations Population Fund (UNFPA), and \$35,000,000 in this Act, shall be made available for the UNFPA unless the President determines that the UNFPA supports or participates in the management of a program of coercive abortion or involuntary sterilization. Provided, That none of the funds made available for the UNFPA may be used in the People's Republic of China: Provided further, That the other conditions on availability of funds for abortion and abortion-related activities contained in this Act shall apply to any assistance provided for the UNFPA in this Act: Provided further, That the conditions on availability of

funds for the UNFPA as contained in section 576(c) of Public Law 107-115 shall apply to any assistance provided for the UNFPA in this Act.

CENTRAL ASIA

SEC. 674. (a) Funds appropriated by this Act may be made available for assistance for the central Government of Uzbekistan only if the Secretary of State determines and reports to the Committees on Appropriations that the Government of Uzbekistan is making substantial and continuing progress in meeting its commitments under the “Declaration on the Strategic Partnership and Cooperation Framework Between the Republic of Uzbekistan and the United States of America”, including respect for human rights, establishing a genuine multi-party system, and ensuring free and fair elections, freedom of expression, and the independence of the media.

(b) Funds appropriated by this Act may be made available for assistance for the Government of Kazakhstan only if the Secretary of State determines and reports to the Committees on Appropriations that the Government of Kazakhstan has made significant improvements in the protection of human rights during the preceding 6 month period.

(c) The Secretary of State may waive the requirements under subsection (b) if he determines and reports to the Committees on Appropriations that such a waiver is in the national security interests of the United States.

(d) Not later than October 1, 2004, the Secretary of State shall submit a report to the Committees on Appropriations describing the following:

(1) The defense articles, defense services, and financial assistance provided by the United States to the countries of Central Asia during the 6-month period ending 30 days prior to submission of each such report.

(2) The use during such period of defense articles, defense services, and financial assistance provided by the United States by units of the armed forces, border guards, or other security forces of such countries.

(e) For purposes of this section, the term “countries of Central Asia” means Uzbekistan, Kazakhstan, Kyrgyz Republic, Tajikistan, and Turkmenistan.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 675. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

WAR CRIMINALS

SEC. 676. (a)(1) None of the funds appropriated or otherwise made available pursuant to this Act may be made available for assistance, and the Secretary of the Treasury shall instruct the United States executive directors to the international financial institutions to vote against any new project involving the extension by such institutions of any financial or technical assistance, to any country, entity, or municipality whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to implement its international legal obligations to apprehend and transfer to the International Criminal Tribunal for the former Yugoslavia (the “Tribunal”) all persons in their territory who have been indicted by the Tribunal and to otherwise cooperate with the Tribunal.

(2) The provisions of this subsection shall not apply to humanitarian assistance or assistance for democratization.

(b) The provisions of subsection (a) shall apply unless the Secretary of State determines and reports to the appropriate congressional committees that the competent authorities of such country, entity, or municipality are—

(1) cooperating with the Tribunal, including access for investigators to archives and witnesses, the provision of documents, and the surrender and transfer of indictees or assistance in their apprehension; and

(2) are acting consistently with the Dayton Accords.

(c) Not less than 10 days before any vote in an international financial institution regarding the extension of any new project involving financial or technical assistance or grants to any country or entity described in subsection (a), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committees on Appropriations a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(d) In carrying out this section, the Secretary of State, the Administrator of the United States Agency for International Development, and the Secretary of the Treasury shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (a).

(e) The Secretary of State may waive the application of subsection (a) with respect to projects within a country, entity, or municipality upon a written determination to the Committees on Appropriations that such assistance directly supports the implementation of the Dayton Accords.

(f) DEFINITIONS.—As used in this section—

(1) COUNTRY.—The term “country” means Bosnia and Herzegovina, Croatia and Serbia.

(2) ENTITY.—The term “entity” refers to the Federation of Bosnia and Herzegovina, Kosovo, Montenegro and the Republika Srpska.

(3) MUNICIPALITY.—The term “municipality” means a city, town or other subdivision within a country or entity as defined herein.

(4) DAYTON ACCORDS.—The term “Dayton Accords” means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

USER FEES

SEC. 677. The Secretary of the Treasury shall instruct the United States Executive Director at each international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act) and the International Monetary Fund to oppose any loan, grant, strategy or policy of these institutions that would require user fees or service charges on poor people for primary education or primary healthcare, including prevention and treatment efforts for HIV/AIDS, malaria, tuberculosis, and infant, child, and maternal well-being, in connection with the institutions’ financing programs.

FUNDING FOR SERBIA

SEC. 678. (a) Funds appropriated by this Act may be made available for assistance for Serbia after March 31, 2004, if the President has made the determination and certification contained in subsection (c).

(b) After March 31, 2004, the Secretary of the Treasury should instruct the United States executive directors to the international financial institutions to support loans and assistance to the Government of the Federal Republic of Yugoslavia (or a government of a successor state)

subject to the conditions in subsection (c): Provided, That section 576 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, as amended, shall not apply to the provision of loans and assistance to the Federal Republic of Yugoslavia (or a successor state) through international financial institutions.

(c) The determination and certification referred to in subsection (a) is a determination by the President and a certification to the Committees on Appropriations that the Government of the Federal Republic of Yugoslavia (or a government of a successor state) is—

(1) cooperating with the International Criminal Tribunal for the former Yugoslavia including access for investigators, the provision of documents, and the surrender and transfer of indictees, including Ratko Mladic, or assistance in their apprehension;

(2) taking steps that are consistent with the Dayton Accords to end Serbian financial, political, security and other support which has served to maintain separate Republika Srpska institutions; and

(3) taking steps to implement policies which reflect a respect for minority rights and the rule of law, including the release of political prisoners from Serbian jails and prisons.

(d) This section shall not apply to Montenegro, Kosovo, humanitarian assistance or assistance to promote democracy in municipalities.

MULTILATERAL DEVELOPMENT BANK ACCOUNTABILITY

SEC. 679. Beginning not more than 180 days after the date of enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank or subsidiary or window thereof (hereinafter “Bank”), not to vote in favor of any action proposed to be taken by such Bank unless not less than 45 days before consideration by the board of directors of such Bank, the Secretary of State, in consultation with the Secretary of the Treasury, has determined that—

(1) such Bank is implementing regular, independent external audits of internal management controls and procedures for meeting operational objectives, complying with Bank policies, and preventing fraud, and is making reports describing the scope and findings of such audits available to the public on at least an annual basis;

(2) any proposed loan, credit, or grant agreement has been published and includes the resources and conditionality necessary to ensure that the borrower complies with applicable laws in carrying out such loan, credit, or grant agreement, including laws pertaining to the integrity and transparency of the process such as public consultation, and to public health and safety and environmental protection; and

(3) such Bank is implementing effective procedures for the receipt, retention, and treatment of (A) complaints received by the Bank regarding fraud, accounting, mismanagement, internal accounting controls, or auditing matters; and (B) the confidential, anonymous submission by employees of the Bank of concerns regarding fraud, accounting, mismanagement, internal accounting controls, or auditing matters.

COOPERATION WITH CUBA ON COUNTER-NARCOTICS MATTERS

SEC. 680. (a) Subject to subsection (b), of the funds appropriated under the heading “International Narcotics Control and Law Enforcement”, \$5,000,000 should be made available for the purposes of preliminary work by the Department of State, or such other entity as the Secretary of State may designate, to establish cooperation with appropriate agencies of the Government of Cuba on counter-narcotics matters, including matters relating to cooperation, coordination, and mutual assistance in the interdiction of illicit drugs being transported through Cuba airspace or over Cuba waters.

(b) The amount in subsection (a) shall not be available if the President certifies that—

(1) Cuba does not have in place appropriate procedures to protect against the loss of innocent life in the air and on the ground in connection with the interdiction of illegal drugs; and

(2) there is evidence of involvement of the Government of Cuba in drug trafficking.

COMMUNITY-BASED POLICE ASSISTANCE

SEC. 681. (a) AUTHORITY.—Funds made available to carry out the provisions of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, may be used, notwithstanding section 660 of that Act, to enhance the effectiveness and accountability of civilian police authority through training and technical assistance in internationally recognized human rights, the rule of law, strategic planning, and through assistance to foster civilian police roles that support democratic governance including assistance for programs to prevent conflict and foster improved police relations with the communities they serve.

(b) NOTIFICATION.—Assistance provided under subsection (a) shall be subject to the regular notification procedures of the Committees on Appropriations.

(c) Report.—The requirement for an annual report, contained in section 582 (b)(1) of Division E of Public Law 108-7, shall be applicable to all programs for which funds are provided under the authority of this subsection.

OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK RESTRICTIONS

SEC. 682. (a) LIMITATION ON USE OF FUNDS BY OPIC.—None of the funds made available in this Act may be used by the Overseas Private Investment Corporation to insure, reinsure, guarantee, or finance any investment in connection with a project involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(b) LIMITATION ON USE OF FUNDS BY THE EXPORT-IMPORT BANK.—None of the funds made available in this Act may be used by the Export-Import Bank of the United States to guarantee, insure, extend credit, or participate in an extension of credit in connection with the export of any goods to a country for use in an enterprise involving the mining, polishing or other processing, or sale of diamonds in a country that fails to meet the requirements of subsection (c).

(c) REQUIREMENTS.—The requirements referred to in subsections (a) and (b) are that the country concerned is implementing the recommendations, obligations and requirements developed by the Kimberley Process on conflict diamonds.

AMERICAN CHURCHWOMEN AND OTHER CITIZENS IN EL SALVADOR AND GUATEMALA

SEC. 683. (a) Information relevant to the December 2, 1980, murders of four American churchwomen in El Salvador, and the May 5, 2001, murder of Sister Barbara Ann Ford and the murders of other American citizens in Guatemala since December 1999, should be declassified and made public as soon as possible.

(b) In making determinations concerning declassification and release of relevant information, all Federal agencies and departments should use the discretion contained within such existing standards and procedures on classification in support of releasing, rather than withholding, such information.

CONFLICT RESOLUTION

SEC. 684. Of the funds appropriated under the headings “Economic Support Fund” and “Assistance for Eastern Europe and the Baltic States”, \$15,000,000 shall be made available to support conflict resolution programs and activities which bring together individuals of different ethnic, religious, and political backgrounds from areas of civil conflict and war.

NICARAGUA

SEC. 685. Of the funds appropriated under the headings “Economic Support Fund”, “Development Assistance”, and “Child Survival and

Health Programs Fund", not less than \$35,000,000 shall be made available for assistance for Nicaragua, of which not less than \$5,000,000 shall be made available from funds appropriated under the heading "Economic Support Fund": Provided, That with respect to funds made available pursuant to this section, priority shall be given to programs to provide alternative means of income for subsistence farmers and to promote judicial reform.

REPORT ON INTERNATIONAL COFFEE CRISIS

SEC. 686. Not later than 120 days after enactment of this Act, the Secretary of State, in consultation with the Administrator of the United States Agency for International Development and the Secretary of the Treasury, shall submit a report to the Committees on Appropriations describing the progress the United States is making toward meeting the objectives set forth in paragraph (1) of S. Res. 368 (107th Congress) and paragraph (1) of H. Res. 604 (107th Congress), including adopting a global strategy to deal with the international coffee crisis and measures to support and complement multilateral efforts to respond to the international coffee crisis.

VENEZUELA

SEC. 687. (a) None of the funds appropriated or otherwise made available pursuant by this Act may be made available for assistance for the central Government of Venezuela if the Secretary of State certifies to the Committees on Appropriations that the central Government of Venezuela is assisting, harboring, or providing sanctuary for Colombian terrorist organizations.

(b) The provision of subsection (a) shall not apply to democracy and rule of law assistance for Venezuela.

(c) Of the funds appropriated by this Act under the heading "Economic Support Fund", not less than \$5,000,000 shall be made available for democracy and rule of assistance for Venezuela.

DISABILITY ACCESS

SEC. 688. The Administrator of the United States Agency for International Development ("USAID") shall seek to ensure that programs, projects, and activities administered by USAID in Iraq and Afghanistan comply fully with USAID's "Policy Paper: Disability" issued on September 12, 1997: Provided, That the Administrator shall submit a report to the Committees on Appropriations not later than December 31, 2004, describing the manner in which the needs of people with disabilities were met in the development and implementation of USAID programs, projects, and activities in Iraq and Afghanistan in fiscal year 2004: Provided further, That the Administrator, not later than 180 days after enactment of this Act and in consultation, as appropriate, with other appropriate departments and agencies, the Architectural and Transportation Barriers Compliance Board, and nongovernmental organizations with expertise in the needs of people with disabilities, shall develop and implement appropriate standards for access for people with disabilities for construction projects funded by USAID.

THAILAND

SEC. 689. Funds appropriated by this Act that are available for the central Government of Thailand may be made available if the Secretary of State determines and reports to the Committees on Appropriations that the central Government of Thailand (1) supports the advancement of democracy in Burma and is taking action to sanction the military junta in Rangoon; (2) is not hampering the delivery of humanitarian assistance to people in Thailand who have fled Burma; and (3) is not forcibly repatriating Burmese to Burma.

MODIFICATION ON REPORTING REQUIREMENTS

SEC. 690. Section 3204(f) of the Emergency Supplemental Act, 2000 (Public Law 106-246) is amended—

(1) in the heading, by striking "BI-MONTHLY" and inserting "QUARTERLY";

(2) by striking "60" and inserting "90"; and
(3) by striking "Congress" and inserting "the appropriate congressional committees".

ASSISTANCE FOR FOREIGN NONGOVERNMENTAL ORGANIZATIONS

SEC. 691. Notwithstanding any other provision of law, regulation, or policy, in determining eligibility for assistance authorized under part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), foreign nongovernmental organizations—

(1) shall not be ineligible for such assistance solely on the basis of health or medical services including counseling and referral services, provided by such organizations with non-United States Government funds if such services do not violate the laws of the country in which they are being provided and would not violate United States Federal law if provided in the United States; and

(2) shall not be subject to requirements relating to the use of non-United States Government funds for advocacy and lobbying activities other than those that apply to United States nongovernmental organizations receiving assistance under part I of such Act.

PROHIBITION ON FUNDING TO COUNTRIES THAT TRADE IN CERTAIN WEAPONS WITH NORTH KOREA

SEC. 692. (a) No funds appropriated pursuant to this Act may be made available to the government of a country or for a project in a country that, during the 12-month period ending on the date that such funds would be obligated, has—

(1) exported to North Korea any item listed on the United States Munitions List under section 38 of the Arms Export Control Act (22 U.S.C. 2278) or any dual-use item on the Commerce Control List pursuant to the Export Administration Regulations (15 C.F.R. part 730 et seq.), if the President determines that such items are intended for use in a weapons of mass destruction or a missile program in North Korea; or
(2) imported from North Korea any item described in paragraph (1).

(b) The President may waive the prohibition in subsection (a) with respect to a country or project if the President certifies to Congress that it is in the national interest of the United States to waive the prohibition.

MALAYSIA

SEC. 693. (a) Funds appropriated by this Act that are available for assistance for Malaysia may be made available if the Secretary of State determines and reports to the Committees on Appropriations that the Government of Malaysia supports and promotes religious freedoms, including tolerance for people of the Jewish faith.

(b) The Secretary of State may waive the requirements of subsection (a) if he determines and reports to the Committees on Appropriations that such a waiver is in the national security interests of the United States.

WAR CRIMES IN AFRICA

SEC. 694. Funds appropriated by this Act, including funds for debt restructuring, shall not be made available to the central government of a country in which individuals indicted by the International Criminal Tribunal for Rwanda (ICTR) and the Special Court for Sierra Leone (SCSL) are credibly alleged to be living unless the Secretary of State certifies to the President of the Senate and the Speaker of the House of Representatives that such government is cooperating with ICTR and SCSL, including the surrender and transfer of indictees: Provided, That the previous proviso shall not apply to assistance provided under section 551 of the Foreign Assistance Act of 1961: Provided further, That the United States shall use its voice and vote in the United Nations Security Council to fully support efforts by ICTR and SCSL to bring to justice individuals indicted by such tribunals.

REPORT ON ADMISSION OF REFUGEES

SEC. 695. (a) Congress makes the following findings:

(1) As of October 2003, there are 13,000,000 refugees worldwide, many of whom have fled religious, political, and other forms of persecution.

(2) Refugee resettlement remains a critical tool of international refugee protection and an essential component of the humanitarian and foreign policy of the United States.

(3) Prior to the beginning of each fiscal year, the President designates, in a Presidential Determination, a target number of refugees to be admitted to the United States under the United States Refugee Resettlement Program.

(4) Although the President authorized the admission of 70,000 refugees in fiscal year 2003, only 28,419 refugees were admitted.

(5) From fiscal year 1980 to fiscal year 2000, the average level of United States refugee admissions was slightly below 100,000 per year.

(6) The United States Government policy is to resettle the designated number of refugees each fiscal year. Congress expects the Department of State, the Department of Homeland Security, and the Department of Health and Human Services to implement the admission of 70,000 refugees as authorized by the President for fiscal year 2004.

(b)(1) The Secretary of State shall utilize private voluntary organizations with expertise in the protection needs of refugees in the processing of refugees overseas for admission and resettlement to the United States, and shall utilize such agencies in addition to the United Nations High Commissioner for Refugees in the identification and referral of refugees.

(2) The Secretary of State shall establish a system for accepting referrals of appropriate candidates for resettlement from local private, voluntary organizations and work to ensure that particularly vulnerable refugee groups receive special consideration for admission into the United States, including—

(A) long-stayers in countries of first asylum;
(B) unaccompanied refugee minors;
(C) refugees outside traditional camp settings; and

(D) refugees in woman-headed households.
(3) The Secretary of State shall give special consideration to—

(A) refugees of all nationalities who have close family ties to citizens and residents of the United States; and

(B) other groups of refugees who are of special concern to the United States.

(4) Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit a report to the appropriate congressional committees describing the steps that have been taken to implement this subsection.

(c) Not later than September 30, 2004, if the actual refugee admissions numbers do not conform with the authorized ceiling on the number of refugees who may be admitted, the Secretary of State, the Secretary of Homeland Security, and the Secretary of Health and Human Services shall report to Congress on the—

(1) execution and implementation of the refugee resettlement program; and

(2) reasons for the failure to resettle the maximum number of refugees.

ANNUAL REPORT ON INTERNATIONAL RELIGIOUS FREEDOM TO INCLUDE INFORMATION ON ANTI-SEMITISM AND OTHER RELIGIOUS INTOLERANCE

SEC. 696. Section 102(b)(1) of the International Religious Freedom Act of 1998 (22 U.S.C. 6412(b)(1)) is amended by adding at the end the following new subparagraph:

"(G) ACTS OF ANTI-SEMITISM AND OTHER RELIGIOUS INTOLERANCE.—A description for each foreign country of—

"(i) acts of violence against people of the Jewish faith and other faiths that occurred in that country;

"(ii) the response of the government of that country to such acts of violence; and

"(iii) actions by the government of that country to enact and enforce laws relating to the protection of the right to religious freedom with respect to people of the Jewish faith.

POST DIFFERENTIALS AND DANGER PAY
ALLOWANCES

SEC. 697. (a) Section 5925(a) of title 5, United States Code, is amended in the third sentence by inserting after "25 percent of the rate of basic pay" the following: "or, in the case of an employee of the United States Agency for International Development, 35 percent of the rate of basic pay".

(b) Section 5928 of title 5, United States Code, is amended by inserting after "25 percent of the basic pay of the employee" both places it appears the following: "or 35 percent of the basic pay of the employee in the case of an employee of the United States Agency for International Development".

(c) The amendments made by subsections (a) and (b) shall take effect on October 1, 2003, and shall apply with respect to post differentials and danger pay allowances paid for months beginning on or after that date.

SENSE OF CONGRESS ON CONTRACTING FOR
DELIVERY OF ASSISTANCE BY AIR

SEC. 698. It is the sense of Congress that the Administrator of the United States Agency for International Development should, to the maximum extent practicable and in a manner consistent with the use of full and open competition (as that term is defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6))), contract with small, domestic air transport providers for purposes of the delivery by air of assistance available under this Act.

SEC. 699. (a) Congress makes the following findings:

(1) International organizations and non-governmental observers, including the Organization for Security and Cooperation in Europe, the National Democratic Institute, and Human Rights Watch documented widespread government manipulation of the electoral process in advance of the Presidential election held in Azerbaijan on October 15, 2003.

(2) Such organizations and the Department of State reported widespread vote falsification during the election, including ballot stuffing, fraudulent additions to voter lists, and irregularities with vote tallies and found that election commission members from opposition parties were bullied into signing falsified vote tallies.

(3) The Department of State issued a statement on October 21, 2003 concluding that the irregularities that occurred during the elections "cast doubt on the credibility of the election's results".

(4) Human Rights Watch reported that government forces in Azerbaijan used excessive force against demonstrators protesting election fraud and that such force resulted in at least one death and injuries to more than 300 individuals.

(5) Following the elections, the Government of Azerbaijan arrested more than 330 individuals, many of whom are leaders and rank-and-file members of opposition parties in Azerbaijan, including individuals who served as observers and polling-station officials who refused to sign vote tallies from polling stations that the individuals believed were fraudulent.

(6) The national interest of the United States in promoting stability in the Caucasus and Central Asia and in winning the war on terrorism is best protected by maintaining relationships with democracies committed to the rule of law.

(7) The credible reports of fraud and intimidation cast serious doubt on the legitimacy of the October 15, 2003 Presidential election in Azerbaijan and on the victory of Ilham Aliiev in such election.

(b) It is the sense of Congress that—

(1) the President and the Secretary of State should urge the Government of Azerbaijan to create an independent commission, with participation from the Organization for Security and Cooperation in Europe and the Council of Europe, to investigate the fraud and intimidation surrounding the October 15, 2003 election in

Azerbaijan, and to hold a new election if such a commission finds that a new election is warranted;

(2) the violence that followed the election should be condemned and should be investigated in a full and impartial investigation;

(3) the perpetrators of criminal acts related to the election, including Azerbaijani police, should be held accountable; and

(4) the Government of Azerbaijan should immediately release from detention all members of opposition political parties who were arrested for peacefully expressing political opinions.

(c) Not later than 90 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Attorney General, shall submit a report to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee of Appropriations of the House of Representatives on the investigation of the murder of United States democracy worker John Alvis. Such report shall include—

(1) a description of the steps taken by the Government of Azerbaijan to further such investigation and bring to justice those responsible for the murder of John Alvis;

(2) a description of the actions of the Government of Azerbaijan to cooperate with United States agencies involved in such investigation; and

(3) any recommendations of the Secretary for furthering progress of such investigation.

REPORT ON SIERRA LEONE

SEC. 699A. Not later than 6 months after the date of enactment of this Act, the Administrator of the United States Agency for International Development shall submit a report to the Committee on Foreign Relations and Committee on Appropriations of the Senate and the Committee on International Relations and Committee on Appropriations of the House of Representatives on the feasibility of establishing a United States mission in Sierra Leone.

REPORT ON SOMALIA

SEC. 699B. (a) Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives a report on a strategy for engaging with competent and responsible authorities and organizations within Somalia, including in Somaliland, to strengthen local capacity and establish incentives for communities to seek stability.

(b) The report shall describe a multi-year strategy for—

(1) increasing access to primary and secondary education and basic health care services;

(2) supporting efforts underway to establish clear systems for effective regulation and monitoring of Somali hawala, or informal banking, establishments; and

(3) supporting initiatives to rehabilitate the livestock export sector in Somalia.

DESIGNATION OF THE GLOBAL FUND TO FIGHT
AIDS, TUBERCULOSIS AND MALARIA UNDER THE
INTERNATIONAL ORGANIZATIONS IMMUNITIES
ACT

SEC. 699C. The International Organizations Immunities Act (22 U.S.C. 288 et seq.) is amended by adding at the end the following new section:

"SEC. 16. The provisions of this title may be extended to the Global Fund to Fight AIDS, Tuberculosis and Malaria in the same manner, to the same extent, and subject to the same conditions, as they may be extended to a public international organization in which the United States participates pursuant to any treaty or under the authority of any Act of Congress authorizing such participation or making an appropriation for such participation."

GUINEA WORM ERADICATION PROGRAM

SEC. 699D. Of the funds made available in title II under the headings "CHILD SURVIVAL AND HEALTH PROGRAMS FUND" and "DEVELOPMENT ASSISTANCE", not less than \$5,000,000 may be made available for the Carter Center's Guinea Worm Eradication Program.

SEC. 699E. (a) Congress makes the following findings:

(1) The Islamic Republic of Iran is neither free nor fully democratic, and undemocratic institutions, such as the Guardians Council, thwart the will of the Iranian people.

(2) There is ongoing repression of journalists, students, and intellectuals in Iran, women in Iran are deprived of their internationally recognized human rights, and religious freedom is not respected under the laws of Iran.

(3) The Department of State asserted in its "Patterns of Global Terrorism 2002" report released on April 30, 2003, that Iran remained the most active state sponsor of terrorism and that Iran continues to provide funding, safe-haven, training, and weapons to known terrorist groups, notably Hizballah, HAMAS, the Palestine Islamic Jihad, and the Popular Front for the Liberation of Palestine.

(4) The International Atomic Energy Agency (IAEA) has found that Iran has failed to accurately disclose all elements of its nuclear program. The IAEA is engaged in efforts to determine the extent, origin and implications of Iranian nuclear activities that were not initially reported to the IAEA.

(5) There have been credible reports of Iran harboring Al Qaeda fugitives and permitting the passage of terrorist elements into Iraq.

(b) It is the sense of Congress that it should be the policy of the United States to—

(1) support transparent, full democracy in Iran;

(2) support the rights of the Iranian people to choose their system of government;

(3) condemn the brutal treatment and imprisonment and torture of Iranian civilians expressing political dissent;

(4) call upon the Government of Iran to comply fully with requests by the International Atomic Energy Agency for information and to immediately suspend all activities related to the development of nuclear weapons and their delivery systems;

(5) demand that Al Qaeda members be immediately turned over to governments requesting their extradition; and

(6) demand that Iran prohibit and prevent the passage of armed elements into Iraq and cease all activities to undermine the Iraqi Governing Council and the reconstruction of Iraq.

SEC. 699F. (a) None of the funds made available by title II under the heading "MIGRATION AND REFUGEE ASSISTANCE" or "UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND" to provide assistance to refugees or internally displaced persons may be provided to an organization that has failed to adopt a code of conduct consistent with the Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises six core principles for the protection of beneficiaries of humanitarian assistance.

(b) In administering the amounts made available for the accounts described in subsection (a), the Secretary of State and Administrator of the United States Agency for International Development shall incorporate specific policies and programs for the purpose of identifying specific needs of, and particular threats to, women and children at the various stages of a complex humanitarian emergency, especially at the onset of such emergency.

(c) Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate, the Committee on International Relations of the House of Representatives and the Committees on Appropriations a report on activities of the Government of the United States

to protect women and children affected by a complex humanitarian emergency. The report shall include—

- (1) an assessment of the specific protection needs of women and children at the various stages of a complex humanitarian emergency;
- (2) a description of which agencies and offices of the United States Government are responsible for addressing each aspect of such needs and threats; and
- (3) guidelines and recommendations for improving United States and international systems for the protection of women and children during a complex humanitarian emergency.

DEMOCRACY BUILDING IN CUBA

SEC. 699G. (a) Of the funds appropriated in title II, under the heading "TRANSITION INITIATIVES" not more than \$5,000,000 shall be available for individuals and independent nongovernmental organizations to support democracy-building efforts for Cuba, including the following:

- (1) Published and informational material, such as books, videos, and cassettes, on transitions to democracy, human rights, and market economics, to be made available to independent democratic groups in Cuba.
- (2) Humanitarian assistance to victims of political repression, and their families.
- (3) Support for democratic and human rights groups in Cuba.
- (4) Support for visits and permanent deployment of independent international human rights monitors in Cuba.

(b) In this section:

(1) The term "independent nongovernmental organization" means an organization that the Secretary of State determines, not less than 15 days before any obligation of funds made available under this section to the organization, is a charitable or nonprofit nongovernmental organization that is not an agency or instrumentality of the Cuban Government.

(2) The term "individuals" means a Cuban national in Cuba, including a political prisoner and the family of such prisoner, who is not an official of the Cuban Government or of the ruling political party in Cuba, as defined in section 4(10) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (22 U.S.C. 6023(10)).

(c) The notification requirements of section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394-1) shall apply to any allocation or transfer of funds made pursuant to this section.

RESPONSIBLE JUSTICE AND RECONCILIATION MECHANISMS IN CENTRAL AFRICA

SEC. 699H. (a) Of the funds appropriated under title II under the heading "ECONOMIC SUPPORT FUND", \$12,000,000 should be made available to support the development of responsible justice and reconciliation mechanisms in the Democratic Republic of the Congo, Rwanda, Burundi, and Uganda, including programs to increase awareness of gender-based violence and improve local capacity to prevent and respond to such violence.

SEC. 699I. Beginning not later than 60 days after the date of enactment of this Act, the Coordinator should make publicly available (including through posting on Internet web sites maintained by the Coordinator) prices paid to purchase HIV/AIDS pharmaceuticals, antiretroviral therapies, diagnostic and monitoring tests, and other appropriate medicines, including medicines to treat opportunistic infections, for the treatment of people with HIV/AIDS and the prevention of mother-to-child transmission of HIV/AIDS in developing countries—

- (1) through the use of funds appropriated under this Act; and
- (2) to the extent available, by—
 - (A) the World Health Organization; and
 - (B) the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

ASSISTANCE FOR HIV/AIDS

SEC. 699J. The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria

Act of 2003 (117 Stat. 711; 22 U.S.C. 7601 et seq.) is amended—

(1) in section 202(d)(4)(A), by adding at the end the following new clause:

"(vi) for the purposes of clause (i), 'funds contributed to the Global Fund from all sources' means funds contributed to the Global Fund at any time during fiscal years 2004 through 2008 that are not contributed to fulfill a commitment made for a fiscal year prior to fiscal year 2004.'";

(2) in section 202(d)(4)(B), by adding at the end the following new clause:

"(iv) Notwithstanding clause (i), after July 1 of each of the fiscal years 2004 through 2008, any amount made available under this subsection that is withheld by reason of subparagraph (A)(i) is authorized to be made available to carry out sections 104A, 104B, and 104C of the Foreign Assistance Act of 1961 (as added by title III of this Act)."; and

(3) in section 301(f), by inserting ", except that this subsection shall not apply to the Global Fund to Fight AIDS, Tuberculosis and Malaria or to any United Nations voluntary agency" after "trafficking".

GLOBAL AIDS ASSISTANCE

SEC. 699K. For an additional amount for "Global AIDS Initiative", \$289,000,000, to remain available until September 30, 2006, for programs for the prevention, treatment, and control of, and research on, HIV/AIDS, tuberculosis, and malaria, which may include additional contributions to the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

INTERNATIONAL MILITARY TRAINING ASSISTANCE FOR INDONESIA

SEC. 699L. (a) Subject to subsection (b), none of the funds appropriated under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" shall be made available for Indonesia, except that such prohibition shall not apply to expanded military education and training.

(b) The President may waive the application of subsection (a) if the President determines that important national security interests of the United States justify such a waiver and the President submits notice of such a waiver and justification to the Committees on Appropriations in accordance with the regular notification procedures of such Committees.

(c) Respect of the Indonesian military for human rights and the normalization of the military relationship between the United States and Indonesia is in the interests of both countries. The normalization process cannot begin until the Federal Bureau of Investigation has received full cooperation from the Government of Indonesia and the Indonesian armed forces with respect to its investigation into the August 31, 2002, murders of two American citizens and one Indonesian citizen in Timika, Indonesia, and the individuals responsible for those murders have been prosecuted and appropriately punished.

TECHNICAL CORRECTION RELATING TO THE ENHANCED HIPC INITIATIVE.

SEC. 699M. Section 1625(a)(1)(B)(ii) of the International Financial Institutions Act (as added by section 501 of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 (Public Law 108-25)) is amended by striking "subparagraph (A)" and inserting "clause (i)".

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2004".

THE CARE ACT

Mr. GRASSLEY. Mr. President, I rise to speak on the CARE Act. The CARE Act is the President's initiative to strengthen the work of charities in this country by providing greater incentives to give to nonprofits. Recent

newspaper accounts have noted that charitable giving has declined in the recent year. Clearly, the President is right to seek additional tax benefits for charitable giving.

I cannot improve upon the Democratic leader's own assessment at the time the CARE Act was passed by the Senate, when he said this:

This legislation, the CARE Act, expands our Nation's capacity to respond to the needs of its citizens who need help.

These are very fine words. Unfortunately, these words are not being translated into action. The Finance Committee passed the CARE Act on February 27 and it was passed by the full Senate on April 9. The other body passed the CARE Act earlier this fall. However, the Senate has been prevented from going to conference on this important legislation. The other side has repeatedly blocked efforts to take the traditional step of going to conference with the House to resolve outstanding matters and, in turn, then put the President's good goals into law.

While there have been many arguments and claims made by the other side about why we cannot go to conference on the CARE Act, they seem to have settled now on one, that the CARE Act is not going forward because of concerns that Democrat conferees from the Senate will not be able to meaningfully participate in this conference.

I think, at least in the case of any legislation coming out of the Finance Committee, that sort of argument is pure nonsense. There is nothing in the history of this specific act, the CARE Act, or my dealings with the other side, that would give the other side cause to suggest that they have justification to be concerned they would be shut out.

The CARE Act has at all times been a bipartisan effort, beginning with Senators SANTORUM and LIEBERMAN as the prime sponsors of this CARE Act. In addition, I have worked closely with Senator BAUCUS on this matter as well as other members of the Democratic side of the aisle. Many of the provisions of this bill are due to priorities and concerns voiced by the minority. I think it is fair to say that, as chairman, no one has gone further in working with and listening to the other side on matters that are of concern, not only in the CARE Act but in all legislation considered by the Finance Committee.

The relationship between Senator BAUCUS and I working cooperatively is too well known for the leadership on the other side to ignore. I intend that tradition of bipartisanship to continue in conference on the CARE Act. In fact, let me make it very clear. I give my word at this time, as at other times, that all conferees from the Senate will be meaningfully participating in the conference, and I am confident we will come back from conference with a bill that will enjoy similar strong bipartisan support enjoyed by the CARE Act when it first passed the Senate.