

promises to local communities that the Congress does not have a track record of keeping. The House of Representatives took a \$15 billion bill into negotiations with a \$14 billion bill from the Senate and instead of splitting the difference, emerged with a Washington compromise that costs over \$23 billion. This is not fiscally responsible, particularly when local communities have been waiting for funding for projects already in the pipeline. The bill's excessive authorization for over 900 projects and programs exacerbates the massive backlog of ongoing Corps construction projects, which will require an additional \$38 billion in future appropriations to complete.

This bill does not set priorities. The authorization and funding of Federal water resources projects should be focused on those projects with the greatest merit that are also a Federal responsibility. My Administration has repeatedly urged the Congress to authorize only those projects and programs that provide a high return on investment and are within the three main missions of the Corps' civil works program: facilitating commercial navigation, reducing the risk of damage from floods and storms, and restoring aquatic ecosystems. This bill does not achieve that goal. This bill promises hundreds of earmarks and hinders the Corps' ability to fulfill the Nation's critical water resources needs—including hurricane protection for greater New Orleans, flood damage reduction for Sacramento, and restoration of the Everglades—while diverting resources from the significant investments needed to maintain existing Federal water infrastructure. American taxpayers should not be asked to support a pork-barrel system of Federal authorization and funding where a project's merit is an afterthought.

I urge the Congress to send me a fiscally responsible bill that sets priorities. Americans sent us to Washington to achieve results and be good stewards of their hard-earned taxpayer dollars. This bill violates that fundamental commitment. For the reasons outlined above, I must veto H.R. 1495.

GEORGE W. BUSH.

THE WHITE HOUSE, November 2, 2007.

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the veto message and the bill will be printed as a House document.

Pursuant to the order of the House of Thursday, November 1, 2007, further consideration of the veto message and the bill will be postponed until tomorrow.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the

vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6:30 p.m. today.

STOP TUBERCULOSIS (TB) NOW ACT OF 2007

Mr. ENGEL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1567) to amend the Foreign Assistance Act of 1961 to provide increased assistance for the prevention, treatment, and control of tuberculosis, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1567

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stop Tuberculosis (TB) Now Act of 2007".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Tuberculosis is one of the greatest infectious causes of death of adults worldwide, killing 1.6 million people per year—one person every 20 seconds.

(2) One-third of the world's population is infected with the tuberculosis bacterium and an estimated 8.8 million individuals develop active tuberculosis each year.

(3) Tuberculosis is the leading infectious killer among individuals who are HIV-positive due to their weakened immune systems, and it is estimated that one-third of people with HIV infection have tuberculosis.

(4) Today, tuberculosis is a leading killer of women of reproductive age.

(5) There are 22 countries that account for 80 percent of the world's burden of tuberculosis. The People's Republic of China and India account for 36 percent of all estimated new tuberculosis cases each year.

(6) Driven by the HIV/AIDS pandemic, incidence rates of tuberculosis in Africa have more than doubled on average since 1990. The problem is so pervasive that in August 2005, African Health Ministers and the World Health Organization (WHO) declared tuberculosis to be an emergency in Africa.

(7) The wide extent of drug resistance, including both multi-drug resistant tuberculosis (MDR-TB) and extensively drug resistant tuberculosis (XDR-TB), represents both a critical challenge to the global control of tuberculosis and a serious worldwide public health threat. XDR-TB, which is characterized as being MDR-TB with additional resistance to multiple second-line anti-tuberculosis drugs, is associated with worst treatment outcomes of any form of tuberculosis. XDR-TB is converging with the HIV epidemic, undermining gains in HIV prevention and treatment programs and requires urgent interventions. Drug resistance surveillance reports have confirmed the serious scale and spread of tuberculosis with XDR-TB strains confirmed on six continents. Demonstrating the lethality of XDR-TB, an initial outbreak in Tugela Ferry, South Africa, in 2006 killed 52 of 53 patients with hundreds more cases reported since that time. Of the world's regions, sub-Saharan Africa, faces the greatest gap in capacity to prevent, find, and treat XDR-TB.

(8) With more than 50 percent of tuberculosis cases in the United States attributable to foreign-born individuals and with the increase in international travel, commerce, and migration, elimination of tuberculosis in the United States depends on ef-

forts to control the disease in developing countries. Recent research has shown that to invest in tuberculosis control abroad, where treatment and program costs are significantly cheaper than in the United States, would be a cost-effective strategy to reduce tuberculosis-related morbidity and mortality domestically.

(9) The threat that tuberculosis poses for Americans derives from the global spread of tuberculosis and the emergence and spread of strains of multi-drug resistant tuberculosis and extensively drug resistant tuberculosis, which are far more deadly, and more difficult and costly to treat.

(10) DOTS (Directly Observed Treatment Short-course) is one of the most cost-effective health interventions available today and is a core component of the new Stop TB Strategy.

(11) The Stop TB Strategy, developed by the World Health Organization, builds on the success of DOTS and ongoing challenges so as to serve all those in need and reach targets for prevalence, mortality, and incidence reduction. The Stop TB Strategy includes six components:

(A) Pursuing high-quality expansion and enhancement of DOTS coverage.

(B) Implementing tuberculosis and HIV collaborative activities, preventing and controlling multi-drug resistant tuberculosis, and addressing other special challenges.

(C) Contributing to the strengthening of health systems.

(D) Engaging all health care providers, including promotion of the International Standards for Tuberculosis Care.

(E) Empowering individuals with tuberculosis and communities.

(F) Enabling and promoting research to develop new diagnostics, drugs, vaccines, and program-based operational research relating to tuberculosis.

(12) The Global Plan to Stop TB 2006-2015: Actions for Life is a comprehensive plan developed by the Stop TB Partnership that sets out the actions necessary to achieve the millennium development goal of cutting tuberculosis deaths and disease burden in half by 2015 and thus eliminate tuberculosis as a global health problem by 2050.

(13) While innovations such as the Global Tuberculosis Drug Facility have enabled low-income countries to treat a standard case of tuberculosis with drugs that cost as little as \$16 for a full course of treatment, there are still millions of individuals with no access to effective treatment.

(14) As the global resource investment in fighting tuberculosis increases, partner nations and international institutions must commit to a corresponding increase in the technical and program assistance necessary to ensure that the most effective and efficient tuberculosis treatments are provided.

(15) The Global Fund to Fight AIDS, Tuberculosis and Malaria is an important global partnership established to combat these three infectious diseases that together kill millions of people a year. Expansion of effective tuberculosis treatment programs constitutes a major component of Global Fund investment, along with integrated efforts to address HIV and tuberculosis in areas of high prevalence.

(16) The United States Agency for International Development and the Centers for Disease Control and Prevention are actively involved with global tuberculosis control efforts. Because the global tuberculosis epidemic directly impacts tuberculosis in the United States, Congress has urged the Centers for Disease Control and Prevention each year to increase its involvement with international tuberculosis control efforts.

(17) The United States Agency for International Development is the lead United

States Government agency for international tuberculosis efforts, working in close partnership with the Centers for Disease Control and Prevention and with the President's Emergency Plan for HIV/AIDS Relief. The goal of the United States Agency for International Development is to contribute to the global reduction of morbidity and mortality associated with tuberculosis by building country capacity to prevent and cure tuberculosis and achieve global targets of 70 percent case detection and 85 percent treatment success rates. The United States Agency for International Development provides support for tuberculosis programs in countries that have a high burden of tuberculosis, a high prevalence of tuberculosis and HIV, and a high risk of MDR-TB.

SEC. 3. ASSISTANCE TO COMBAT TUBERCULOSIS.

(a) POLICY.—Subsection (b) of section 104B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b-3) is amended to read as follows:

“(b) POLICY.—It is a major objective of the foreign assistance program of the United States to control tuberculosis. In all countries in which the Government of the United States has established development programs, particularly in countries with the highest burden of tuberculosis and other countries with high rates of tuberculosis, the United States Government should prioritize the achievement of the following goals by not later than December 31, 2015:

“(1) Reduce by half the tuberculosis death and disease burden from the 1990 baseline.

“(2) Sustain or exceed the detection of at least 70 percent of sputum smear-positive cases of tuberculosis and the cure of at least 85 percent of those cases detected.”.

(b) AUTHORIZATION.—Subsection (c) of such section is amended—

(1) in the heading, by striking “AUTHORIZATION” and inserting “ASSISTANCE REQUIRED”; and

(2) by striking “is authorized to” and inserting “shall”.

(c) PRIORITY TO STOP TB STRATEGY.—Subsection (e) of such section is amended—

(1) in the heading, to read as follows: “PRIORITY TO STOP TB STRATEGY.—”;

(2) in the first sentence, by striking “In furnishing” and all that follows through “, including funding” and inserting the following:

“(1) PRIORITY.—In furnishing assistance under subsection (c), the President shall give priority to—

“(A) activities described in the Stop TB Strategy, including expansion and enhancement of DOTS coverage, treatment for individuals infected with both tuberculosis and HIV and treatment for individuals with multi-drug resistant tuberculosis (MDR-TB), strengthening of health systems, use of the International Standards for Tuberculosis Care by all providers, empowering individuals with tuberculosis, and enabling and promoting research to develop new diagnostics, drugs, and vaccines, and program-based operational research relating to tuberculosis; and

“(B) funding”; and

(3) in the second sentence—

(A) by striking “In order to” and all that follows through “not less than” and inserting the following:

“(2) AVAILABILITY OF AMOUNTS.—In order to meet the requirements of paragraph (1), the President—

“(A) shall ensure that not less than”;

(B) by striking “for Directly Observed Treatment Short-course (DOTS) coverage and treatment of multi-drug resistant tuberculosis using DOTS-Plus,” and inserting “to implement the Stop TB Strategy; and”; and

(C) by striking “including” and all that follows and inserting the following:

“(B) should ensure that not less than \$15,000,000 of the amount made available to

carry out this section for a fiscal year is used to make a contribution to the Global Tuberculosis Drug Facility.”.

(d) ASSISTANCE FOR WHO AND THE STOP TUBERCULOSIS PARTNERSHIP.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

“(f) ASSISTANCE FOR WHO AND THE STOP TUBERCULOSIS PARTNERSHIP.—In carrying out this section, the President, acting through the Administrator of the United States Agency for International Development, is authorized to provide increased resources to the World Health Organization (WHO) and the Stop Tuberculosis Partnership to improve the capacity of countries with high rates of tuberculosis and other affected countries to implement the Stop TB Strategy and specific strategies related to addressing extensively drug resistant tuberculosis (XDR-TB).”.

(e) DEFINITIONS.—Subsection (g) of such section, as redesignated by subsection (d)(1), is amended—

(1) in paragraph (1), by adding at the end before the period the following: “, including low cost and effective diagnosis and evaluation of treatment regimes, vaccines, and monitoring of tuberculosis, as well as a reliable drug supply, and a management strategy for public health systems, with health system strengthening, promotion of the use of the International Standards for Tuberculosis Care by all care providers, bacteriology under an external quality assessment framework, short-course chemotherapy, and sound reporting and recording systems”; and

(2) by adding after paragraph (5) the following new paragraph:

“(6) STOP TB STRATEGY.—The term ‘Stop TB Strategy’ means the six-point strategy to reduce tuberculosis developed by the World Health Organization. The strategy is described in the Global Plan to Stop TB 2007–2016: Actions for Life, a comprehensive plan developed by the Stop Tuberculosis Partnership that sets out the actions necessary to achieve the millennium development goal of cutting tuberculosis deaths and disease burden in half by 2016.”.

(f) ANNUAL REPORT.—Clause (iii) of section 104A(e)(2)(C) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b-2(e)(2)(C)) is amended by adding at the end before the semicolon the following: “, including the percentage of such United States foreign assistance provided for diagnosis and treatment of individuals with tuberculosis in countries with the highest burden of tuberculosis, as determined by the World Health Organization (WHO).”.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President not more than \$400,000,000 for fiscal year 2008 and not more than \$550,000,000 for fiscal year 2009 to carry out section 104B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b-3), as amended by subsections (a) through (e) of this section.

(2) FUNDING FOR CDC.—Of the amounts appropriated pursuant to the authorization of appropriations under paragraph (1), not more than \$70,000,000 for fiscal year 2008 and not more than \$100,000,000 for fiscal year 2009 shall be made available for the purpose of carrying out global tuberculosis activities through the Centers for Disease Control and Prevention.

(3) ADDITIONAL PROVISIONS.—Amounts appropriated pursuant to the authorization of appropriations under paragraph (1) and amounts made available pursuant to paragraph (2)—

(A) are in addition amounts otherwise made available for such purposes; and

(B) are authorized to remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. ENGEL) and the gentleman from Arkansas (Mr. BOOZMAN) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. ENGEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in strong support of this bill. H.R. 1567, the Stop TB Now Act, which I introduced with my colleagues, the gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from Washington (Mr. SMITH), has 106 bipartisan cosponsors, and I am proud it is moving forward today. It is a very, very important and timely bill.

International tuberculosis control has become an important issue to me. It is remarkable in this day and age, with treatment available, that TB is the biggest infectious killer of young women in the world. In fact, TB kills more women worldwide than all causes of maternal mortality. As you know, tuberculosis is also the biggest killer of people with AIDS worldwide. Someone in the world is newly infected with TB every second, and TB counts for more than one-quarter of all preventable adult deaths in developing countries.

I strongly believe that the global community, with the United States in the lead, must do more to adequately address this disease by investing in quality TB control programs, using the groundbreaking Global Plan to Stop TB as a guide. It is for this reason that I have introduced this bill, the Stop TB Now Act, which will set forth the U.S. fair share towards achieving the goals of the Global Plan.

I believe if we don't make bold and wise investments in international tuberculosis control, not only will we fail to save millions of lives and miss out on the many accompanying benefits of controlling this killer, but also that this disease will become far more difficult and costly to treat.

Extremely drug-resistant TB, or XDR-TB for short, highlights this danger. It has been found on six continents, is a growing epidemic in southern Africa, and is already reported to be here in the U.S. Regular, or non-drug-resistant, TB is curable with drugs that cost just \$16 in most developing countries.

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Cases of drug-resistant TB, however, can cost thousands of dollars to cure,

with treatment that is far more difficult for patients and practitioners. Drug-resistant tuberculosis is a man-made problem and is caused by poor TB treatment. We, the global community, have the power to prevent drug-resistant TB and the power to treat and control regular TB, and yet, unfortunately, we have chosen not to do so by our inaction.

Through aggressive, committed leadership, the U.S. has proven that it is feasible to massively scale-up our investment to fight HIV/AIDS and malaria, and well we should. We have increased funding to fight AIDS from \$840 million in 2001 to \$2.9 billion in 2004, to over \$4.4 billion in the House Foreign Operations bill in fiscal year 2008.

U.S. funding for malaria efforts increased from \$100 million in 2006 to an administration request of \$387 million for fiscal year 2008, with a House Foreign Operations level of \$350 million.

Even our response to the potential threat of avian flu has been aggressive, from just \$4 million a few years ago to \$100 million in the Foreign Operations budget for fiscal year 2008 and an additional \$160 million in the fiscal year 2007 supplemental.

However, only tuberculosis, the greatest curable infectious killer on the planet, has been left behind, and we must correct that, and that's the purpose of this legislation.

Because of our chronic neglect of tuberculosis, this disease is not only responsible for the preventable deaths of some 4,000 people every day, it is undermining our enormous efforts and billions in investments to fight AIDS. Tuberculosis is the leading killer of people with AIDS. Through U.S. leadership, we are seeing increasing numbers of AIDS patients access life-saving antiretroviral therapy, but they're not dying of AIDS. They're dying instead of tuberculosis. And what a shame that is and how ridiculous it is when we have the power to stop and end it. And more recently, people have been dying in large numbers in southern Africa due to drug-resistant TB.

While the President's AIDS initiative has made commendable scale-ups in TB and HIV efforts, they are still, in my opinion, grossly insufficient. Much of PEPFAR's scale-up supports testing tuberculosis patients for HIV and ensuring that TB and AIDS programs work together. It's very important. I'm glad we're doing it, but it's not addressing the core TB program needs. And PEPFAR's TB-HIV efforts are focused on those co-infected with both diseases and mostly in Africa, again, while commendable, but TB is a global problem and we need to combat it everywhere.

The costs of inaction are greater than the costs laid out in this bill. This past spring, it became clearer than ever that tuberculosis knows no border when a gentleman named Andrew Speaker, an attorney from Atlanta, traveled across the globe and came back to the United States with a high-

ly resistant form of TB. We all remember that. Many of us were shocked by it.

Being from New York, I'm very familiar with what happens when TB control is neglected. In the late 1980s to the early 1990s, the City of New York paid a dear price for its failure to invest adequately in tuberculosis control. The city, along with many other areas of the country at the time, experienced an epidemic of tuberculosis. In this case, the epidemic was a multidrug-resistant TB, which inevitably develops in the absence of basic TB control. New York City launched an aggressive tuberculosis control campaign and brought down its burden of drug-resistant TB. The cost to the city? Over \$1 billion to control some 300 cases, far higher than it would have been and it would have cost to prevent the situation in the first place. Tuberculosis is not just a global issue, but as we can see, it's certainly a local one as well.

When it comes to tuberculosis, Mr. Speaker, we simply cannot afford to maintain the status quo. The resources authorized in this bill represent a realistic and urgently needed increase in funding for global TB control based on the needs laid out in a costed-out, comprehensive business plan. The cost of inaction is much, much greater.

In conclusion, I would especially like to pay tribute to our former colleague, Senator Sherrod Brown, who was a champion of global tuberculosis efforts during his time in the House. He's doing this great work as well now in the Senate.

I would also like to thank the many groups whose advocacy helped bring the Stop TB Now Act to the floor, particularly RESULTS and the American Thoracic Society.

Finally, I would like to thank Chairman LANTOS, Congressman PAYNE and their staffs for their unflinching support for tuberculosis control and this legislation and to the Energy and Commerce Committee and Mr. DINGELL for expediting consideration of this bill. I'm proud to serve on both the Foreign Affairs and the Energy and Commerce Committee, the two committees that have jurisdiction on this bill.

Again, this is truly a bipartisan bill. I wish to thank the ranking member, Ms. ROS-LEHTINEN, and all the people, all the colleagues who have cooperated on both sides of the aisle because only by working together can we get at the scourge of TB.

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

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

The bill before us, H.R. 1567, the Stop Tuberculosis Act of 2007, has been put forward by its supporters to provide a very significant increase in our foreign aid spending on anti-TB programs abroad.

If we rely on figures gathered with the assistance of the Congressional Research Service, the bill would raise our

spending on such programs through the U.S. Agency for International Development by about six times in the next 2 years.

According to a brief letter received late last week from the Congressional Budget Office, the bill would increase such spending somewhat less, by somewhere between two and three times in the next 2-year period.

Although it is possible that the latter estimate by CBO may inadvertently have included in its baseline comparison current funding levels for some anti-TB programs outside of the scope of this bill, it is clear that this measure seeks a major increase in the AID programs it covers.

Along those lines, the bill strongly encourages, if not directs, the President to ensure that the funds that would be provided under this bill will be transferred to the World Health Organization's "Stop TB Partnership" plan.

Finally, the funding amounts in the bill have apparently been formulated using a calculation meant to reflect what the United States' fair share might be in funding that international plan.

Mr. Speaker, I recognize the determination of the supporters of this measure to do more to combat TB overseas.

On a personal note, my mother was afflicted with tuberculosis when she was in her mid to late teens and was on her back for a year, just didn't get out of bed. So we understand the importance of eradicating TB, not only worldwide but in the United States. She's done well, though. By coincidence, this is her 86th birthday, and so she recovered fully.

I also want to thank Congressman ENGEL for his work on this. I know that he's worked very, very hard, and also Congresswoman HEATHER WILSON of New Mexico.

With that, we don't have any more speakers, and if you all don't, I will yield back.

Do you have some more speakers?

Mr. ENGEL. I have no further speakers, but I would like to respond a bit to some of the points that you made.

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

Mr. ENGEL. Mr. Speaker, I yield myself as much time as I may consume.

I thank my colleague, and I just want to let him know and let my colleagues know that we worked together with Senator LUGAR, who's the ranking member of the Senate Foreign Relations Committee, and we specified that the funding would be a ceiling, not a floor.

The bill appropriates up to \$400 million in 2008 and up to \$550 million in 2009, including global activities to be carried out by USAID and CDC. So that's what we did. We negotiated it so we wouldn't necessarily spend all the money. We would spend up to that amount of money, and that would be the limit, but it would not be the

money that we would spend if we didn't need to spend it.

We worked closely with WHO, CDC and USAID, and the overall global number is derived from Stop TB Partnership's Global Plan to Stop TB 2006 through 2015, of which WHO is a partner and USAID is the current Chair of the Stop TB Partnership's coordinating board. The plan is well documented, detailed, costed out, and again, builds up from country estimates and was reviewed in an exhaustive process.

Finally and furthermore, the World Health Organization developed and released a "Global MDR-TB and XDR-TB Response Plan" that supplements the need calculated by the Global Plan's need in light of the outbreak of drug-resistant TB.

USAID and the CDC work together globally and both have agreed to this coordination of funding, and again, we have a ceiling of what we spend and not a floor.

So, again, I thank my colleague.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. ENGEL) that the House suspend the rules and pass the bill, H.R. 1567, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EURASIA FOUNDATION ACT

Mr. ENGEL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2949) to authorize grants to the Eurasia Foundation, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2949

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Eurasia Foundation Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) There has been established in the District of Columbia a private, nonprofit corporation known as the Eurasia Foundation (hereafter in this Act referred to as the "Foundation"), which is not an agency or establishment of the United States Government.

(2) In recognition of the valuable contributions of the Foundation to long-range United States foreign policy interests, the United States Government has, through the United States Agency for International Development and the Department of State, provided financial support for the Foundation.

(3) It is in the interest of the United States, and the further strengthening of cooperation with the countries of Eurasia, to establish a more permanent mechanism for United States Government financial support

for the ongoing activities of the Foundation, while preserving the independent character of the Foundation.

(b) PURPOSES.—The purposes of the Foundation are—

(1) to promote civil society, private enterprise, and sound public administration and policy in the countries of Eurasia and in lending encouragement and assistance to citizens of such countries in their own efforts to develop more open, just, and democratic societies;

(2) to strengthen indigenous institutions that foster national development, constructive social change, equitable economic growth, and cooperative international relationships that are fully consistent with and supportive of long-term United States interests with respect to the countries of Eurasia; and

(3) to conduct programs in response to initiatives in the countries of Eurasia that would be difficult or impossible for an official United States entity, and, as a result of its position in the countries of Eurasia, to respond quickly and flexibly to meet new opportunities.

SEC. 3. GRANTS TO THE FOUNDATION.

(a) GRANTS REQUIRED.—

(1) IN GENERAL.—The Secretary of State shall make an annual grant to the Foundation to enable the Foundation to carry out its purposes as specified in section 2(b).

(2) ADDITIONAL REQUIREMENTS.—Each grant required under paragraph (1)—

(A) shall be made with funds specifically appropriated for grants to the Foundation; and

(B) shall be made pursuant to a grant agreement between the Secretary and the Foundation which—

(i) requires that grant funds will only be used for activities the Board of Directors of the Foundation determines are consistent with the purposes described in section 2(b), and that the Foundation will otherwise comply with the requirements of this Act; and

(ii) may not require the Foundation to comply with requirements other than those specified in this Act.

(b) USE OF FUNDS.—The Foundation may use funds received under a grant described in subsection (a) to carry out the purposes described in section 2(b).

(c) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to make the Foundation an agency or establishment of the United States Government or to make the members of the Board of Directors of the Foundation, or the officers or employees of the Foundation, officers or employees of the United States.

(d) OVERSIGHT.—The Foundation and its grantees shall be subject to the appropriate oversight procedures of Congress.

(e) OTHER FUNDING.—The Foundation shall have authority to accept funding from non-United States Government sources to complement United States Government funding.

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

(1) a robust Foundation, funded at the levels authorized under section 6 of this Act, and at appropriate levels in subsequent fiscal years, can contribute significantly to the political, economic, and social development of democracy and human rights in the countries of Eurasia;

(2) notwithstanding the Foundation's distinguished record of performance, organizations that seek competitive grants typically perform in a more transparent and effective manner; and

(3) to the maximum extent possible, the Foundation should seek competitive grants to supplement appropriations from the United States Government, and at least 20

percent of the funding received in each fiscal year by the Foundation should be from non-United States Government sources to ensure continued strong performance of the Foundation.

SEC. 4. ELIGIBILITY OF THE FOUNDATION FOR GRANTS.

(a) COMPLIANCE WITH STATUTORY REQUIREMENTS.—Grants may be made to the Foundation under this Act only if the Foundation agrees to comply with the requirements specified in this section and elsewhere in this Act.

(b) FUNDING FOR COVERED PROGRAMS ONLY.—The Foundation may provide funding only for programs that are consistent with the purposes set forth in section 2(b).

(c) COMPENSATION FOR OFFICERS AND EMPLOYEES OF THE FOUNDATION.—If an individual who is an officer or employee of the United States Government serves as a member of the Board of Directors or as an officer or employee of the Foundation, that individual may not receive any compensation or travel expenses in connection with service performed for the Foundation.

(d) PROHIBITION RESPECTING FINANCIAL MATTERS.—The Foundation shall not issue any shares of stock or declare or pay any dividends. No part of the assets of the Foundation shall inure to the benefit of any member of the Board of Directors of the Foundation, any officer or employee of the Foundation, or any other individual, except as salary or reasonable compensation for expenses incurred in the performance of duties to the Foundation.

(e) AUDIT OF ACCOUNTS; REPORTING REQUIREMENTS.—

(1) AUDIT OF ACCOUNTS.—The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States.

(2) REPORTING REQUIREMENTS.—The report of each such independent audit shall be included in the annual report required by subsection (h) of this section. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Foundation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Foundation's income and expenses during the year, and a statement of the application of funds, together with the independent auditor's opinion of those statements.

(f) AUDIT OF FINANCIAL TRANSACTIONS.—

(1) AUDIT OF FINANCIAL TRANSACTIONS.—The financial transactions of the Foundation for each fiscal year may be audited by the Government Accountability Office in accordance with such principles and procedures and under such rules and regulations as may be prescribed by the Comptroller General of the United States.

(2) REPORTING REQUIREMENTS.—A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform the Congress of the financial operations and condition of the Foundation, together with such recommendations with respect thereto as the Comptroller General may deem advisable. A copy of each report shall be furnished to the President and to the Foundation at the time submitted to the Congress.

(g) RECORDKEEPING REQUIREMENTS; AUDIT AND EXAMINATION OF BOOKS.—

(1) RECORDKEEPING REQUIREMENTS.—The Foundation shall ensure that each recipient